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**As filed with the Securities and Exchange Commission on September 7, 2018**

**Registration No. 333-**

# SECURITIES AND EXCHANGE COMMISSION
## WASHINGTON, D.C. 20549

# FORM F-1
# REGISTRATION STATEMENT
## *UNDER*
## *THE SECURITIES ACT OF 1933*

# Studio City International Holdings Limited
**(Exact name of Registrant as specified in its charter)**

**Not Applicable**
**(Translation of Registrant's name into English)**

| **Cayman Islands*** | **7011** | **Not Applicable** |
|---|---|---|
| **(State or other jurisdiction of incorporation or organization)** | **(Primary Standard Industrial Classification Code Number)** | **(I.R.S. Employer Identification Number)** |

**[36/F, The Centrium**
**60 Wyndham Street**
**Hong Kong]**
**[+852 2598-3600]**
**(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)**

**Cogency Global Inc.**
**10 East 40th Street, 10th Floor**
**New York, NY 10016**
**(800) 221-0102**
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**Approximate date of commencement of proposed sale to the public:** as soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933.

Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

**CALCULATION OF REGISTRATION FEE**

| **Title of each class of securities to be registered** | **Proposed maximum aggregate offering price(2)(3)** | **Amount of registration fee** |
|---|---|---|
| Class A ordinary shares, par value US$0.0001 per share(1) | US$115,000,000 | US$14,317.50 |

(1) American depositary shares issuable upon deposit of the Class A ordinary shares registered hereby will be registered under a separate registration statement on Form F-6 (Registration No. 333- ). Each American depositary share represents Class A ordinary shares.

(2) Includes Class A ordinary shares initially offered and sold outside the United States that may be resold from time to time in the United States either as part of their distribution or within 40 days after the later of the effective date of this registration statement and the date the Class A ordinary shares are first bona fide offered to the public, and also includes Class A ordinary shares that may be purchased by the underwriters pursuant to an option to purchase additional ADSs. These Class A ordinary shares are not being registered for the purpose of sales outside the United States.

(3) Estimated solely for the purpose of determining the amount of registration fee in accordance with Rule 457(o) under the Securities Act of 1933.

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to such Section 8(a), may determine.**

* Prior to the completion of this offering, Studio City International Holdings Limited will undergo a series of organizational transactions, as a part of which it will redomicile by way of continuation as an exempted company incorporated with limited liability under the laws of the Cayman Islands.

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**The information in this preliminary prospectus is not complete and may be changed. We may not sell the securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and we are not soliciting any offer to buy these securities in any jurisdiction where such offer or sale is not permitted.**

**Subject to Completion, Dated , 2018**

**American Depositary Shares**

# Studio City International Holdings Limited

**Representing Class A Ordinary Shares**

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This is an initial public offering of American depositary shares, or ADSs, by Studio City International Holdings Limited. We are offering ADSs to be sold in the offering. Each ADS represents Class A ordinary shares, or SC Class A Shares.

Prior to this offering, there has been no public market for the ADSs or SC Class A Shares. We anticipate the initial public offering price will be between US$ and US$ per ADS. We have applied to list the ADSs on the New York Stock Exchange under the symbol "MSC."

Upon completion of this offering, we will have two authorized classes of ordinary shares: SC Class A Shares and Class B ordinary shares, or SC Class B Shares. Holders of the SC Class A Shares and SC Class B Shares are entitled to one vote per share and will vote together as a single class on all matters presented to our shareholders for their vote or approval, except as otherwise required by applicable law or our memorandum of association and articles of association. Holders of the SC Class B Shares do not have any right to receive dividends or distributions upon our liquidation or winding up or to otherwise share in the profits or surplus assets of the Company.

Upon completion of this offering, the investors in this offering will collectively own ADSs, representing SC Class A Shares and a % voting and economic interest in our company. As described under "Use of Proceeds," we will contribute the net proceeds from this offering to our subsidiary, MSC Cotai Limited, or MSC Cotai, in exchange for ordinary shares of MSC Cotai, or MSC Cotai Shares. MCE Cotai Investments Limited, or MCE Cotai, will own 108,767,640 SC Class A Shares, representing a % voting and economic interest in Studio City International. New Cotai will own 72,511,760 SC Class B Shares, representing a % voting, non-economic interest in our company. New Cotai will also have a participation interest, or Participation Interest, in MSC Cotai, which will entitle New Cotai to receive from MSC Cotai an amount equal to % of the amount of any distribution, dividend or other consideration paid by MSC Cotai to us, subject to adjustments, exceptions and conditions. Immediately following the conclusion of this offering, SC Class A Shares will collectively represent approximately % of the voting power in our company and SC Class B Shares will collectively represent approximately % of the voting power in our company.

Following the completion of this offering and the Assured Entitlement Distribution, we will be a "controlled company" within the meaning of the New York Stock Exchange corporate governance rules because Melco Resorts, through MCE Cotai, will hold % of our then outstanding SC Class A Shares, assuming the underwriters do not exercise their over-allotment option, or % of our then outstanding SC Class A Shares if the underwriters exercise their over-allotment option in full. See "Principal Shareholders."

***Investing in the ADSs involves a high degree of risk. See "Risk Factors" beginning on page 22.***

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**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

| | Per ADS | Total |
|---|---|---|
| Initial public offering price | US$ | US$ |
| Underwriting discounts and commissions(1) | US$ | US$ |
| Proceeds, before expenses, to us | US$ | US$ |

(1) For a description of compensation payable to the underwriters, see "Underwriting."

The underwriters have an option to purchase up to an additional ADSs from us at the initial public offering price, less the underwriting discounts and commissions, within 30 days from the date of this prospectus.

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The underwriters expects to deliver the ADSs against payment in U.S. Dollars in New York, New York, to purchasers on or about , 2018.

**Deutsche Bank Securities** **Credit Suisse** **Morgan Stanley**

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Prospectus dated , 2018

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**We have not authorized anyone to provide any information other than that contained in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we may have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We and the underwriters have not authorized any other person to provide you with different or additional information. We are offering to sell, and seeking offers to buy, the ADSs offered hereby, but only under circumstances and in jurisdictions where offers and sales are permitted and lawful to do so. The information contained in this prospectus is current only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the ADSs.**

Neither we nor any of the underwriters have taken any action that would permit a public offering of the ADSs outside the United States or permit the possession or distribution of this prospectus or any related free-writing prospectus outside the United States. Persons outside the United States who come into possession of this prospectus or any related free-writing prospectus must inform themselves about and observe any restrictions relating to the offering of the ADSs and the distribution of the prospectus outside the United States.

**Until , 2018 (the 25th day after the date of this prospectus), all dealers that buy, sell or trade ADSs, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.**

## PROSPECTUS SUMMARY

*The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information, financial statements and related notes appearing elsewhere in this prospectus. In addition to this summary, we urge you to read the entire prospectus carefully, especially the risks of investing in the ADSs discussed under "Risk Factors," before deciding whether to buy the ADSs.*

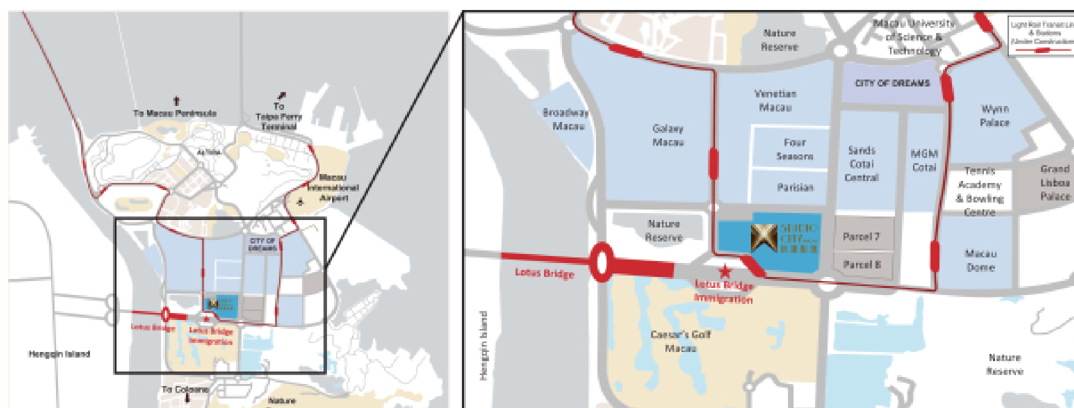
### Our Business

Studio City is a world-class gaming, retail and entertainment resort located in Cotai, Macau. Studio City Casino has 250 mass market gaming tables and approximately 970 gaming machines, which we believe provide higher margins and attractive long-term growth opportunities. The mass market focus of Studio City Casino is complemented with junket and premium direct VIP rolling chip operations, which include 45 VIP rolling chip tables. Our cinematically-themed integrated resort is designed to attract a wide range of customers by providing highly differentiated non-gaming attractions, including the world's first figure-8 Ferris wheel, a Warner Bros.-themed family entertainment center, a 4-D Batman flight simulator, an exclusive night club and a 5,000-seat live performance arena. Studio City features approximately 1,600 luxury hotel rooms, diverse food and beverage establishments and approximately 35,000 square meters (approximately 377,000 square feet) of complementary retail space. Studio City was named *Casino/Integrated Resort of the Year* in 2016 by the International Gaming Awards.

Macau is the world's largest gaming market, with gross gaming revenue in 2017 approximately 5.1 times that of the Las Vegas Strip and approximately 7.2 times that of Singapore, according to the Gaming Inspection and Coordination Bureau, or DICJ, the Nevada Gaming Control Board and Bloomberg Intelligence. The recent growth of the Macau gaming market has been robust, with gross gaming revenue increasing by 17.5% compared to the prior year period for the first eight months of 2018 to US$25.2 billion, and monthly gross gaming revenue

growing for each of the 25 months from August 2016 to August 2018 on a year-on-year basis, according to the DICJ.

Macau is also a limited gaming concession market, with only six gaming concessions and subconcessions currently granted by the local government. We believe we are well-positioned to take advantage of this large and growing, supply-constrained market.




Studio City is strategically located in Cotai, as the only property directly adjacent to the Lotus Bridge immigration checkpoint and one of the few dedicated Cotai hotel-casino resort stops planned on the Macau Light Rapid Transit Line. The Lotus Bridge connects Cotai with Hengqin Island in Zhuhai, China, a designated special economic district in China undergoing significant business and infrastructure development.

Studio City is rapidly ramping up since commencing operations in October 2015. We have grown total revenues from US$69.3 million in 2015 to US$424.5 million in 2016 and further to US$539.8 million in 2017, and generated net losses of US$232.6 million, US$242.8 million and US$76.4 million, respectively, for these periods. We increased our adjusted EBITDA from US$6.3 million in 2015 to US$123.0 million in 2016 and further to US$279.1 million in 2017, and expanded our adjusted EBITDA margin from 9.1% to 29.0% and further to 51.7%, respectively, for these periods. Our total revenues increased from US$253.9 million in the six months ended June 30, 2017 to US$282.2 million in the six months ended June 30, 2018 and our net loss decreased from US$47.0 million in the six months ended June 30, 2017 to US$14.8 million in the six months ended June 30, 2018. Our adjusted EBITDA increased from US$124.1 million in the six months ended June 30, 2017 to US$153.7 million in the six months ended June 30, 2018 and our adjusted EBITDA margin expanded from 48.9% to 54.5% in these periods, respectively.

Studio City Casino is operated by Melco Resorts Macau, or the Gaming Operator, one of the subsidiaries of Melco Resorts and a holder of a gaming subconcession, and we operate the non-gaming businesses of Studio City.

**Our Industry**

Macau has been the world's largest gaming destination in terms of gross gaming revenues since 2006. Macau's gross gaming revenues amounted to US$33.2 billion in 2017, which is approximately 5.1 times that of the Las Vegas Strip and approximately 7.2 times that of Singapore. The growth momentum of Macau's gaming market has been robust in 2018 to date, with gross gaming revenues of US$25.2 billion recorded over the first eight months of 2018, reflecting a year-on-year increase of 17.5%.

Macau is well-positioned and strategically important in the overall gaming market across the Asia Pacific region. The expansion of the gaming industry has also spurred investment and employment activities in related non-gaming industries, including retail, dining, entertainment, conference and convention sectors.

The Macau gaming market consists of two primary segments: the mass market and VIP rolling chip segments. The mass market segment consists of both mass market table games and gaming machines for primarily cash stakes. Mass market gaming revenues have grown significantly in recent years and amounted to US$13.0 billion in 2016 and US$14.4 billion in 2017, reflecting a year-on-year increase of 10.4%, and US$8.3 billion in the six months ended June 30, 2018, according to the DICJ. VIP rolling chip players in Macau typically play mostly in dedicated VIP rolling chip rooms for higher stakes. VIP rolling chip gross gaming revenues amounted to US$14.8 billion in 2016 and US$18.8 billion in 2017, reflecting a year-on-year increase of 26.7%, and US$10.5 billion in the six months ended June 30, 2018, according to the DICJ.

We believe the development of the Macau gaming market has been driven by and will continue to be driven by a combination of factors, including:

- Close proximity to approximately 3.5 billion people in nearby regions in Asia and expansion of mainland China out-bound tourism to Macau;
- Continuing economic development and emergence of a wealthier demographic in China;
- Diversified range of gaming segments;
- Increased diversification in non-gaming offerings further enhancing visitation and game play;
- Further improvement of transportation and infrastructure driving visitation; and
- Hengqin Island development initiatives.

**Our Strengths**

We believe that the following strengths contribute to our success and set us apart from our peers:

- fully integrated destination resort focused on the attractive mass market segment;
- strategic location with strong and improving accessibility;
- well-positioned to capitalize on an improving market environment;
- experienced and dedicated management team; and
- significant operational experience and the extensive network of our controlling shareholder.

**Our Strategies**

We intend to pursue the following strategies to further develop our business:

- continue to focus on the mass market segment;
- complement the mass market business of Studio City Casino with VIP rolling chip operations;
- continue to drive visitation and revenue growth through innovative non-gaming attractions;
- continue to pursue strategic marketing initiatives and differentiate the “Studio City” brand; and
- prudently manage our capital structure.

**Our Challenges**

Our ability to achieve success and implement our strategies is subject to risks and uncertainties that include the following:

- we have a short operating history compared to many of our competitors and we have a history of net losses and may have net losses in the future;
- we do not hold a gaming license in Macau and Studio City Casino is operated by a subconcessionaire, Melco Resorts Macau, which is a subsidiary of Melco Resorts;
- we utilize services provided by subsidiaries of Melco Resorts, including hiring and training of personnel for Studio City;
- we face concentration risk in relation to our operation of Studio City;
- we have a substantial amount of existing indebtedness and are subject to certain covenants which may restrict our ability to engage in certain transactions;
- Studio City Casino's gaming operations are subject to various risks relating to the gaming operations in Macau;
- we are subject to risks in operating our non-gaming offerings;
- if we fail to fully develop our remaining project under the land concession contract by July 24, 2021, or receive a further extension of the development period from the Macau government, we may be forced to forfeit all or part of our investment in the granted land, along with our interest in Studio City; and
- our remaining project for Studio City is subject to significant development and construction risks and uncertainties.

In addition, we face risks and uncertainties related to our compliance with applicable regulations and policies in our operations in Macau.

See "Risk Factors" and other information included in this prospectus for a detailed discussion of the above and other challenges, risks and uncertainties.

## CORPORATE HISTORY AND ORGANIZATIONAL STRUCTURE

**Corporate History**

We were established as an international business company, limited by shares, under the laws of the British Virgin Islands as CYBER ONE AGENTS LIMITED on August 2, 2000 and subsequently re-registered as a business company, limited by shares, under the British Virgin Islands Business Companies Act, 2004. New Cotai acquired a 40% equity interest in us on December 6, 2006. New Cotai is a private limited liability company organized in Delaware that is indirectly owned by investment funds managed by Silver Point Capital, L.P., Oaktree Capital Management, L.P. and other third party investors. MCE Cotai, a wholly owned subsidiary of Melco Resorts, acquired a 60% equity interest in us on July 27, 2011. Melco Resorts is an exempted company incorporated with limited liability under the laws of the Cayman Islands and its American Depositary Shares are listed on the NASDAQ Global Select Market in the United States. On January 17, 2012, our name was changed from CYBER ONE AGENTS LIMITED to STUDIO CITY INTERNATIONAL HOLDINGS LIMITED.

In October 2001, we were granted a land concession in Cotai by the Macau government for the development of Studio City, a cinematically-themed and integrated entertainment, retail and gaming resort. Studio City commenced operations on October 27, 2015. We conduct our principal activities through our subsidiaries, which are primarily located in Macau. We currently operate the non-gaming operations of Studio City. The Gaming Operator operates the Studio City Casino. See "Business—Our Relationship with Melco Resorts" and "Related Party Transactions—Material Contracts with Affiliated Companies."

Prior to or concurrently with the completion of this offering, we will engage in a series of "Organizational Transactions," described below, through which substantially all of our assets and liabilities will be contributed to our subsidiary, MSC Cotai, a business company limited by shares incorporated in the British Virgin Islands, in exchange for all of the outstanding equity interests in MSC Cotai. In connection with the "Organizational Transactions" described below, we will redomicile by way of continuation as an exempted company incorporated with limited liability under the laws of the Cayman Islands.

Immediately prior to the Organizational Transactions, 60% of the equity interest in us was directly held by MCE Cotai and 40% of the equity interest in us was directly held by New Cotai.

**Organizational Transactions**

Each of the following transactions, referred to collectively as the "Organizational Transactions," has been or will be completed prior to or in connection with the completion of this offering. The Organizational Transactions are conducted pursuant to an implementation agreement, or the Implementation Agreement, among MCE Cotai, Melco Resorts, New Cotai, MSC Cotai and us. See "Corporate History and Organizational Structure—Implementation Agreement."

- MSC Cotai was incorporated as a business company limited by shares in the British Virgin Islands.
- We will enter into a transfer agreement, or the Transfer Agreement, with MSC Cotai to provide for the transfer by us and the assumption by MSC Cotai of substantially all of our assets and liabilities, in exchange for all of the outstanding equity interests in MSC Cotai. See "Corporate History and Organizational Structure—Transfer Agreement."
- We will amend and restate our memorandum of association and articles of association to, among other things, authorize two classes of ordinary shares, the SC Class A Shares and the SC Class B Shares. See "Description of Share Capital." Each SC Class A Share and each SC Class B Share will entitle its holder to one vote on all matters to be voted on by shareholders generally and holders of SC Class A Shares and SC Class B Shares will vote together as a single class on all matters presented to our shareholders for their vote or approval, except as otherwise required by applicable law or our memorandum of association and articles of association. See "Description of Share Capital—Voting Rights." Holders of the SC Class B Shares do not have any right to receive dividends or distributions upon our liquidation or winding up or to otherwise share in our profits and surplus assets.
- MCE Cotai's 60% equity interest in our company will be reclassified into SC Class A Shares.
- New Cotai's 40% equity interest in our company will be exchanged for SC Class B Shares, which have only voting and no economic rights. Through its SC Class B Shares, New Cotai will have voting rights in us, and we will control MSC Cotai.
- In addition, New Cotai will have a non-voting, non-shareholding economic participation interest, or Participation Interest, in MSC Cotai, the terms of which will be set forth in a participation agreement, or the Participation Agreement, that will be entered into by MSC Cotai, New Cotai and us. See "Corporate History and Organizational Structure—Participation Agreement."
- The Participation Interest will entitle New Cotai to receive from MSC Cotai an amount equal to 66-2/3% of the amount of any distribution, dividend or other consideration paid by MSC Cotai to us, subject to adjustments, exceptions and conditions as set out in the Participation Agreement and further described in "Corporate History and Organizational Structure—Participation Agreement." The 66-2/3% represents the equivalent of New Cotai's 40% interest in us prior to the Organizational Transactions.

- The Participation Agreement will also provide that New Cotai will be entitled to exchange all or a portion of its Participation Interest for a number of SC Class A Shares subject to exceptions and adjustments as set out in the Participation Agreement. See "Corporate History and Organizational Structure—Participation Agreement." When New Cotai exchanges all or a portion of the Participation Interest for SC Class A Shares pursuant to the terms of exchange set forth in the Participation Agreement and described herein, a proportionate number of SC Class B Shares will be deemed surrendered and automatically cancelled for no consideration as set out in the Participation Agreement.
- We will redomicile by way of continuation as an exempted company incorporated with limited liability under the laws of the Cayman Islands prior to the completion of this offering.

In connection with the completion of this offering, we will issue ADSs (representing SC Class A Shares) to the investors in this offering (or ADSs, representing SC Class A Shares, if the underwriters exercise their option in full to purchase additional SC Class A Shares in the form of ADSs) in exchange for net proceeds of approximately US$ million (or approximately US$ million if the underwriters exercise their option in full to purchase additional SC Class A Shares in the form of ADSs), after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Upon the completion of this offering, we will contribute the proceeds of this offering to MSC Cotai in exchange for MSC Cotai Shares.

As a result of the Organizational Transactions and this offering, immediately following this offering:

- the investors in this offering will collectively own ADSs (representing SC Class A Shares) representing a % economic and voting interest in our company;
- MCE Cotai will own 108,767,640 SC Class A Shares, representing a % voting and economic interest in our company;
- New Cotai will own 72,511,760 SC Class B Shares, representing a % voting, non-economic interest in our company;
- New Cotai will have a Participation Interest, which will entitle New Cotai to receive from MSC Cotai an amount equal to % of the amount of any distribution, dividend or other consideration paid by MSC Cotai to us, subject to adjustments, exceptions and conditions;
- SC Class B Shares will collectively represent approximately % of the voting power in us; and
- we will own all MSC Cotai Shares, representing 100% of the outstanding equity interests in MSC Cotai and 100% of the voting power in MSC Cotai.

The diagram below depicts our expected organizational structure immediately following completion of this offering. This diagram is provided for illustrative purposes only and does not purport to represent all legal entities owned or controlled by us, or owning a beneficial interest in us.

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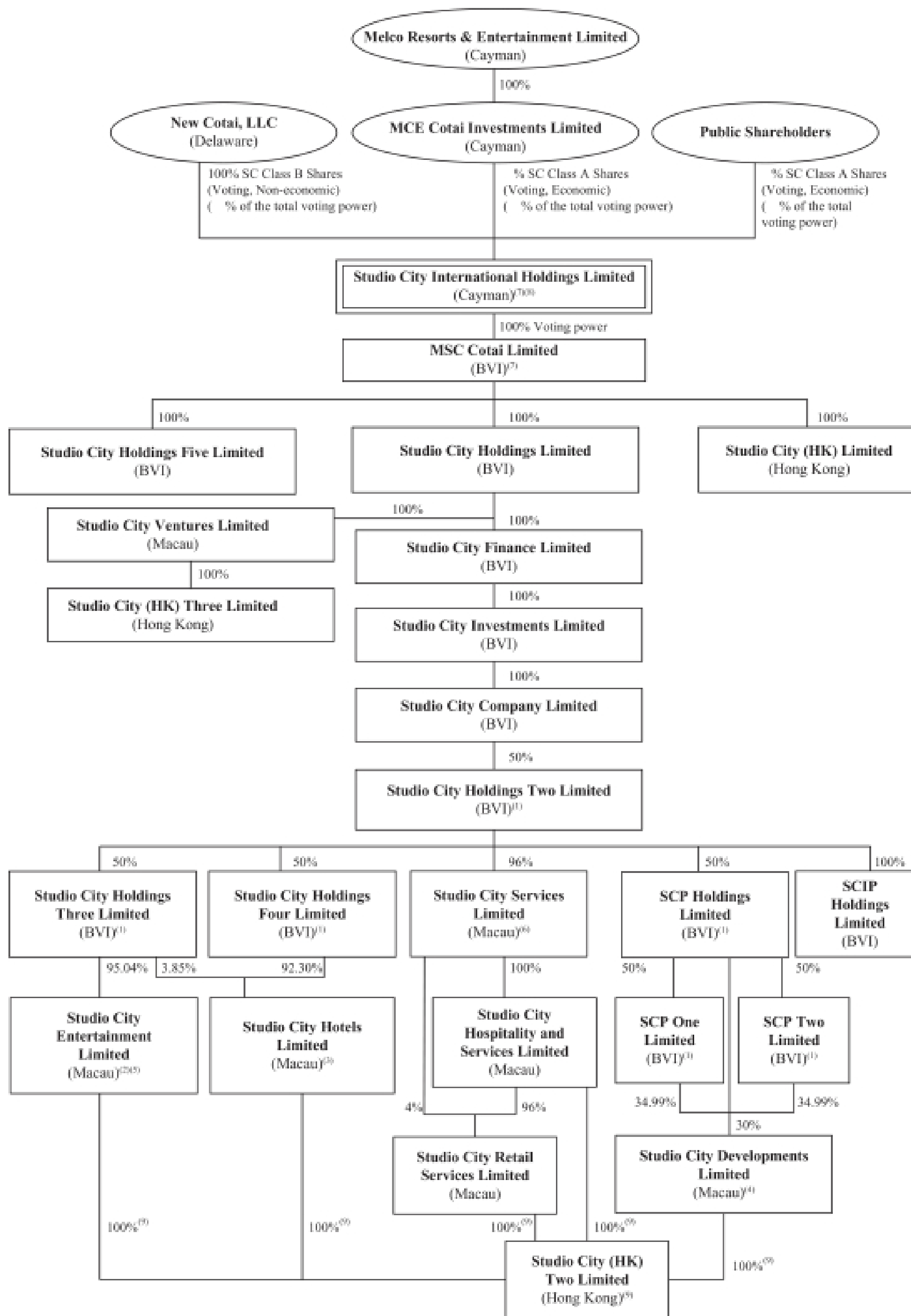

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(1) Studio City Holdings Five Limited also holds 50% in one non-voting share.
(2) Studio City Holdings Five Limited also holds 1% of the voting equity interest.
(3) Studio City Holdings Five Limited also holds 3.85% of the voting equity interest.
(4) Studio City Holdings Five Limited also holds 0.02% of the voting equity interest.
(5) Studio City Holdings Four Limited also holds 3.96% of the voting equity interest.
(6) Studio City Company Limited also holds 4% of the voting equity interest.
(7) Upon the completion of this offering, New Cotai will have a Participation Interest in MSC Cotai, which will represent its economic right to receive an amount equal to % of the dividends, distributions or other consideration paid to us by MSC Cotai, if any, from time to time. New Cotai may exchange all or a portion of its Participation Interest for SC Class A Shares, subject to certain conditions. See "Corporate History and Organizational Structure—Participation Agreement."
(8) Prior to the completion of this offering, STUDIO CITY INTERNATIONAL HOLDINGS LIMITED will undergo a series of organizational transactions, as a part of which it will redomicile by way of continuation as an exempted company incorporated with limited liability under the laws of the Cayman Islands.
(9) Jointly owned by Studio City Hospitality and Services Limited, Studio City Hotels Limited, Studio City Entertainment Limited, Studio City Retail Services Limited and Studio City Developments Limited.

### Corporate Information

Our principal executive offices are located at [36/F, The Centrium, 60 Wyndham Street, Central, Hong Kong]. Our telephone number at this address is [+852 2598-3600]. Our registered office in the Cayman Islands is at the offices of Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands. Our agent for service of process in the United States is Cogency Global Inc., located at 10 East 40th Street, 10th Floor, New York, NY 10016.

Investors should contact us for any inquiries through the address and telephone number of our principal executive offices. Our website is www.studiocity-macau.com. The information contained on our website is not a part of this prospectus.

### Basis of Presentation and Conventions Which Apply to This Prospectus

In connection with the completion of this offering, we will effect certain Organizational Transactions. Unless otherwise stated or the context otherwise requires, all information in this prospectus reflects the completion of the Organizational Transactions and this offering. See "Corporate History and Organizational Structure" for a description of the Organizational Transactions and a diagram depicting our anticipated structure after giving effect to the Organizational Transactions and this offering.

Unless we state otherwise or the context otherwise requires, the terms "we," "us," "our," "our business", "our company", "STUDIO CITY INTERNATIONAL HOLDINGS LIMITED" or "Studio City International" refer to, and similar references refer to, Studio City International Holdings Limited and its consolidated subsidiaries, including MSC Cotai.

This prospectus contains the historical financial statements of our company and its consolidated subsidiaries. The unaudited pro forma consolidated financial information of our company presented in this prospectus has been derived from the application of pro forma adjustments to the historical consolidated financial statements of our company and its subsidiaries included elsewhere in this prospectus. These pro forma adjustments give effect to the Organizational Transactions and related transactions as described in "Corporate History and Organizational Structure" as if all such transactions had occurred on January 1, 2015. See "Unaudited Pro Forma Condensed Consolidated Financial Information" for a complete description of the adjustments and assumptions underlying the unaudited pro forma consolidated financial information included in this prospectus.

Except where the context otherwise requires:

- "2012 Notes" refers to 8.50% senior notes due 2020 in an aggregate principal amount of US$825,000,000 issued by Studio City Finance Limited, or Studio City Finance, on November 26, 2012;

- "2013 Project Facility" refers to the senior secured project facility, dated January 28, 2013 and as amended from time to time, entered into between, among others, Studio City Company Limited, or Studio City Company, as borrower and certain subsidiaries as guarantors, comprising a term loan facility of HK$10,080,460,000 (approximately US$1,300 million) and revolving credit facility of HK$775,420,000 (approximately US$100 million), and which has been amended, restated and extended by the 2016 Credit Facility;
- "2016 Credit Facility" refers to the facility agreement dated November 23, 2016 with, among others, Bank of China Limited, Macau Branch, to amend, restate and extend the 2013 Project Facility to provide for senior secured credit facilities in an aggregate amount of HK$234.0 million, which consist of a HK$233.0 million (approximately US$29.9 million) revolving credit facility and a HK$1.0 million (approximately US$129,000) term loan facility;
- "2016 Notes" refers to (i) 5.875% senior secured notes due 2019 in an aggregate principal amount of US$350,000,000, or the 2016 5.875% Notes, and (ii) 7.250% senior secured notes due 2021 in an aggregate principal amount of US$850,000,000, or the 2016 7.250% Notes, both issued by Studio City Company on November 30, 2016;
- "ADRs" refers to the American depositary receipts evidencing our ADSs;
- "ADSs" refers to our American depositary shares, each of which represents SC Class A Shares;
- "average daily rate" refers to total room revenues including the retail value of complimentary rooms (less service charges, if any) divided by total rooms occupied, including complimentary rooms, i.e., average price of occupied rooms per day;
- "China, " "mainland China" or "PRC" refers to the People's Republic of China, excluding, for the purpose of this prospectus only, Taiwan and the special administrative regions of Hong Kong and Macau;
- "Coloane" refers to one of the two main islands of Macau and which is located south of Taipa;
- "concession" refers to a government grant for the operation of games of fortune and chance in casinos in Macau under an administrative contract pursuant to which a concessionaire, or the entity holding the concession, is authorized to operate games of fortune and chance in casinos in Macau;
- "Cotai" refers to an area of reclaimed land located between the islands of Taipa and Coloane in Macau;
- "gaming machine" refers to slot machine and/or electronic gaming table;
- "gaming machine handle" refers to the total amount wagered in gaming machines;
- "gaming machine win rate" refers to gaming machine win expressed as a percentage of gaming machine handle;
- "Gaming Operator" refers to Melco Resorts (Macau) Limited (formerly known as Melco Crown (Macau) Limited), or Melco Resorts Macau, a company incorporated under the laws of Macau that is a subsidiary of Melco Resorts, the holder of a subconcession under the Subconcession Contract and the operator of Studio City Casino. The equity interest of the Gaming Operator is 90% owned by Melco Resorts and 10% owned by Mr. Lawrence Ho, the managing director of the Gaming Operator;
- "gaming promoter," also known as a junket operator, refers to an individual or corporate entity who, for the purpose of promoting rolling chip and other gaming activities, arranges customer transportation and accommodation, provides credit in its sole discretion if authorized by a gaming operator and arranges food and beverage services and entertainment in exchange for commissions or other compensation from a gaming concessionaire or subconcessionaire;
- "HK$," "H.K. dollar(s)" or "Hong Kong Dollar(s)" refers to the legal currency of Hong Kong;
- "Hong Kong" refers to the Hong Kong Special Administrative Region of the PRC;
- "Macau" or "Macao" refers to the Macau Special Administrative Region of the PRC;

- "Macau Peninsula" refers to the part of Macau which is geographically connected to mainland China and located north of Taipa;
- "mass market" refers to both table games and gaming machines played by mass market players primarily for cash stakes;
- "mass market table games drop" refers to the amount of table games drop in the mass market table games segment;
- "mass market table games hold percentage" refers to mass market table games win as a percentage of mass market table games drop;
- "Master Service Providers" refer to certain of our affiliates with whom we entered into a master service agreement and a series of work agreements with respect to the non-gaming services at the properties in Macau, and that are also subsidiaries of Melco Resorts, including Melco Crown (COD) Developments Limited (now known as COD Resorts Limited), Altira Developments Limited (now known as Altira Resorts Limited), the Gaming Operator, MPEL Services Limited (now known as Melco Resorts Services Limited), Golden Future (Management Services) Limited, MPEL Properties (Macau) Limited, Melco Crown Security Services Limited (now known as Melco Resorts Security Services Limited), MCE Travel Limited (now known as Melco Resorts Travel Limited), MCE Transportation Limited and MCE Transportation Two Limited (now known as MCO Transportation Two Limited);
- "Melco International" refers to Melco International Development Limited, a public limited company incorporated in Hong Kong with its shares listed on The Stock Exchange of Hong Kong Limited, or the Hong Kong Stock Exchange;
- "Melco Resorts" refers to Melco Resorts & Entertainment Limited, a company incorporated in the Cayman Islands with its American depositary shares listed on the NASDAQ Global Select Market;
- "MICE" refers to Meetings, Incentives, Conventions and Exhibitions, an acronym commonly used to refer to tourism involving large groups brought together for an event or specific purpose;
- "MOP" or "Macau Pataca(s)" refers to the legal currency of Macau;
- "MSC Cotai" refers to MSC Cotai Limited, a business company limited by shares incorporated in the British Virgin Islands as part of the Organizational Transactions described in "Corporate History and Organizational Structure—Organizational Transactions;"
- "occupancy rate" refers to the average percentage of available hotel rooms occupied, including complimentary rooms, during a period;
- "remaining project" refers to the part of the Studio City project comprised of a gross floor area of approximately 229,968 square meters, which is required to be developed under the land concession contract;
- "REVPAR" refers to revenue per available room, calculated by dividing total room revenues including the retail value of complimentary rooms (less service charges, if any) by total rooms available, thereby representing a combination of hotel average daily room rates and occupancy;
- "RMB" or "Renminbi" refers to the legal currency of China;
- "rolling chip" or "VIP rolling chip" refers to non-negotiable chip primarily used by rolling chip patrons to make wagers;
- "rolling chip patron" refers to a player who primarily plays on rolling chip or VIP rolling chip tables and typically plays for higher stakes than mass market gaming patrons;
- "rolling chip volume" refers to the amount of non-negotiable chips wagered and lost by the rolling chip market segment;
- "rolling chip win rate" refers to rolling chip table games win (calculated before discounts and commissions) as a percentage of rolling chip volume;

- “shares” or “ordinary shares” refers to our ordinary shares which, upon completion of this offering, will comprise two classes of ordinary shares, the SC Class A Shares and the SC Class B Shares;
- “subconcession” refers to an agreement for the operation of games of fortune and chance in casinos between the entity holding the concession and a subconcessionaire, pursuant to which the subconcessionaire is authorized to operate games of fortune and chance in casinos in Macau;
- “Subconcession Contract” refers to the subconcession contract executed between the Gaming Operator and Wynn Resorts (Macau) S.A., or Wynn Resorts Macau, on September 8, 2006, that provides for the terms and conditions of the subconcession granted to the Gaming Operator by Wynn Resorts Macau;
- “Taipa” refers to one of the two main islands of Macau and which is located north of Coloane, south of the Macau Peninsula; and
- “US$,” “U.S. Dollar(s),” “$” or “dollars” refers to the legal currency of the United States.

Our reporting currency is the U.S. Dollar and functional currencies are the U.S. Dollar, Hong Kong Dollar and Macau Pataca. This prospectus contains translations of certain Macau Pataca, Hong Kong Dollar and Renminbi amounts into U.S. Dollars for the convenience of the reader. Unless otherwise stated, all translations of Hong Kong Dollar and Renminbi amounts into U.S. Dollars in this prospectus have been made at the rates of HK$7.7800 to US$1.00 and RMB6.5063 to US$1.00, respectively. On June 29, 2018, the noon buying rate in The City of New York for cable transfers in Hong Kong Dollars and Renminbi as certified for customs purposes by the Federal Reserve Bank of New York set forth in the H.10 statistical release of the U.S. Federal Reserve Board for translation into U.S. Dollars was HK$7.8463 to US$1.00 and RMB6.6171 to US$1.00, respectively. The Federal Reserve Bank of New York does not certify for customs purposes a noon buying rate for cable transfers in Macau Pataca. The Macau Pataca is pegged to the Hong Kong Dollar at a rate of MOP1.03 to HK$1.00. Unless otherwise stated, all translations from Macau Patacas to U.S. Dollars in this prospectus were made at the exchange rate of MOP8.0134 to US$1.00. We make no representation that the Macau Pataca, Hong Kong Dollar, Renminbi or U.S. Dollar amounts referred to in this prospectus could have been, or could be, converted into U.S. Dollars, Macau Patacas and Hong Kong Dollars, as the case may be, at any particular rate or at all. On August 31, 2018, the noon buying rate for Hong Kong Dollars and Renminbi was HK$7.8486 and RMB6.8300 to US$1.00, respectively.

Certain figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be exact arithmetic aggregations or percentages of the figures that precede them.

## THE OFFERING

The following assumes that the underwriters will not exercise their option to purchase additional ADSs in the offering, unless otherwise indicated.

| | |
|---|---|
| Issuer | Studio City International Holdings Limited. |
| Offering Price | We expect that the initial public offering price will be between US$ and US$ per ADS. |
| ADSs Offered by Us | ADSs (or ADSs if the underwriters exercise their option to purchase additional ADSs in full). |
| ADSs Outstanding Immediately After This Offering | ADSs (or ADSs if the underwriters exercise their option to purchase additional ADSs in full). |
| | If all of New Cotai's Participation Interest was exchanged for newly-issued SC Class A Shares in accordance with the terms of exchange set forth in the Participation Agreement and described in "Corporate History and Organizational Structure" (based upon an assumed offering price of US$ per ADS, which is the mid-point of the estimated range of public offering price set forth on the front cover of this prospectus), ADSs representing SC Class A Shares (or ADSs representing SC Class A Shares if the underwriters' option is exercised in full) would be outstanding. |
| SC Class B Shares Outstanding Immediately After This Offering | 72,511,760 SC Class B Shares. |
| | Immediately after this offering, New Cotai will own 100% of the outstanding SC Class B Shares. |
| The ADSs | Each ADS represents SC Class A Shares. The ADSs may be evidenced by ADRs. |
| | The depositary will hold the SC Class A Shares underlying your ADSs and you will have rights as provided in the deposit agreement. |
| | We do not expect to pay dividends in the foreseeable future. If, however, we declare dividends on our SC Class A Shares, the depositary will pay you the cash dividends and other distributions it receives on our SC Class A Shares, after deducting its fees and expenses. |
| | You may turn in your ADSs to the depositary in exchange for SC Class A Shares. The depositary will charge you fees for any exchange. We may amend or terminate the deposit agreement without your consent. If you continue to hold your ADSs, you agree to be bound by the deposit agreement as amended. |
| | To better understand the terms of the ADSs, you should carefully read the "Description of American Depositary Shares" section of this prospectus. You should also read the deposit agreement, which is filed as an exhibit to the registration statement that includes this prospectus. |

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| Option to Purchase Additional ADSs | We have granted to the underwriters an option, exercisable within 30 days from the date of this prospectus, to purchase up to additional ADSs. |
| Voting | Each share of our SC Class A Shares and SC Class B Shares entitles its holder to one vote on all matters to be voted on by shareholders generally.<br><br>Holders of our SC Class A and SC Class B Shares vote together as a single class on all matters presented to our shareholders for their vote or approval, except as otherwise required by applicable law or our memorandum of association and articles of association.<br><br>Upon completion of this offering, we will be controlled by Melco Resorts through its ownership of MCE Cotai. Upon completion of this offering, Melco Resorts, through MCE Cotai, will control approximately % of the voting power in us (or approximately % if the underwriters exercise their option in full to purchase additional SC Class A Shares in the form of ADSs). See "Corporate History and Organizational Structure." |
| Voting Power of SC Class A Shares | % (or 100% if all of the Participation Interest was exchanged for newly-issued SC Class A Shares in accordance with the terms of exchange set forth in the Participation Agreement as described in "Corporate History and Organizational Structure"). |
| Voting Power of SC Class B Shares | % (or 0% if all of the Participation Interest was exchanged for newly-issued SC Class A Shares in accordance with the terms of exchange set forth in the Participation Agreement as described in "Corporate History and Organizational Structure"). |
| Use of Proceeds | We estimate that we will receive net proceeds of approximately US$ million from this offering and the Assured Entitlement Distribution (or US$ million if the underwriters exercise their option to purchase additional ADSs in full), after deducting underwriting discounts and commissions and estimated offering expenses payable by us and assuming an initial public offering price of US$ per ADS, being the mid-point of the estimated range of the initial public offering price shown on the front cover of this prospectus.<br><br>We intend to apply the net proceeds of this offering and the Assured Entitlement Distribution to acquire newly-issued MSC Cotai Shares. In turn, MSC Cotai intends to apply the net proceeds it receives from us primarily for the following purposes:<br><br>• US$ million for repayment of certain of our existing indebtedness; and<br><br>• the remainder for working capital and other general corporate purposes.<br><br>See "Use of Proceeds" for additional information. |

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| | |
|---|---|
| Lock-up | [We and our existing shareholders have agreed with the underwriters, subject to certain exceptions, not to sell, transfer or otherwise dispose of any ADSs, SC Class A Shares or similar securities or any securities convertible into or exchangeable or exercisable for our SC Class A Shares or ADSs, for a period ending [●] days after the date of this prospectus, subject to certain exceptions. See "Underwriting" for more information.] |
| Listing | We have applied to list the ADSs on the New York Stock Exchange under the symbol "MSC." Our ADSs and shares will not be listed on any other stock exchange or traded on any automated quotation system. |
| Payment and Settlement | The underwriters expect to deliver the ADSs against payment therefor through the facilities of The Depository Trust Company on , 2018. |
| Depositary | Deutsche Bank Trust Company Americas. |
| Assured Entitlement Distribution | Pursuant to Practice Note 15 under the Rules Governing The Listing of Securities on The Stock Exchange of Hong Kong Limited, in connection with this offering, Melco International intends to make available to its shareholders an "assured entitlement" to a certain portion of our ordinary shares.<br><br>As our ordinary shares are not expected to be listed on any stock exchange, Melco International intends to effect the Assured Entitlement Distribution by providing to its shareholders a "distribution in specie," or distribution of our ADSs in kind. The distribution will be made without any consideration being paid by Melco International's shareholders. Melco International's shareholders who are entitled to fractional ADSs, who elect to receive cash in lieu of ADSs and who are located in the United States or are U.S. persons, or are otherwise ineligible holders, will only receive cash in the Assured Entitlement Distribution.<br><br>Concurrently with this offering as a separate transaction, Melco International intends to purchase from us new SC Class A Shares needed for the distribution in specie at the public offering price per SC Class A Share, which is the public offering price per ADS divided by the number of SC Class A Shares represented by one ADS. Melco International currently intends to purchase from us new SC Class A Shares with an aggregate purchase price of US$[●] million, for the purpose of the assured entitlement distribution in specie. The Assured Entitlement Distribution will only be made if this offering is completed.<br><br>The purchase of SC Class A Shares and distribution in specie of ADSs by Melco International are not part of this offering. |
| Exchange Arrangements | Subject to certain conditions, New Cotai and its permitted transferees may exchange all or part of their Participation Interest for a number of SC Class A Shares. |

| | |
|---|---|
| | If New Cotai exchanges all or a portion of the Participation Interest for SC Class A Shares, it will also be deemed to have surrendered a corresponding number of SC Class B Shares, and any such SC Class B Shares so surrendered will be automatically cancelled for no consideration. See “Corporate History and Organizational Structure—Participation Agreement.” |

## SUMMARY HISTORICAL AND UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL AND OPERATING DATA

The following summary historical consolidated statements of operations data for the years ended December 31, 2017, 2016, and 2015 and summary historical consolidated balance sheets data as of December 31, 2017 and 2016 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. Our consolidated financial statements are prepared and presented in accordance with U.S. generally accepted accounting principles, or U.S. GAAP. The consolidated statements of operations data for the six months ended June 30, 2018 and 2017 and summary consolidated balance sheet data as of June 30, 2018 have been derived from our unaudited condensed consolidated financial statements included elsewhere in this prospectus. The unaudited condensed consolidated financial statements have been prepared on the same basis as our audited consolidated financial statements, except for the adoption of Accounting Standards Codification 606, *Revenue from Contracts with Customers* (“New Revenue Standard”) using the modified retrospective method on January 1, 2018. Amounts for the periods beginning on or after January 1, 2018 are presented under the New Revenue Standard, while prior period amounts are not adjusted and continue to be reported in accordance with the previous basis. There was no material impact on our financial position as of June 30, 2018 and our results of operations and cash flows for the six months ended June 30, 2018 as a result of the adoption of the New Revenue Standard. The unaudited condensed consolidated financial statements include all adjustments, consisting of normal recurring adjustments, that we consider necessary for a fair statement of our financial position and operating results for the periods presented. The consolidated statement of operations data for the year ended December 31, 2014 and the consolidated balance sheet data as of December 31, 2015 have been derived from our audited consolidated financial statements which are not included in this prospectus. The consolidated statement of operations data for the year ended December 31, 2013 and the summary consolidated balance sheets data as of December 31, 2014 and 2013 were not included in this section because Studio City did not commence operations until October 2015. Our historical results are not necessarily indicative of results expected for future periods. You should read this “Summary Historical and Unaudited Pro Forma Condensed Consolidated Financial and Operating Data” section together with our consolidated financial statements and the related notes and the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section included elsewhere in this prospectus.

The summary unaudited pro forma condensed consolidated financial information presented below has been derived from our unaudited pro forma condensed consolidated financial statements included elsewhere in this prospectus. The unaudited pro forma condensed consolidated statements of operations for the six months ended June 30, 2018 and 2017 and for the years ended December 31, 2017, 2016 and 2015 and summary unaudited pro forma condensed consolidated balance sheets as of June 30, 2018 and December 31, 2017 and 2016, give pro forma effect to the Organizational Transactions and related transactions as described in “Corporate History and Organizational Structure,” as if all such transactions had occurred on January 1, 2015, and are based on available information and certain assumptions we believe are reasonable, but are subject to change. See “Unaudited Pro Forma Condensed Consolidated Financial Information” for a complete description of the adjustments and the underlying assumptions of the unaudited pro forma condensed consolidated financial information.

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| | For the Year Ended December 31, | | | | For the Six Months Ended June 30, | |
|---|---|---|---|---|---|---|
| | 2017 | 2016 | 2015(1) | 2014(1) | 2018(2) | 2017 |
| | (US$ thousands, except for share and per share data) | | | | | |
| **Consolidated Statements of Operations Data:** | | | | | | |
| Operating revenues: | | | | | | |
| Provision of gaming related services | 295,638 | 151,597 | 21,427 | — | 168,595 | 133,352 |
| Rooms | 88,699 | 84,643 | 14,417 | — | 43,583 | 43,107 |
| Food and beverage | 60,705 | 61,536 | 9,457 | — | 31,459 | 29,195 |
| Entertainment | 18,534 | 35,155 | 6,730 | — | 6,273 | 9,507 |
| Services fee | 39,971 | 51,842 | 7,968 | — | 19,606 | 19,883 |
| Mall | 29,498 | 34,020 | 6,999 | — | 10,698 | 15,518 |
| Retail and other | 6,769 | 5,738 | 2,336 | 1,767 | 1,956 | 3,294 |
| Total revenues | 539,814 | 424,531 | 69,334 | 1,767 | 282,170 | 253,856 |
| Operating costs and expenses: | | | | | | |
| Provision of gaming related services | (24,019) | (25,332) | (462) | — | (10,756) | (11,764) |
| Rooms | (21,750) | (22,752) | (4,113) | — | (10,954) | (10,707) |
| Food and beverage | (54,266) | (62,200) | (12,549) | — | (27,370) | (26,958) |
| Entertainment | (16,364) | (41,432) | (7,404) | — | (6,886) | (8,837) |
| Mall | (9,098) | (11,083) | (3,653) | — | (5,382) | (4,451) |
| Retail and other | (4,750) | (3,696) | (579) | — | (1,274) | (1,900) |
| General and administrative | (130,465) | (135,071) | (34,245) | (3,071) | (65,855) | (65,179) |
| Pre-opening costs | (116) | (4,044) | (153,515) | (14,951) | (53) | 40 |
| Amortization of land use right | (3,323) | (3,323) | (9,909) | (12,104) | (1,661) | (1,661) |
| Depreciation and amortization | (173,003) | (168,539) | (31,056) | (26) | (83,783) | (86,582) |
| Property charges and other | (22,210) | (1,825) | (1,126) | — | (3,527) | (4,267) |
| Total operating costs and expenses | (459,364) | (479,297) | (258,611) | (30,152) | (217,501) | (222,266) |
| Operating income (loss) | 80,450 | (54,766) | (189,277) | (28,385) | 64,669 | 31,590 |
| Non-operating income (expenses): | | | | | | |
| Interest income | 2,171 | 1,152 | 4,641 | 8,901 | 1,439 | 800 |
| Interest expenses, net of capitalized interest | (152,318) | (133,610) | (23,285) | (18,047) | (76,159) | (76,159) |
| Amortization of deferred financing costs | (7,600) | (25,626) | (16,295) | (10,642) | (4,025) | (3,735) |
| Loan commitment fees | (419) | (1,647) | (1,794) | (15,153) | (208) | (208) |
| Foreign exchange gains (losses), net | 466 | (3,445) | 435 | (2,710) | (162) | 394 |
| Other income (expenses), net | 574 | 1,163 | 379 | — | (22) | 287 |
| Loss on extinguishment of debt | — | (17,435) | — | — | — | — |
| Costs associated with debt modification | — | (8,101) | (7,011) | — | — | — |
| Total non-operating expenses, net | (157,126) | (187,549) | (42,930) | (37,651) | (79,137) | (78,621) |

| | For the Year Ended December 31, | | | | For the Six Months Ended June 30, | |
|---|---|---|---|---|---|---|
| | 2017 | 2016 | 2015(1) | 2014(1) | 2018(2) | 2017 |
| | (US$ thousands, except for share and per share data) | | | | | |
| Loss before income tax | (76,676) | (242,315) | (232,207) | (66,036) | (14,468) | (47,031) |
| Income tax credit (expense) | 239 | (474) | (353) | — | (375) | 15 |
| Net loss | (76,437) | (242,789) | (232,560) | (66,036) | (14,843) | (47,016) |
| Loss per share: | | | | | | |
| Basic and diluted | (4,217) | (13,393) | (12,829) | (4,190) | (819) | (2,594) |
| Weighted average shares outstanding used in loss per share calculation: | | | | | | |
| Basic and diluted | 18,127.94 | 18,127.94 | 18,127.94 | 15,759.02 | 18,127.94 | 18,127.94 |
| Pro forma net loss attributable to participation interest(3) | 30,575 | 97,116 | 93,024 | | 5,937 | 18,806 |
| Pro forma net loss attributable to Studio City International(3) | (45,862) | (145,673) | (139,536) | | (8,906) | (28,210) |
| Pro forma loss per Class A ordinary share(3) | | | | | | |
| Basic and diluted | (0.422) | (1.339) | (1.283) | | (0.082) | (0.259) |
| Pro forma weighted average Class A ordinary shares outstanding used in loss per share calculation(3) | | | | | | |
| Basic and diluted | 108,767,640 | 108,767,640 | 108,767,640 | | 108,767,640 | 108,767,640 |

(1) We commenced operations in October 2015.
(2) We adopted the New Revenue Standard using the modified retrospective method from January 1, 2018. Amounts for the periods beginning on or after January 1, 2018 are presented under the New Revenue Standard, while prior period amounts are not adjusted and continue to be reported in accordance with the previous basis. There was no material impact on our results of operations for the six months ended June 30, 2018 as a result of the adoption of the New Revenue Standard.
(3) See "Unaudited Pro Forma Condensed Consolidated Financial Information" for the description of the assumptions underlying the pro forma calculation.

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| | As of December 31, | | | As of June 30, |
|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2018(1) |
| | (US$ thousands) | | | |
| **Summary Consolidated Balance Sheets Data:** | | | | |
| Total current assets | 460,927 | 397,218 | 661,074 | 417,764 |
| Cash and cash equivalents | 348,399 | 336,783 | 285,067 | 294,878 |
| Bank deposits with original maturities over three months | 9,884 | — | — | 24,987 |
| Restricted cash | 34,400 | 34,333 | 301,096 | 34,402 |
| Amounts due from affiliated companies | 37,826 | 1,578 | 40,837 | 29,143 |
| Total non-current assets | 2,466,640 | 2,624,781 | 2,731,509 | 2,405,377 |
| Property and equipment, net | 2,280,116 | 2,419,410 | 2,518,578 | 2,226,411 |
| Land use right, net | 125,672 | 128,995 | 132,318 | 124,011 |
| Restricted cash | 130 | 130 | — | 130 |
| Total assets | 2,927,567 | 3,021,999 | 3,392,583 | 2,823,141 |
| Total current liabilities | 178,070 | 193,439 | 327,213 | 93,001 |
| Accrued expenses and other current liabilities | 155,840 | 156,495 | 214,004 | 65,965 |
| Current portion of long-term debt, net | — | — | 74,630 | — |
| Amounts due to affiliated companies | 19,508 | 33,462 | 34,763 | 21,752 |
| Long-term debt, net | 1,999,354 | 1,992,123 | 1,982,573 | 2,003,181 |
| Other long-term liabilities | 9,512 | 19,130 | 23,097 | 4,216 |
| Total liabilities | 2,187,524 | 2,205,519 | 2,333,236 | 2,101,273 |
| Total shareholders' equity(1) | 740,043 | 816,480 | 1,059,347 | 721,868 |
| Total liabilities and shareholders' equity(1) | 2,927,567 | 3,021,999 | 3,392,583 | 2,823,141 |
| Pro forma total shareholders' equity(2) | 444,033 | 489,895 | | 433,128 |
| Pro forma participation interest(2) | 296,010 | 326,585 | | 288,740 |
| Pro forma total shareholders' equity and participation interest(2) | 740,043 | 816,480 | | 721,868 |
| Pro forma total liabilities, shareholders' equity and participation interest(2) | 2,927,567 | 3,021,999 | | 2,823,141 |

(1) We adopted the New Revenue Standard using the modified retrospective method from January 1, 2018 and recognized an increase in opening balance of accumulated losses of US$3.3 million due to the cumulative effect of adopting the New Revenue Standard. Amounts for the periods beginning on or after January 1, 2018 are presented under the New Revenue Standard, while prior period amounts are not adjusted and continue to be reported in accordance with the previous basis.

(2) See "Unaudited Pro Forma Condensed Consolidated Financial Information" for the description of the assumptions underlying the pro forma calculations.

**Key Operating Data**

The following table presents the key operating data of Studio City for the periods indicated since the commencement of its operation on October 27, 2015.

| | For the Year Ended December 31, | | | For the Six Months Ended June 30, | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2018 | 2017 |
| **Selected Key Operating Data** | | | | | |
| *Mass market table games* | | | | | |
| Mass market table games drop (US$ million) | 2,913.0 | 2,480.0 | 365.3 | 1,639.5 | 1,317.7 |
| Mass market table games hold percentage | 26.1% | 24.7% | 22.4% | 26.0% | 26.6% |
| Mass market table games gross gaming revenue[1] (US$ million) | 759.1 | 611.6 | 81.8 | 425.6 | 350.8 |
| *Gaming machine* | | | | | |
| Gaming machine handle (US$ million) | 2,120.5 | 2,002.3 | 264.9 | 1,196.6 | 1,000.3 |
| Gaming machine win rate | 3.7% | 3.8% | 4.9% | 3.5% | 3.7% |
| Gaming machine gross gaming revenue[2] (US$ million) | 78.2 | 76.0 | 12.9 | 42.0 | 37.0 |
| Average net win per gaming machine per day (US$) | 225 | 189 | 168 | 244 | 210 |
| *VIP rolling chip*[3] | | | | | |
| VIP rolling chip volume (US$ million) | 19,003.9 | 1,343.6 | — | 12,682.8 | 8,206.4 |
| VIP rolling chip win rate | 3.16% | 1.39% | — | 2.67% | 2.92% |
| VIP rolling chip gross gaming revenue[4] (US$ million) | 600.8 | 18.6 | — | 339.0 | 239.4 |
| *Hotel* | | | | | |
| Average daily rate (US$) | 140 | 136 | 136 | 137 | 137 |
| REVPAR (US$) | 138 | 133 | 133 | 137 | 135 |
| Occupancy rate | 99% | 98% | 98% | 100% | 99% |

(1) Mass market table games gross gaming revenue is calculated by multiplying mass market table games drop by mass market table games hold percentage.
(2) Gaming machine gross gaming revenue is calculated by multiplying gaming machine handle by gaming machine win rate.
(3) VIP rolling chip operations commenced in November 2016. There is no assurance such VIP tables at the Studio City Casino will continue to be in operation after October 1, 2019. See "Risk Factors—Risks Relating to Our Business—The Gaming Operator may cease the operation of VIP rolling chip tables at the Studio City Casino under certain circumstances, including by providing us with a 12-month advance notice on or after October 1, 2018. There is no assurance that the VIP rolling chip operations at Studio City Casino will continue after October 1, 2019 and the discontinuation of such VIP rolling chip operations is likely to materially and adversely affect our financial condition and results of operations."
(4) VIP rolling chip gross gaming revenue is calculated by multiplying VIP rolling chip volume by VIP rolling chip win rate.

**Non-GAAP Financial Measures**

To supplement our consolidated financial statements, which are prepared and presented in accordance with U.S. GAAP, we use adjusted EBITDA, a non-GAAP financial measure, as described below, to understand and evaluate our core operating performance. This non-GAAP financial measure, which may differ from similarly titled measures used by other companies, is presented to enhance investors' overall understanding of our financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with U.S. GAAP.

Adjusted EBITDA is defined as earnings before interest, taxes, depreciation, amortization, pre-opening costs, property charges and other, other non-operating income and expenses. We believe that adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results. This

non-GAAP financial measure eliminates the impact of items that we do not consider indicative of the performance of our business. While we believe that this non-GAAP financial measure is useful in evaluating our business, this information should be considered as supplemental in nature and is not meant as a substitute for the related financial information prepared in accordance with U.S. GAAP. It should not be considered in isolation or construed as an alternative to net income/loss, cash flow or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities.

The use of adjusted EBITDA has material limitations as an analytical tool, as adjusted EBITDA does not include all items that impact our net income/loss. Investors are encouraged to review the reconciliation of the historical non-GAAP financial measure to its most directly comparable GAAP financial measure.

The table below presents the reconciliation of net loss to adjusted EBITDA for the periods indicated.

| | For the Year Ended December 31, | | | | For the Six Months Ended June 30, | |
|---|---|---|---|---|---|---|
| | **2017** | **2016** | **2015(2)** | **2014(2)** | **2018(3)** | **2017** |
| | (US$ thousands) | | | | | |
| Net loss | (76,437) | (242,789) | (232,560) | (66,036) | (14,843) | (47,016) |
| Income tax (credit) expense | (239) | 474 | 353 | — | 375 | (15) |
| Interest and other non-operating expenses, net | 157,126 | 187,549 | 42,930 | 37,651 | 79,137 | 78,621 |
| Property charges and other | 22,210 | 1,825 | 1,126 | — | 3,527 | 4,267 |
| Depreciation and amortization | 176,326 | 171,862 | 40,965 | 12,130 | 85,444 | 88,243 |
| Pre-opening costs | 116 | 4,044 | 153,515 | 14,951 | 53 | (40) |
| Adjusted EBITDA | 279,102 | 122,965 | 6,329 | (1,304) | 153,693 | 124,060 |
| Adjusted EBITDA margin(1) | 51.7% | 29.0% | 9.1% | N/A | 54.5% | 48.9% |

(1) Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by total revenues.
(2) We commenced operations in October 2015.
(3) We adopted the New Revenue Standard using the modified retrospective method from January 1, 2018. Amounts for the periods beginning on or after January 1, 2018 are presented under the New Revenue Standard, while prior period amounts are not adjusted and continue to be reported in accordance with the previous basis. There was no material impact on our results of operations and Adjusted EBITDA for the six months ended June 30, 2018 as a result of the adoption of the New Revenue Standard.

## RISK FACTORS

*An investment in our ADSs involves significant risks. You should consider carefully all of the information in this prospectus, including the risks and uncertainties described below, before making an investment in our ADSs. Any of the following risks could have a material and adverse effect on our business, financial condition and results of operations. In any such case, the market price of our ADSs could decline, and you may lose all or part of your investment.*

### Risks Relating to Our Business

***We have a short operating history compared to many of our competitors and are therefore subject to significant risks and uncertainties. Our short operating history may not be indicative of our future operating results and prospects.***

We have a short business operating history compared to many of our competitors, and there is limited historical information available about us upon which you can base your evaluation of our business and prospects. Studio City commenced operations in October 2015. As a result, you should consider our business and prospects in light of the risks, expenses, uncertainties and challenges that we may face given our short operating history in the intensely competitive market of the gaming business. The historical performance at the other casinos operated by the Gaming Operator should not be taken as an indication of Studio City Casino's future performance or the performance of our remaining project once it commences operations.

We may encounter risks and difficulties frequently experienced by companies with early stage operations, and those risks and difficulties may be heightened by challenging market conditions of the gaming business in Macau and other challenges our business faces. Certain of these risks relate to our ability to:

- operate, support, expand and develop our operations and our facilities;
- respond to economic uncertainties;
- respond to competitive market conditions;
- fulfill conditions precedent to draw down or roll over funds from current and future credit facilities;
- comply with covenants under our existing and future debt issuances and credit facilities;
- respond to changing financial requirements and raise additional capital, as required;
- complete the development of our remaining project for Studio City on time and in compliance with the conditions under the relevant land concession contract;
- obtain the necessary authorizations, approvals and licenses from the relevant governmental authorities for the development of our remaining project for Studio City;
- attract and retain customers and qualified staff;
- maintain effective control of our operating costs and expenses;
- maintain internal personnel, systems, controls and procedures to assure compliance with the extensive regulatory requirements applicable to our business as well as regulatory compliance as a public company; and
- assure compliance with, and respond to changes in the regulatory environment and government policies.

If we are unable to successfully manage one or more of such risks, we may be unable to operate our businesses in the manner we contemplate and generate revenues in the amounts and at the rate we anticipate. If any of these events were to occur, it may have a material adverse effect on our business, prospects, financial condition, results of operation and cash flows.

***Because neither we nor any of our subsidiaries hold a gaming license in Macau, Studio City Casino is operated by the Gaming Operator through the Services and Right to Use Arrangements under the Gaming Operator's subconcession. Any failure by the Gaming Operator to comply with its obligations as a subconcessionaire or any failure by the Gaming Operator or us to comply with its or our respective obligations under the Services and Right to Use Arrangements, including any regulatory requirements thereunder, may have a material adverse effect on the operation of Studio City Casino.***

The Gaming Operator and our subsidiary, Studio City Entertainment, have entered into the Services and Right to Use Arrangements under which the Gaming Operator has agreed to operate Studio City Casino since we do not hold a gaming license in Macau. Under such arrangements, the Gaming Operator deducts gaming tax and the costs incurred in connection with its operations from Studio City Casino's gross gaming revenues. We receive the residual amount and recognize such residual amount as revenues from provision of gaming related services.

The Services and Right to Use Arrangements were approved by the Macau government and are subject to the satisfaction of certain conditions imposed by the Macau government on the Gaming Operator and us in connection with granting its approval. Such conditions include but are not limited to Studio City Entertainment being subject to Macau government supervision applicable to gaming concessionaires and subconcessionaires. As a substantial part of our revenues and cash flows are generated from the Gaming Operator's operation of Studio City Casino, any failure by the Gaming Operator to comply with any statutory, contractual or any other duties imposed on it as a subconcessionaire or any failure by the Gaming Operator or us to comply with its or our respective obligations under the Services and Right to Use Arrangements, including but not limited to any conditions imposed by the Macau government in granting its approval for our entry into the Services and Right to Use Arrangements, may result in the approval for the Services and Right to Use Arrangements being revoked by the Macau government and consequently an inability to receive any amounts thereunder or provide any gaming facilities at Studio City and thus have a material adverse effect on the operation of Studio City Casino including its suspension or cessation, and may cause the suspension or termination of the Gaming Operator's subconcession. In 2008, the Macau government announced that services agreements with respect to gaming activities would no longer be approved or authorized. As a result, if the Services and Right to Use Arrangements or the Gaming Operator's subconcession is terminated, we may not be able to enter into a new services agreement with another concessionaire or subconcessionaire. Even if such moratorium is lifted, we may not be able to enter into an arrangement for the operation of Studio City Casino with another concessionaire or subconcessionaire on terms that are as comparable or acceptable to us or at all. For details of the terms of the Services and Right to Use Arrangements, see "Related Party Transactions—Material Contracts with Affiliated Companies—Services and Right to Use Arrangements."

Furthermore, the Gaming Operator has exclusive access to the customer database of the gaming operations at Studio City Casino and in the event of termination of the arrangement under the Services and Right to Use Arrangements, we may not be able to gain access to such database.

Any material dispute with the Gaming Operator or any failure by the Gaming Operator to comply with its obligations under its subconcession or by the Gaming Operator or us to comply with its or our respective obligations under the Services and Right to Use Arrangements, including but not limited to any conditions imposed by the Macau government in granting its approval for our entry into the Services and Right to Use Arrangements, may have a material adverse effect on the operation of Studio City Casino and in turn affect our financial condition and results of operations.

***We rely on services provided by subsidiaries of Melco Resorts, including hiring and training of personnel for Studio City.***

According to the Services and Right to Use Arrangements, the Gaming Operator is responsible for the operation of Studio City Casino facilities, including hiring, employing, training and supervising casino personnel.

The Gaming Operator deducts gaming tax and the costs incurred in connection with its operations, including staff costs from Studio City Casino's gross gaming revenues. We expect the Gaming Operator to continue managing all recruitment and training-related matters for staff that have been deployed at Studio City Casino.

In addition, under the Management and Shared Services Arrangements, we receive certain services from certain members of the Melco Resorts group. We rely on the Master Service Providers to recruit, allocate, train, manage and supervise a substantial majority of the staff who are all solely dedicated to our property to perform our corporate and administrative functions and carry out other non-gaming activities, including food and beverage management, retail management, hotel management, entertainment projects, mall development and sales and marketing activities, among others. In addition, pursuant to the Management and Shared Services Arrangements, certain shared services staff including certain senior management from the Master Service Providers are not solely dedicated to our property and may not devote all of their time and attention to the operation of Studio City. These shared services staff work for other properties owned by Melco Resorts, which may directly and indirectly compete with us. Any expansion of the business of Melco Resorts, whether effectuated through the Gaming Operator or other companies, could divert the attention and time of these shared services staff from the operations of Studio City and adversely affect us.

If the Gaming Operator or the Master Service Providers are unable to attract and retain a sufficient number of qualified staff or to provide satisfactory services to us or the costs of qualified staff increase significantly, our business, financial condition and results of operations could be materially and adversely affected.

***The costs associated with the Services and Right to Use Arrangements and the Management and Shared Services Arrangements may not be indicative of the actual costs we could have incurred as an independent company.***

Under the Services and Right to Use Arrangements, the Gaming Operator deducts gaming tax and the costs of operation of Studio City Casino. We receive the residual gross gaming revenues and recognize these amounts as our revenues from provision of gaming related services.

Under the Management and Shared Services Arrangements, certain of our corporate and administrative functions as well as operational activities are administered by staff employed by certain subsidiaries of Melco Resorts, including senior management services, centralized corporate functions and operational and venue support services. Payment arrangements for the services are provided for in the individual work agreements and may vary depending on the services provided. Corporate services are charged at pre-negotiated rates, subject to a base fee and cap. Senior management service fees and staff costs on operational services are allocated to us based on percentages of efforts on the services provided to us. Other costs in relation to shared office equipment are allocated based on a percentage of usage.

We believe the costs incurred under the Services and Right to Use Arrangements and the allocation methods under the Management and Shared Services Arrangements are reasonable and the consolidated financial statements reflect our cost of doing business. However, such allocations may not be indicative of the actual expenses we would have incurred had we operated as an independent company.

***We face concentration risk in relation to our sole operation of Studio City.***

We are dependent upon the operation of Studio City to generate our revenue and cash flows. Given that our operations are conducted only at Studio City in Macau, we are subject to greater risks than a company with several operating properties in several markets. These risks include, but are not limited to:

- dependence on the gaming, tourism and leisure market in Macau;
- limited diversification of our business and sources of revenue;

- a decline in economic and political conditions in Macau, China or Asia, or an increase in competition within the gaming industry in Macau or generally in Asia;
- inaccessibility to Macau due to inclement weather, road construction or closure of primary access routes;
- a decline in air or ferry passenger traffic to Macau due to higher ticket costs, fears concerning travel or otherwise;
- travel restrictions to Macau and austerity measures imposed now or in the future by the governments in China or other countries in Asia;
- tightened control of cross-border fund transfers and/or foreign exchange regulations or policies effected by the Chinese or Macau governments;
- measures taken by the Chinese government to deter gaming activities or marketing of gaming activities to mainland Chinese residents;
- changes in Macau governmental laws and regulations, or interpretations thereof;
- natural and other disasters, including typhoons, outbreaks of infectious diseases or terrorism, affecting Macau;
- relaxation of regulations on gaming laws in other regional economies that could compete with the Macau market;
- government restrictions on growth of gaming markets, including policies on gaming table allocation and caps; and
- a decrease in gaming activities and other spending at Studio City Casino.

Any of these conditions or events could have a material adverse effect on our business, cash flow, financial condition, results of operations and prospects.

In addition, as Macau is a limited gaming concession market nearing its land capacity for the development of integrated resorts, opportunities to expand our operations, if any, may be limited.

***The Gaming Operator may cease the operation of VIP rolling chip tables at the Studio City Casino under certain circumstances, including by providing us with a 12-month advance notice on or after October 1, 2018. There is no assurance that the VIP rolling chip operations at Studio City Casino will continue after October 1, 2019 and the discontinuation of such VIP rolling chip operations is likely to materially and adversely affect our financial condition and results of operations.***

The 250 mass market gaming tables permitted to be operated at the Studio City Casino by the Gaming Operator are designated for mass market purposes only and the Macau government has determined that tables authorized for mass market gaming operations may not be utilized for VIP gaming operations. While Studio City Casino continues to focus on the mass market segment, VIP rolling chip operations, including both junket and premium direct VIP offerings, were introduced at Studio City Casino in early November 2016. Such VIP rolling chip operations are operated by the Gaming Operator under the Services and Right to Use Arrangements. The VIP tables used in such operations were initially allocated by the Macau government for operation by the Gaming Operator at gaming areas of the Gaming Operator’s other properties in Macau.

The Gaming Operator has the ability to unilaterally cease operation of all or part of such VIP rolling chip tables at the Studio City Casino under certain circumstances, including by providing us with 12-month advance notice on or after October 1, 2018; upon the instruction or order of the Macau government; if Melco Resorts no longer, directly or indirectly, holds a majority of the voting power of certain of our subsidiaries, including Studio City Developments and Studio City Entertainment; and if Studio City Entertainment fails to pay its debts as they fall due.

There is no assurance that the VIP tables at the Studio City Casino will continue to operate therein after October 1, 2019. Further, the 250 mass market gaming tables permitted to be operated at the Studio City Casino by the Gaming Operator are designated for mass market purposes only and there is no assurance or expectation that such tables may be operated as VIP rolling chip tables in the future as the Macau government has determined that tables authorized for mass market gaming operations may not be utilized for VIP gaming operations. Amounts received from the Studio City Casino VIP gaming operations, as determined under the Services and Right to Use Arrangements, amounted to US$36.6 million and US$14.6 million in 2017 and the first six months ended June 30, 2018, respectively. We would expect the discontinuation of the VIP rolling chip operations at Studio City Casino to have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

***Studio City Casino's VIP rolling chip operations may cause volatility in our financial condition and results of operations due to changes in the economic and regulatory environments and Studio City Casino's ability to attract and retain VIP rolling chip players.***

Studio City Casino has and is expected to incur costs associated with the VIP rolling chip operations, while the expected revenues to be generated from the VIP rolling chip operations may be volatile primarily due to high bets and the resulting high winnings and losses. In 2017, gross win per VIP table per day was approximately US$40,000. VIP rolling chip operations are also more vulnerable to changes in the economic environment and therefore inherently more volatile than mass market operations. For example, according to statistics compiled from the DICJ, VIP rolling chip gross gaming revenues declined slightly in Macau from 2015 to 2016 while mass market gross gaming revenues increased slightly during the same period. Moreover, VIP rolling chip operations involve commissions to the gaming promoters and, as a result, the margins associated with VIP rolling chip operations are usually lower than the margins for mass market operations and may also be volatile from period-to-period due to significant variances in winnings and losses. As a result, Studio City Casino's business, results of operations and cash flows may become more volatile than that of other casinos with only mass market gaming operations.

Further, the VIP rolling chip players pool is limited and we cannot assure you that the existing VIP rolling chip players at Studio City Casino will be recurring players. If Studio City Casino loses its existing VIP rolling chip players or fails to attract new VIP rolling chip players, our revenues and cash flows from the provision of gaming-related services could be materially and adversely affected. In addition, the VIP rolling chip segment may be particularly susceptible to certain changes in government policies, regulations and enforcement actions. For instance, the anti-corruption campaign of the Chinese government has had a negative effect on the VIP rolling chip segment in Macau. Any further campaigns may negatively affect the numbers of VIP rolling chip players in Macau and in turn, materially and adversely affect our business.

***We have a history of net losses and may not achieve profitability in the future.***

Studio City may not be financially successful or generate the cash flows that we anticipate. We had net losses of US$14.8 million, US$76.4 million, US$242.8 million and US$232.6 million for the six months ended June 30, 2018 and for the years ended December 31, 2017, 2016 and 2015, respectively, primarily because Studio City only commenced operations in October 2015 and is still in its ramp-up period. In addition, we incurred negative operating cash flows of US$113.1 million in 2015.

We expect our costs and expenses to increase in absolute amounts due to (i) the continued expansion of our operations, which will cause us to incur increased costs and expenses associated with the operation of our businesses; and (ii) the continued development of our remaining project.

We also expect that our capital expenditures will continue to increase as we continue to expand our existing operations and develop our remaining project. These efforts may be more costly than we expect and our revenue may not increase sufficiently to offset these expenses. We may continue to take actions and make investments

that do not generate optimal short-term financial results and may even result in increased operating losses in the short term with no assurance that we will eventually achieve the intended long-term benefits or profitability. These factors may adversely affect our ability to achieve profitability and service debt obligations and interest payments under any of our existing or future financing facilities.

***We have a substantial amount of existing indebtedness and may incur additional indebtedness, which could have significant effects on our business and future operations.***

We have a substantial amount of existing indebtedness. As of June 30, 2018, we had total outstanding indebtedness of US$2,025.1 million, representing the outstanding balances of our existing notes and credit facility. Significant interest and principal payments are required to meet our obligations under the existing indebtedness. We may also incur additional indebtedness following this offering. Our substantial indebtedness could have important consequences for you and significant effects on our business and future operations. For example:

- if we fail to meet our payment obligations or otherwise default under the agreements governing our existing indebtedness, the applicable lenders or note holders under our indebtedness will have the right to accelerate such indebtedness and exercise other rights and remedies against us;
- we may be limited in our ability to obtain additional financing, if needed, to fund our working capital requirements, capital expenditures, debt service, general corporate or other obligations, including our obligations with respect to the existing indebtedness;
- we are required to use all or a substantial portion of our cash flow from operations of Studio City to service our indebtedness, which will reduce the available cash flow to fund our operations, capital expenditures and other general corporate purposes;
- we may be limited in our ability to respond to changing business and economic conditions and to withstand competitive pressures, which may affect our financial condition;
- under certain existing indebtedness, the interest rates we pay in respect of the indebtedness which we are not required to hedge will fluctuate with the current market rates and, accordingly, our interest expense will increase if market interest rates increase;
- we may be placed at a competitive disadvantage to our competitors who are not as highly leveraged; and
- in the event that we or one of our subsidiaries were to default, it may result in the loss of all or a substantial portion of our and/or our subsidiaries' assets over which our creditors have taken or will take security.

Under the terms of the indentures governing our existing indebtedness, we will be permitted to incur additional indebtedness if certain conditions are met, some of which may be senior secured indebtedness. If we incur additional indebtedness, certain risks described above will be exacerbated.

If we are unable to comply with our existing and/or future indebtedness obligations and other agreements, there could be a default under those agreements. If that occurs, lenders could terminate their respective commitments to lend to us or terminate their respective agreements, and holders of our debt securities could accelerate repayment of debt and declare all outstanding amounts due and payable, as the case may be. Furthermore, existing agreements governing our indebtedness contain, and future agreements governing our indebtedness are likely to contain, cross-acceleration or cross-default provisions. As a result, our default under any such agreement may cause the acceleration of repayment of other indebtedness, or result in a default under agreements governing our other indebtedness. If any of these events occur, our assets and cash flows may not be sufficient to repay in full all of our indebtedness and we may not be able to find alternative financing. Even if we are able to obtain alternative financing, it may not be on terms that are comparable or acceptable to us.

***Certain covenants under our agreements governing our existing indebtedness restrict our ability to engage in certain transactions and may impair our ability to respond to changing business and economic conditions.***

Certain covenants under our agreements governing our existing indebtedness impose operating and financial restrictions on us. The restrictions that are imposed under these debt instruments include, among other things, limitations on our ability to:

- pay dividends or distributions on account of our equity interests;
- make specified restricted payments;
- incur additional debt;
- engage in other businesses or make investments;
- create liens on assets;
- enter into transactions with affiliates;
- merge or consolidate with another company;
- transfer and sell assets;
- issue preferred stock;
- create dividend and other payment restrictions affecting subsidiaries; and
- designate restricted and unrestricted subsidiaries.

Certain of our credit facilities and debt instruments are secured by mortgages, assignment of land use rights, leases or equivalents, security over shares, charges over bank accounts, security over assets and other customary security over the assets of our subsidiaries. In the event of a default under such credit facilities and debt instruments, the holders of such secured indebtedness would first be entitled to payment from their collateral security and only then would holders of certain of our subsidiaries' unsecured debt be entitled to payment from their remaining assets. For details and summary of terms of our indebtedness, see "Description of Indebtedness."

As a result of these covenants and restrictions, we will be limited in how we conduct our business, and we may be unable to raise additional financing to compete effectively or to take advantage of new business opportunities. Future indebtedness or other contracts could contain financial or other covenants more restrictive than those contained in the agreements governing the existing indebtedness. In addition, general economic conditions, industry conditions and other events beyond our control may also affect our ability to comply with these provisions. If we fail to abide by such covenants, we may be unable to maintain our current financing arrangements, obtain suitable future financings or avoid an event of default which may adversely impact our cash flows, existing operations and future development.

***We generate a portion of our revenues from, and are subject to risks in operating, non-gaming offerings.***

We generate a portion of our revenues from non-gaming offerings and our financial performance in part depends on our ability to attract new and repeat customers to the non-gaming facilities at Studio City. Both visitation and the level of spending at our themed attractions, hotel, retail shops, restaurants and other leisure and entertainment facilities are key drivers of revenues and profitability, and reductions in either could have a material adverse effect on our business, prospects, results of operations and cash flows. In addition, any cessation of, or reduction in, the operation of VIP tables by the Gaming Operator at Studio City Casino could have a material adverse effect on visitation and the level of spending at our leisure and entertainment facilities as rolling chip patrons have become increasingly significant growth drivers for our high-end retail and fine-dining offerings. We do not have a long track record in operating these non-gaming facilities and may not be able to attract new and recurring customers to our non-gaming facilities at Studio City. Our success in non-gaming

offerings depends on, among others, the effectiveness of our advertising and marketing initiatives, the attractiveness and safety of our entertainment facilities as compared to other resorts in Macau, the compliance with legal and regulatory requirements for our retail, entertainment and food and beverage outlets and our continued cooperation with the popular retail brands and restaurants. Moreover, many of our attractions which draw in large numbers of visitors, such as the Golden Reel and Batman Dark Flight may become obsolete in terms of technology or otherwise fail to continue to attract sufficient number of visitors. We cannot assure you that we will be financially successful in our non-gaming offerings or be able to maintain the average daily rate, occupancy rate and REVPAR of Studio City hotel or visitation to Studio City in general, which may adversely affect our ability to generate the cash flows that we anticipate and impact our operations and financial condition.

***Studio City Casino's gaming operations could be impacted by the reputation and integrity of the parties engaged in business activities at Studio City Casino and we cannot assure you that these parties will always maintain high standards of conduct or suitability throughout the term of Studio City Casino's association with them. Failure to do so may potentially cause the Gaming Operator, us and our shareholders to suffer harm to our and our shareholders' reputation, as well as impaired relationships with, and possibly sanctions from, gaming regulators.***

The reputation and integrity of the parties who are or will be engaged in gaming activities at Studio City Casino are important to the continued operations of the casino in compliance with Gaming Operator's subconcession and our own reputation. For parties that engage in gaming related activities, where relevant, the gaming regulators are expected to undertake their own probity checks and will reach their own suitability findings in respect of the activities and parties with which Studio City Casino may be associated. In addition, we conduct, and we expect that the Gaming Operator will conduct, an internal due diligence and evaluation process prior to the engagement of such parties. However, notwithstanding such regulatory probity checks, the Gaming Operator's due diligence and our own due diligence, we cannot assure you that the parties with whom Studio City Casino is or will be associated will always maintain the high standards that gaming regulators, the Gaming Operator and we require or that such parties will maintain their suitability throughout the term of Studio City Casino's association with them. If Studio City Casino were to be associated with any party whose probity was in doubt, this may reflect negatively on the Gaming Operator and our own probity when assessed by gaming regulators. A party associated with Studio City Casino may fall below the gaming regulators' suitability standards.

In particular, the reputation of the gaming promoters operating in Studio City Casino is important to the Gaming Operator's ability to continue to operate in compliance with its subconcession and our own reputation. While we endeavor, and we expect that the Gaming Operator also endeavors, to ensure high standards of probity and integrity in such gaming promoters, we cannot assure you that such gaming promoters will always maintain such high standards. If the probity of a gaming promoter associated with Studio City Casino was in doubt or such promoter failed to operate in compliance with Macau laws consistently, this may be considered by regulators or investors to reflect negatively on the Gaming Operator's and on our own probity and compliance records. Such a gaming promoter may fall below the Gaming Operator's or our standards of probity, integrity and legal compliance. There can also be no assurance that any allegation against, or negative publicity relating to, the gaming promoters operating in Studio City Casino or the Gaming Operator's or our standards of probity, integrity and legal compliance will not have a material adverse impact on our reputation and business operations.

If any of the above were to occur, we, the Gaming Operator and our shareholders may suffer harm to our, the Gaming Operator's and our shareholders' reputation, as well as impaired relationships with, and possibly sanctions from, gaming regulators with authority over operations.

***We are developing the remaining project for Studio City under the terms of a land concession contract which require us to fully develop the land on which Studio City is located by July 24, 2021. If we do not complete development by that time and the Macau government does not grant us a further extension of the development period, we could be forced to forfeit all or part of our investment in Studio City, along with our interest in the land on which Studio City is located and the building and structures on such land.***

Land concessions in Macau are issued by the Macau government and generally have terms of 25 years and are renewable for further consecutive periods of ten years. Land concessions further stipulate a period within which the development of the land must be completed. The land on which Studio City is located must be fully developed by July 24, 2021. While we opened Studio City in October 2015, development for the remaining land of Studio City is still ongoing and in the early stages. There is no guarantee we will complete the development of the remaining land of Studio City by the deadline. In the event that additional time is required to complete the development of the remaining project for Studio City, we will have to apply for a further extension of the relevant development period which shall be subject to Macau government review and approval at its discretion. While the Macau government may grant extensions if we meet certain legal requirements and the application for the extension is made in accordance with the relevant rules and regulations, there can be no assurance that the Macau government will grant us any necessary extension of the development period or not exercise its rights to terminate the Studio City land concession. In the event that no further extension is granted or the Studio City land concession is terminated, we could lose all or substantially all of our investment in Studio City, including our interest in land and building and may not be able to continue to operate Studio City as planned, which will materially adversely affect our business and prospects, results of operations and financial condition.

***Future development of the remaining project is subject to significant risks and uncertainties.***

Under our current plan for the remaining project, the remaining project is expected to consist of two hotel towers with a total of approximately 940 rooms and a gaming area of approximately 2,000 square meters. In addition, we currently envision the remaining project to also contain a waterpark with approximately 10,000 square meters indoors and approximately 2,000 square meters outdoors. Other non-gaming attractions expected to be part of the remaining project include MICE space, retail and food and beverage outlets and a cineplex.

The development and construction risks of this remaining project at Studio City include:

- failure or delay in obtaining the necessary permits, authorizations, approvals and licenses from the relevant governmental authorities, including for any extension of the development period;
- lack of sufficient, or delays in availability of, financing;
- changes to plans and specifications;
- engineering problems, including defective plans and specifications;
- changes in laws and regulations, or in the interpretation and enforcement of laws and regulations, applicable to leisure, real estate development or construction projects;
- costs in relation to compliance with environmental rules and regulations in our development plans;
- shortages of, and price increases in, energy, materials and skilled and unskilled labor, and inflation in key supply markets;
- labor disputes or work stoppages;
- shortage of qualified contractors and suppliers or inability to enter into definitive contracts with contractors with sufficient skills, financial resources and experience on commercially reasonable terms, or at all;
- disputes with and defaults by or between suppliers, contractors and subcontractors and other counter-parties;
- personal injuries to workers and other persons;
- environmental, health and safety issues, including site accidents and the spread of viruses;

- fires, typhoons and other natural disasters, including weather interferences or delays; and
- other unanticipated circumstances or cost increases.

As of the date of this prospectus, we are in the early stages of development of the remaining project. However, there is no assurance that our expected development plan will be successful and that we will be able to secure commercial terms favorable to us from our potential business or financing sources. In addition, we expect that our capital expenditures and depreciation and amortization expenses will increase as we continue to develop our remaining project. As of June 30, 2018, we have incurred approximately US$20.8 million of aggregate costs relating to the development of our remaining project, primarily related to the initial design and planning costs. Based on our current plan for the remaining project, we currently expect a project budget of approximately US$1.35 billion to US$1.40 billion for the development of the remaining project. As we obtain additional debt and/or equity financing, our leverage may intensify, our financing-related costs may increase and your equity interest in us may be diluted, as the case may be. Furthermore, there is no guarantee that we may be able to respond adequately to competitive or unfavorable market conditions to successfully operate and capitalize on our investment in the remaining project when it commences operations.

The occurrence of any of these development or construction risks could increase the total costs, delay or prevent the construction or opening or otherwise affect the design and features of the remaining project at Studio City. We cannot guarantee that our construction costs or total project costs for the remaining project at Studio City will not increase above our budget. Any failure to complete the remaining project on time or within our budget could have a material adverse effect on our business and prospects, financial condition, results of operations and cash flows.

***We may not be able to obtain adequate financing on satisfactory terms for our existing business and/or remaining project, or at all.***

In the past, we have funded our capital investment projects primarily through credit facilities and other debt financings. We will require additional funding in the future for the expansion of our current business and/or development of our remaining project, which may be substantial and which we may raise through a combination of credit, debt and equity financings. We may be required to seek the approval or consent of or notify the relevant government authorities or third parties in order to obtain such financings. We cannot assure you that we would be able to obtain such required approval or consent from the relevant government authorities or third parties with respect to such financing in a timely manner or at all.

Any financing related to the remaining project at Studio City will also be subject to, among others, the terms of our existing and any future financings. In addition, our ability to obtain credit, debt or equity financing on acceptable terms depends on a variety of factors that are beyond our control, including market conditions, investors' and lenders' perceptions of, and demand for, bond, bank and equity securities of gaming companies, credit availability and interest rates. For example, changes in ratings outlooks may subject us to ratings agency downgrades, which could make it more difficult for us to obtain financing on acceptable terms. As a result, we cannot assure you that we will be able to obtain sufficient funding on terms satisfactory to us, or at all, to finance our existing business and/or remaining project. If we are unable to obtain such funding, our business, cash flow, financial condition, results of operations and prospects could be materially and adversely affected.

***Our results of operations are subject to seasonality and other fluctuations.***

We are subject to seasonality and other fluctuations in our business. Our revenue is also largely affected by promotional and marketing activities and revenue may increase as a result of these activities. Launch of new promotions or the timing of such promotions may further cause our quarterly results to fluctuate and differ from historical patterns. Our results of operations will likely fluctuate due to these and other factors, some of which are beyond our control, including but not limited to: (i) fluctuations in overall consumer demand for gaming and hospitality, leisure and resort during certain months and holidays; (ii) introduction of new policies or regulatory measures; and (iii) macro-economic conditions and their effect on discretionary consumer spending. Because of

these and other factors as well as the short operating history of our business, it is difficult for us to accurately identify recurring seasonal trends in our business. In addition, our rapid growth has masked certain fluctuations that might otherwise be apparent in our results of operations. When our growth stabilizes, the seasonality in our business may become more pronounced. If we fail to accurately identify the seasonal trends in our business and match our customer services and supplies in an effective manner, it may have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

***Macau's infrastructure may not adequately support the development of Macau's gaming and leisure industry, which may adversely affect our expected performance.***

Macau consists of a peninsula and two islands and is connected to China by two border crossings. Macau has an international airport and connections to China and Hong Kong by road, ferry and helicopter. To support Macau's planned future development as a gaming and leisure destination, the frequency of bus, car, air and ferry services to Macau will need to increase. While various projects are under development to improve Macau's internal and external transportation links, including the Macau Light Rapid Transit, capacity expansion of border crossings and the Hong Kong—Zhuhai—Macau Bridge, these projects may not be approved, financed or constructed in time to handle the projected increase in demand for transportation or at all, which could impede the expected increase in visitation to Macau and adversely affect Studio City. For example, there has been a delay in the development of the Macau Light Rapid Transit, and the benefits expected to be brought by Studio City's proximity to one of the planned Cotai hotel-casino resort stops may not be fully realized until the commencement of operations of such light rail stop. The construction of the Hong Kong—Zhuhai—Macau Bridge, which is expected to significantly reduce the travel time among the three cities, has also experienced delays. Any further delays or termination of Macau's transportation infrastructure projects may have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

***Health and safety or food safety incidents at Studio City may lead to reputational damage and financial exposures.***

We provide goods and services to a significant number of customers on a daily basis at Studio City. In particular, with the number of attractions, entertainment and food and beverage offerings in Studio City, there are risks of health and safety incidents or adverse food safety events, such as food poisoning, slip and fall accidents or surges in crowd flow at popular ingress and egress points. While we have a number of measures and controls in place aimed at managing such risks, we cannot guarantee that our insurance is adequate to cover all losses, which may subject us to incur additional costs and damages, and negatively impact our financial performance. Such incidents may also lead to reduced customer flow and reputational damage to Studio City.

***Our information technology and other systems are subject to cyber security risk including misappropriation of customer information or other breaches of information security.***

We rely on information technology and other systems, including those maintained by third-parties with whom we contract to provide data services, to maintain and transmit large volumes of customer information, credit card settlements, credit card funds transmissions, mailing lists and reservations information and other personally identifiable information. We also maintain important internal company data such as personally identifiable information about our staff and information relating to our operations. The systems and processes we have implemented to protect customers, staff and company information are subject to the ever-changing risk of compromised security. These risks include cyber and physical security breaches, system failure, computer viruses, and negligent or intentional misuse by customers, company staff or staff of third-party vendors as well as ransomware attacks that encrypt, exfiltrate or otherwise render data unusable or unavailable in an effort to extort money or other consideration as a condition to purportedly returning the data to a usable form or refraining from selling or otherwise releasing the data. The steps we take to deter and mitigate these risks may not be successful and our insurance coverage for protecting against cybersecurity risks may not be sufficient. Our third-party information system service providers face risks relating to cybersecurity similar to ours, and we do not directly

control any of such service providers' information security operations. A significant theft, loss or fraudulent use of customer or company data maintained by us or by a third-party service provider could have an adverse effect on our reputation, cause a material disruption to our operations and management team, and result in remediation expenses, regulatory penalties and litigation by customers and other parties whose information was subject to such attacks, all of which could have a material adverse effect on our business, prospects, results of operations and cash flow. Furthermore, any extended downtime from power supply disruptions or information technology system outages which may be caused by cyber security attacks or other reasons at Studio City may lead to an adverse impact on our operating results if we are unable to deliver services to customers for an extended period of time.

Our collection and use of personal data are governed by personal data privacy laws and regulations, and this area of law changes often and varies significantly by jurisdiction. Compliance with applicable privacy regulations may increase our operating costs and/or adversely impact our ability to market our products, properties and services to our customers and guests. In addition, non-compliance with applicable privacy regulations by us (or in some circumstances non-compliance by third parties engaged by us) or a breach of security on systems storing our data may result in damage of reputation and/or subject us to fines, payment of damages, lawsuits, criminal liability or restrictions on our use or transfer of data.

***Negative press or publicity about us or our directors, officers or affiliates may lead to government investigations, result in harm to our business, brand or reputation and have a material and adverse effect on our business.***

Unfavorable publicity regarding us or our directors, officers or affiliates whether substantiated or not, may have a material and adverse effect on our business, brand and reputation. Such negative publicity may require us to engage in a defensive media campaign, which may divert our management's attention, result in an increase in our expenses and adversely impact our results of operations or financial condition. The continued expansion in the use of social media over recent years has compounded the potential scope of the negative publicity that could be generated. Any negative press or publicity could also lead to government or other regulatory investigations, including causing regulators to take action against us or the Gaming Operator, including actions that could affect the ability or terms upon which the Gaming Operator holds its subconcession, its or our suitability to continue as a shareholder of certain subsidiaries and/or the suitability of key personnel to remain with the Gaming Operator. If any of these events were to occur, it would cause a material adverse effect on our business and prospects, financial condition and results of operations.

***If qualified management and personnel cannot be retained at Studio City, our business could be significantly harmed.***

We place substantial reliance on the gaming, project development and hospitality industry experience and knowledge of the Macau market possessed by members of our board of directors, our senior management team as well as other management personnel who serve Studio City under the Management and Shared Services Arrangements. We may experience changes in our key management in the future for reasons beyond our control. Loss of Mr. Lawrence Ho's services or the services of the other members of our board of directors or key management personnel could hinder our ability to effectively manage our business and implement our growth and development strategies. Finding suitable replacements for members of our board of directors or senior management could be difficult, and competition for personnel of similar experience could be intense in Macau. In addition, we do not currently carry key person insurance on any members of our senior management team.

Operation of Studio City also requires extensive operational management and staff. The supply of experienced skilled and unskilled personnel in Macau is severely limited. Many of the personnel occupy sensitive positions requiring qualifications sufficient to meet gaming regulatory and other requirements or are required to possess other skills for which substantial training and experience may be needed. Moreover, competition to recruit and retain qualified gaming and other personnel is likely to intensify further as competition in the Macau

integrated resort market increases. In addition, concessionaires and subconcessionaires are not currently allowed under the Macau government's policy to hire non-Macau resident dealers and supervisors. We cannot assure you that a sufficient number of qualified individuals will be attracted and retained to operate Studio City or that costs to recruit and retain such personnel will not increase significantly. In addition, the Gaming Operator has recently been subject to certain labor demands and rallies. The inability to attract, retain and motivate qualified staff by the Gaming Operator and Master Service Providers could have a material adverse effect on our business.

In addition, recruitment efforts for the operations of Studio City may be adversely impacted by Macau government's policies with respect to the approval and renewal of work permits for non-resident workers. In its policy address for the financial year of 2016, the Macau government disclosed that it had turned down 59 renewal applications of non-resident skilled workers for the gaming industry in the period from January to August 2015, a three-fold increase on the number of applications declined the previous year. In its policy address for 2017, the Macau government announced that it would continue to submit the applications for employment of non-resident workers to a rigorous exam and to stimulate the promotion of local workers to management positions in the gaming industry, signaling a tighter control on the employment of non-resident workers. Further, in its policy address for 2018, the Macau government has stressed once again that it will continue to monitor the proportion of management positions held by local workers in gaming operators and implement measures to ensure that such proportion is kept at a percentage not lower than 85% for senior and mid-management positions.

***As we develop our remaining project, the construction of such project is subject to hazards that may cause personal injury or loss of life that expose us to liabilities and possible losses.***

The construction of large-scale properties, such as the remaining project for Studio City, can be dangerous. Construction workers at such sites are subject to hazards that may cause personal injury or loss of life, thereby subjecting the contractors and us to liabilities, possible losses, delays in completion of the projects and negative publicity. We believe, and require that, our contractors take safety precautions that are consistent with industry practice, but these safety precautions may not be adequate to prevent serious personal injuries or loss of life, damage to property or delays. We are in the early stages of development of the remaining project. However, if accidents occur during the construction of our remaining project, there may be serious delays, including delays imposed by regulators, liabilities and possible losses which may not be covered by insurance, and our business, prospects and reputation may be materially and adversely affected.

***Any simultaneous planning, design, construction and development of our remaining project may stretch our management's time and resources, which could lead to delays, increased costs and other inefficiencies in the development of these projects.***

There may be overlap in the planning, design, development and construction periods of our remaining project. Members of our senior management will be involved in planning and developing our remaining project at the same time, in addition to overseeing our day-to-day operations. Our management may be unable to devote sufficient time and attention to the remaining project, as well as Studio City, which may result in delays in the construction or opening of any of our future projects, cause construction cost overruns or cause the performance of Studio City to be lower than expected, which could have a material adverse effect on our business, financial condition and results of operations.

***Our contractors may face difficulties in finding sufficient labor at an acceptable cost, which could cause delays and increase construction costs after we commence development of our remaining project.***

The contractors we retain to construct our projects may face difficulties and competition in finding qualified construction labor and managers as more projects commence construction in Macau and as substantial construction activity continues in China. Immigration and labor regulations in Macau may cause our contractors to be unable to recruit sufficient laborers from China to make up for any shortage in available labor in Macau and to help reduce the costs of construction, which could cause delays and increase the construction costs of our remaining project.

***The possible infringement of key intellectual property used in our business, the dissemination of proprietary information used in our business or the infringement or alleged infringement of intellectual property rights belonging to third parties could adversely affect our business.***

As part of our branding strategy, we have applied for or registered a number of trademarks (including "Studio City" trademarks and "Where Cotai Begins" trademarks) in Macau, Hong Kong and other jurisdictions for use in connection with Studio City. Where possible, we intend to continue to register trademarks as we develop, review and implement our branding strategy for Studio City. We intend to take steps to safeguard our intellectual property from infringement by third parties, such as taking actions against trademark and copyright violations, if and when necessary, and our staff and/or staff of the Gaming Operator or its affiliates or its designees are subject to confidentiality provisions in their employment agreements. Despite such measures, we cannot assure you that we will be successful in defending against the infringement of intellectual property to be used in our business or that any proprietary information to be used in our business will not be disseminated to our competitors, which could have an adverse effect on our future results of operations. In addition, our current and any future trademarks are subject to expiration and we cannot guarantee that we will be able to renew all of them prior to expiration. Our inability to renew the registration of certain trademarks and the loss of such trademarks could have an adverse effect on our business, financial condition, results of operations and cash flows.

We face the potential risk of claims that we have infringed the intellectual property rights of third parties, which could be expensive and time-consuming to defend, cause us to cease using certain intellectual property rights or selling or providing certain products or services, result in us being required to pay significant damages or to enter into costly royalty or licensing agreements in order to obtain the right to use a third party's intellectual property rights (if available at all), any of which could have a negative impact on the operation of Studio City and harm our future prospects. Furthermore, if litigation were to result from such claims, our business could be interrupted.

***We may not have sufficient insurance coverage.***

We currently have various insurance policies providing certain coverage typically required by gaming and hospitality operations in Macau. These insurance policies provide coverage that is subject to policy terms, conditions and limits. Certain of these policies have been obtained by us and certain of these policies have been obtained by Melco Resorts. We cannot assure you that we or, in the case of policies obtained by Melco Resorts, Melco Resorts will be able to renew such insurance coverage on equivalent premium costs, terms, conditions and limits upon their expiration. The cost of coverage may in the future become so high that insurance policies we deem necessary for the operation of our projects may not be obtainable on commercially practicable terms, or at all, or policy limits may need to be reduced or exclusions from our coverage expanded.

We cannot assure you that any such insurance policies we or Melco Resorts obtained or may obtain will be adequate to protect us from material losses. Certain acts and events could expose us to significant uninsured losses. In addition to the damages caused directly by a casualty loss such as fire or natural disasters, we may suffer a disruption of our business as a result of these events or be subject to claims by third parties who may be injured or harmed. While we intend to continue carrying business interruption insurance and general liability insurance, such insurance may not be available on commercially reasonable terms, or at all, and, in any event, may not be adequate to cover all losses that may result from such events.

There is limited available insurance in Macau and our insurers in Macau may need to secure reinsurance in order to provide adequate cover for our property and development projects. Our credit agreements, the Subconcession Contract and certain other material agreements require a certain level of insurance to be maintained, which must be obtained in Macau, unless otherwise authorized by the respective counter-parties. Failure to maintain adequate coverage could be an event of default under our credit agreements or the Subconcession Contract and may have a material adverse effect on our business, financial condition, results of operations and cash flows.

***Studio City Entertainment's tax exemption from complementary tax on income received from the Gaming Operator under the Services and Right to Use Arrangements will expire in 2021.***

Companies in Macau are subject to complementary tax of 12% of taxable income, as defined in relevant tax laws. The Macau government granted to Studio City Entertainment, one of our subsidiaries, a Macau complementary tax exemption until 2021 on profits generated from income received from the Gaming Operator, to the extent that such income results from gaming operations within Studio City Casino and has been subject to gaming tax. We cannot assure you that the complementary tax exemption to Studio City Entertainment will be extended beyond its expiration date. If the tax exemption cannot be extended and we are held liable for complementary tax, it may have a material adverse effect on our financial condition.

***From time to time, we may be involved in legal and other proceedings arising out of our operations.***

We may be involved in disputes with various parties involved in the construction and operation of Studio City, including contractual disputes with contractors, consultants, suppliers, retailers, food and beverage operators and construction workers. See "Business—Legal and Administrative Proceedings." Regardless of the outcome, these disputes may lead to legal or other proceedings and may result in substantial costs, delays in our development schedule and the diversion of resources and management's attention. In addition, we may be involved in a variety of litigation, regulatory proceedings and investigation arising out of our business, which are inherently unpredictable. Ultimate judgments or settlements for such proceedings could increase our costs and thereby lower our profitability or have a material adverse effect on our liquidity. We cannot assure you that we will be able to obtain the appropriate and sufficient types or levels of insurance for Studio City. We may also have disagreements with regulatory bodies in the course of our operations, which may subject us to administrative proceedings and unfavorable decisions that result in penalties, suspension or restrictions on our operations, and/or delay the development of our remaining project at Studio City or closure of outlets at Studio City that are currently in operation. In such cases, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

In addition, if we are unsuccessful in defending against any claims alleging that we received misappropriated or misapplied funds, this may require further improvements to our existing anti-money laundering procedures, systems and controls and our business operations may be subject to greater scrutiny from relevant regulatory authorities, all of which may increase our compliance costs. We cannot assure you that any provisions we have made for such matters will be sufficient.

***Any failure or alleged failure to comply with the U.S. Foreign Corrupt Practices Act, or FCPA, could result in penalties, which could harm our reputation and have an adverse effect on our business, results of operations and financial condition.***

Our parent company is subject to regulations imposed by the FCPA, which prohibits companies and any individuals or entities acting on their behalf from offering or making improper payments or providing benefits to foreign officials for the purpose of obtaining or keeping business, along with various other anti-corruption laws. Following our listing on a U.S. stock exchange, we will also be subject to the FCPA. There has been a general increase in FCPA enforcement activities in recent years by the SEC and the U.S. Department of Justice. Both the number of FCPA cases and sanctions imposed have risen significantly. As a subsidiary of a parent company subject to the FCPA, we adhere to our parent's ongoing anti-corruption compliance program covering both commercial bribery and public corruption which includes internal policies, procedures and training aimed to prevent and detect compliance issues and risks with the relevant laws including FCPA. Following our listing on a U.S. stock exchange, we intend to adopt such compliance program to manage our obligations under the FCPA. However, we cannot assure you that our staff, contractors and agents will continually adhere to the compliance program. Should they not follow the program, we could be subject to investigations, prosecutions and other legal proceedings and actions which could result in civil penalties, administrative remedies and criminal sanctions, any of which may result in a material adverse effect on our reputation, cause us to lose customer relationships or lead

to other adverse consequences on our business, prospects, results of operations and financial condition. As we will be a U.S. listed company upon the completion of this offering, certain U.S. laws and regulations apply to our operations and compliance with those laws and regulations increases our cost of doing business and we expect such cost to increase after we become a U.S. listed company.

***Fluctuation in the value of the H.K. dollar, U.S. dollar, Pataca or RMB may adversely affect our indebtedness, expenses and profitability.***

Although the majority of the revenues from the operation of Studio City are denominated in H.K. dollars, we have certain expenses and revenues denominated in Patacas. In addition, a certain portion of our indebtedness and certain expenses are denominated in U.S. dollars, and the costs associated with repaying such debt and servicing interest payments are denominated in U.S. dollars. The value of the H.K. dollar and Patacas against the U.S. dollar may fluctuate and may be affected by, among other things, changes in political and economic conditions. Although the exchange rate between the H.K. dollar and the U.S. dollar has been pegged since 1983 and the Pataca is pegged to the H.K. dollar, we cannot assure you that the H.K. dollar will remain pegged to the U.S. dollar and that the Pataca will remain pegged to the H.K. dollar. In addition, the currency market for Patacas is relatively small and undeveloped and therefore our ability to convert large amounts of Patacas into U.S. dollars over a relatively short period of time may be limited. As a result, we may experience difficulty in converting Patacas into U.S. dollars, which could hinder our ability to service a portion of our indebtedness and certain expenses denominated in U.S. dollars. On the other hand, to the extent that we are required to convert U.S. dollar financings into H.K. dollars or Patacas for our operations, fluctuations in the exchange rates between H.K. dollars or Patacas against the U.S. dollar could have an adverse effect on the amounts we receive from the conversion.

Furthermore, the depreciation of RMB against U.S. dollar or H.K. dollar will affect the purchasing power of visitors from the PRC, which in turn may affect the visitation and level of spending at Studio City. To date we have not engaged in hedging transactions with respect to foreign exchange exposure of our revenues and expenses in our day-to-day operations. Instead, we plan to maintain a certain amount of our operating funds in the same currencies in which we have obligations, thereby reducing our exposure to currency fluctuations. However, we may occasionally enter into foreign exchange transactions as part of financing transactions and capital expenditure. We will consider our overall policy on hedging for foreign exchange risk from time to time. Any significant fluctuations in the exchange rates mentioned above may have a material adverse effect on our revenues and financial condition.

***Industry data, projections and estimates contained in this prospectus are inherently uncertain and subject to interpretation. Accordingly, you should not place undue reliance on such information.***

Certain facts, forecasts and other statistics relating to the industries in which we compete in contained in this prospectus have been derived from various public data sources. While we generally believe such public data sources are reliable, we have not independently verified the accuracy or completeness of such information. Such public data sources may not be prepared on a comparable basis or may not be consistent with other sources. You should not place undue reliance on such information as a basis for making your investment decision.

**Risks Relating to Operating in the Gaming Industry in Macau**

***The Subconcession Contract expires in 2022 and if the Gaming Operator is unable to secure an extension of its subconcession, or a new concession or subconcession, in 2022, or if the Macau government were to exercise its redemption right, the Gaming Operator would be unable to operate Studio City Casino.***

The Subconcession Contract expires on June 26, 2022. Unless it is extended beyond this date, a new concession or subconcession is granted and/or legislation on reversion of casino premises is amended, Studio City Casino's gaming related equipment operated by the Gaming Operator under its subconcession will automatically revert to the Macau government without compensation. In addition, under the Subconcession

Contract, from 2017, the Macau government has the right to redeem the Subconcession Contract by providing the Gaming Operator with at least one year's prior notice. The Macau government has not issued formal guidelines or policies with respect to the renewal or extension of subconcessions. In the event the Gaming Operator is not able to renew or extend the Subconcession Contract on terms favorable or acceptable to it, or at all, or the Macau government redeems the Subconcession, our results of operations, financial condition, cash flows and prospects may be materially and adversely affected and we would be subject to additional refinancing risks with respect to our existing indebtedness.

***Under the Gaming Operator's subconcession, the Macau government may terminate the subconcession under certain circumstances without compensation to the Gaming Operator and may determine that Studio City Casino may not continue to operate under the Services and Right to Use Arrangements, which would prevent the operation of Studio City Casino.***

Under the Gaming Operator's subconcession, the Macau government has the right to unilaterally terminate the subconcession in the event of non-compliance by the Gaming Operator with its basic obligations under the subconcession and applicable Macau laws. If such a termination were to occur, the Gaming Operator would be unable to operate casino gaming in Macau, including Studio City Casino. Termination events include, among others, the operation of gaming without permission or operation of a business which does not fall within the business scope of the subconcession; abandonment of approved business or suspension of operations of its gaming business in Macau without reasonable grounds for more than seven consecutive days or more than 14 non-consecutive days within one calendar year; transfer of all or part of the Gaming Operator's operation in Macau in violation of the relevant laws and administrative regulations governing the operation of games of fortune or chance and other casino games in Macau and without Macau government approval; failure to pay taxes, premiums, levies or other amounts payable to the Macau government; and systematic non-compliance with the Macau Gaming Law's basic obligations. These events could lead to the termination of the Gaming Operator's subconcession without compensation and the Gaming Operator would be unable to operate casino gaming in Macau, which would have a material adverse effect on our financial condition, results of operations and cash flows and could result in defaults under our indebtedness agreements and a partial or complete loss of our investments in Studio City. In many of these instances, the Subconcession Contract does not provide a specific cure period within which any such events may be cured and, instead, the Gaming Operator would rely on consultations and negotiations with the Macau government to remedy any such violation.

Under the terms of the Services and Right to Use Arrangements to which Studio City Entertainment, one of our subsidiaries, is a party, the Gaming Operator has agreed to operate Studio City Casino. If, upon termination of the Gaming Operator's subconcession, Studio City Entertainment were not able to enter into similar arrangements with other gaming concessionaires or subconcessionaires in Macau, Studio City Casino may not be able to continue to operate.

Further, if Studio City Entertainment were to be found unsuitable or to undertake actions that are inconsistent with the Gaming Operator's subconcession terms and requirements, the Gaming Operator could suffer penalties, including the termination of its subconcession, and the Macau government may determine that Studio City Casino may not continue to operate under the Services and Right to Use Arrangements or at all. This would have a material adverse effect on our financial condition, results of operations and cash flows and could result in defaults under our indebtedness, and a partial or complete loss of our investments in Studio City. For details of the terms of the Services and Right to Use Arrangements, see "Related Party Transactions—Material Contracts with Affiliated Companies—Services and Right to Use Arrangements."

Under the Gaming Operator's subconcession, the Macau government is allowed to request various changes in the plans and specifications of the properties operated by the Gaming Operator, including Studio City Casino, and to make various other decisions and determinations that may be binding on us. For example, Macau's Chief Executive has the right to require the increase of the Gaming Operator's share capital or that the Gaming Operator provides certain deposits or other guarantees of performance with respect to its obligations in any

amount determined by the Macau government to be necessary. The Gaming Operator also needs to first obtain the approval of the Macau governmental authorities before raising certain financing. The Gaming Operator’s ability to incur indebtedness or raise equity may be further restricted by its existing and any future financings. As a result, we cannot assure you that the Gaming Operator will be able to comply with these requirements or any other requirements of the Macau government or with the other requirements and obligations imposed by the subconcession.

The Subconcession Contract also contains various covenants and other obligations as to which the determination of compliance is subjective, and any failure to comply with any such covenant or obligation could result in the termination of the subconcession. For example, requirements of compliance with general and special duties of cooperation and special duties of information may be subjective, and we cannot assure you that the Gaming Operator will always be able to operate gaming activities in a manner satisfactory to the Macau government. Accordingly, we will be impacted by the Gaming Operator’s continuing communications and good faith negotiations with the Macau government to ensure that the Gaming Operator is performing its obligations under the subconcession in a manner that would avoid any violations.

Furthermore, pursuant to the Subconcession Contract, the Gaming Operator is obligated to comply not only with the terms of that agreement, but also with laws, regulations, rulings and orders that the Macau government might issue or enact in the future. We cannot assure you that it will be able to comply with all such laws, regulations, rulings or orders or that any such laws, regulations, rulings or orders would not adversely affect its ability to operate Studio City Casino. If any disagreement arises between the Gaming Operator and the Macau government regarding the interpretation of, or its compliance with, a provision of the Subconcession Contract, we will be relying on its consultation and negotiation process with the applicable Macau governmental agency as described above. During any such consultation, however, the Gaming Operator will be obligated to comply with the terms of the Subconcession Contract as interpreted by the Macau government.

Currently, under the Macau Gaming Law, upon the expiration or termination of the Gaming Operator’s subconcession by the Macau government, all of the Gaming Operator’s casino premises and gaming equipment, including Studio City Casino’s gaming area and equipment, would revert to the Macau government automatically without compensation to the Gaming Operator. Based on information from the Macau government, proposed amendments to the legislation regarding the reversion of casino premises are being considered. We expect that if such amendments take effect, upon the expiration or termination of the Gaming Operator’s subconcession by the Macau government, only the portion of casino premises within the Gaming Operator’s development as then designated by the Macau government (including all gaming equipment) would revert to the Macau government automatically without compensation to the Gaming Operator.

***Studio City Casino faces intense competition in the gaming industry of Macau and elsewhere in Asia, and it may not be able to compete successfully.***

The gaming industry in Macau and elsewhere in Asia is highly competitive. Our competitors include many of the largest gaming, hospitality, leisure and resort companies in the world. Some of these current and future competitors are larger than us and may have more diversified resources, better brand recognition, and greater access to capital to support their developments and operations in Macau and elsewhere. In particular, in recent years, some of our competitors have opened new properties, expanded operations and/or announced their intention for further expansion and developments in Cotai, where Studio City is located. For example, Galaxy Casino, S.A., or Galaxy, opened Galaxy Macau Resort in Cotai in May 2011 and phase 2 of the Galaxy Macau Resort in May 2015, Sands Cotai Central in Cotai opened in April 2012, Wynn Palace opened in August 2016, Parisian Macao opened in September 2016 and MGM Cotai opened in February 2018. In addition, Sociedade de Jogos de Macau, S.A., or SJM, is currently developing its project in Cotai.

Studio City Casino will also compete to some extent with casinos located in other countries, such as Singapore, the Philippines, Malaysia, South Korea, Vietnam, Cambodia, Australia, New Zealand, Japan and

elsewhere in the world, including Las Vegas and Atlantic City in the United States. In addition, a law which conceptually enables the development of integrated resorts in Japan took effect in December 2016, with corresponding legislation providing a legislative framework for the development and implementation of integrated resorts in Japan taking effect in July 2018. Certain other markets may in the future legalize casino gaming, including Taiwan and Thailand. Certain of these gaming markets may not be subject to as stringent regulations as the Macau market. Studio City Casino will also compete with cruise ships operating out of Hong Kong and other areas of Asia that offer gaming. The proliferation of gaming venues in Asia could significantly and adversely affect our business, results of operations, financial condition, cash flows and prospects.

Currently, Macau is the only region in Greater China offering legal casino gaming. Although the Chinese government has strictly enforced its regulations prohibiting domestic gaming operations, there may be casinos in parts of China that are operated illegally and without licenses. In addition, there is no assurance that China will not in the future permit domestic gaming operations. Competition from casinos in China, legal or illegal, could materially adversely affect our business, results of operations, financial condition, cash flows and prospects.

Furthermore, Melco Resorts, as well as the Gaming Operator, may take action to construct and operate new gaming projects or invest in such projects, located in other countries in the Asia region (including new gaming projects in Macau), which, along with their current operations, such as Altira Macau and City of Dreams, may increase the competition Studio City Casino will face. See “—Risks Relating to Our Relationship with Melco Resorts—We may have conflicts of interest with Melco Resorts and, because of Melco Resorts’ controlling ownership interest in our company, we may not be able to resolve such conflicts on favorable terms for us.”

***Gaming is a highly regulated industry in Macau and adverse changes or developments in gaming laws or regulations could be difficult to comply with or significantly increase costs, which could cause Studio City Casino to be unsuccessful.***

Gaming is a highly regulated industry in Macau. Current laws, such as licensing requirements, tax rates and other regulatory obligations, including those for anti-money laundering, could change or become more stringent resulting in additional regulations being imposed upon gaming operations in Macau, including Studio City Casino. Any such adverse developments in the regulation of the gaming industry could be difficult to comply with and could significantly increase costs, which could cause Studio City Casino to be unsuccessful and adversely affect our financial performance.

In September 2009, the Macau government set a cap on commission payments to gaming promoters of 1.25% of net rolling. This policy may limit the Gaming Operator’s ability to develop successful relationships with gaming promoters and attract VIP rolling chip players, which in turn may adversely affect the financial performance of the VIP rolling chip operations at Studio City Casino. Any failure to comply with these regulations may result in the imposition of liabilities, fines and other penalties and may materially and adversely affect the Gaming Operator’s subconcession. See “Regulation—Gaming Promoters Regulations.”

In addition, the Macau government imposed regulations and restrictions that affect the minimum age required for entrance into casinos in Macau, location requirements for sites with gaming machine lounges, data privacy and other matters. Any such legislation, regulation or restriction imposed by the Macau government may have a material adverse impact on our operations, business and financial performance. Furthermore, our inability to address any of these requirements or restrictions imposed by the Macau government could adversely affect our reputation and result in criminal or administrative penalties, in addition to any civil liability and other expenses. See “Regulation—Gaming Regulations.”

Also, the Macau government enacted a smoking control legislation which went into effect on January 1, 2013, which generally prohibits smoking on the premises of casinos, except for an area of up to 50% of the casino area open to the public, as determined by the Dispatch of the Chief Executive of Macau. In addition, effective as of October 2014, smoking in general access gaming areas is only permitted in segregated smoking

lounges, where no gaming activity is permitted. Smoking in limited access gaming areas, such as VIP gaming rooms, may be permitted, subject to prior authorization from the Chief Executive of Macau. Moreover, in July 2017, Law no. 9/2017 amended the Smoking Prevention and Tobacco Control Law, with effect from January 1, 2018, under which smoking on the premises of casinos shall only be permitted in segregated smoking lounges with no gaming activities, and such segregated smoking lounges are required to be set up within a transition period of one year subsequent to the effective date. During the transition period, existing smoking areas and smoking lounges can be maintained. Studio City Casino currently has a number of designated smoking areas. We cannot assure you that the Macau government will not enact more stringent smoking control legislations. Such limitations imposed on smoking have and may deter potential gaming patrons who are smokers from frequenting casinos in Macau, which could adversely affect our business, results of operations and financial condition. See "Regulation—Smoking Regulations."

Furthermore, in March 2010, the Macau government announced that the number of gaming tables operating in Macau should not exceed 5,500 until the end of the first quarter of 2013. On September 19, 2011, the Secretary for Economy and Finance of the Macau government announced that for a period of ten years thereafter, the total number of gaming tables to be authorized in Macau will increase by an amount equal to an average 3% per annum for ten years. The Macau government subsequently clarified that the allocation of tables over this ten-year period does not need to be uniform and tables may be pre-allocated to new properties in Macau. The Macau government has also determined that tables authorized by the Macau government for mass market gaming operations may not be utilized for VIP gaming operations. These restrictions are not legislated or enacted into statutes or ordinances and, as such, different policies, including in relation to the annual increase rate in the number of gaming tables, may be adopted, and existing policies amended, at any time by the relevant Macau government authorities.

Current Macau laws and regulations concerning gaming and gaming concessions and matters such as prevention of money laundering are fairly recent or there is little precedent on the interpretation of these laws and regulations. While we expect that the Gaming Operator will operate Studio City Casino in compliance in all material respects with all applicable laws and regulations of Macau, these laws and regulations are complex and a court or an administrative or regulatory body may in the future render an interpretation of these laws and regulations or issue new or modified regulations that differ from our or the Gaming Operator's interpretation, which could have a material adverse effect on the operation of Studio City Casino and on our financial condition, results of operations, cash flows and prospects.

Our activities in Macau are subject to administrative review and approval by various departments of the Macau government. For example, our business activities and Studio City Casino are subject to the administrative review and approval by the DICJ, Macau health department, Macau labor bureau, Macau public works bureau, Macau fire department, Macau finance department and Macau government tourism office. We cannot assure you that we or the Gaming Operator will be able to obtain or maintain all necessary approvals, which may materially affect our business, financial condition, results of operations, cash flows and prospects. Macau law permits redress to the courts with respect to administrative actions. However, such redress is largely untested in relation to gaming regulatory issues.

***Studio City Casino is subject to operational risks commonly faced by other gaming facilities in Macau.***

Studio City Casino faces operational risks commonly experienced in the gaming industry in Macau. Such risks include, but are not limited to, the following:

- *Inability to Collect Gaming Receivables from Credit Customers.* The Gaming Operator may grant gaming credit directly to certain customers at Studio City Casino, which will often be unsecured. The Gaming Operator may not be able to collect all of its gaming receivables from its credit customers at Studio City Casino, and we expect that the Gaming Operator will be able to enforce its gaming receivables only in a limited number of jurisdictions, including Macau and under certain

circumstances, Hong Kong. The Gaming Operator's inability to collect gaming receivables from credit customers may in turn affect our financial performance.

- *Limited Availability of Credit to Gaming Patrons.* The Gaming Operator conducts its table gaming activities at Studio City Casino partially on a credit basis. The Gaming Operator extends credit to its gaming promoters and such gaming promoters will also conduct their operations by extending credit to gaming patrons. Any general economic downturn and turmoil in the financial markets may result in broad limitations on the availability of credit from credit sources as well as lengthening the recovery cycle of extended credit. In particular, due to credit conditions in China and the tightening of cross-border fund transfers by the Chinese government to control capital outflows in recent years, the number of visitors to Macau from China, as well as the amounts they are willing to spend in casinos, may decrease, which could have a material adverse effect on our business, financial condition and results of operations.

- *Dependence on Relationships with Gaming Promoters.* With the rise in casino operations in Macau, the competition for relationships with gaming promoters has increased and is expected to continue to increase. If the Gaming Operator is unable to utilize, maintain and/or develop relationships with gaming promoters, the ability of Studio City Casino to develop VIP rolling chip business will be subject to additional difficulties and the Gaming Operator will have to seek alternative ways to develop and maintain relationships with VIP rolling chip players, which may not be as profitable as relationships developed through gaming promoters. Also, in the event the Macau government reduces the cap on the commission rates payable to gaming promoters, gaming promoters' incentives to bring travelers to casinos in Macau would be further diminished and certain of the gaming promoters may be forced to cease operations or divert travelers to other regions. Increased regulatory scrutiny of gaming promoters in Macau has resulted, and may continue to result, in the cessation of business of certain gaming promoters, thereby resulting in the remaining gaming promoters having significant leverage and bargaining strength in negotiating agreements, including negotiating changes to existing agreements with the Gaming Operator, the loss of business to competitors or the loss of relationships with certain gaming promoters by the Gaming Operator. These developments may have a material adverse effect on the business, prospects, results of operation and financial condition related to the introduction of the VIP rolling chip operations at Studio City Casino.

- *Inability to Control Win Rates.* The gaming industry is characterized by an element of chance. In addition to the element of chance, win rates will also be affected by the spread of table limits and factors that are beyond the operator's control, such as a player's skill and experience, the mix of games played, the financial resources of players, the volume and mix of bets played and the amount of time players spend on gambling. As a result of the variability in these factors, the actual win rates at Studio City Casino may differ from the theoretical win rates anticipated and could result in less winnings than anticipated.

- *Risk of Fraud or Cheating of Gaming Patrons and Staff.* Gaming customers may attempt or commit fraud or cheat in order to increase their winnings, possibly in collusion with the casino's staff. Internal acts of cheating could also be conducted by staff through collusion with dealers, surveillance staff, floor managers or other gaming area staff. Failure to discover such acts or schemes in a timely manner could result in losses in Studio City Casino operations and negative publicity for Studio City. In addition, gaming promoters or other persons could, without the knowledge of the Gaming Operator, enter into betting arrangements directly with patrons on the outcomes of games of chance, thus depriving Studio City Casino of revenues.

- *Risk of Counterfeiting.* All gaming activities at Studio City Casino's table games are conducted exclusively with gaming chips which are subject to the risk of alteration and counterfeiting. The Gaming Operator has incorporated a variety of security and anti-counterfeit features to detect altered or counterfeit gaming chips. Despite such security features, unauthorized parties may try to copy gaming chips and introduce, use and cash in altered or counterfeit gaming chips in Studio City's gaming areas.

Any negative publicity arising from such incidents could result in losses in Studio City Casino operations and negative publicity for Studio City.

- *Risk of Malfunction of Gaming Machines*. There is no assurance that the slot machines at Studio City will be functioning properly at all times. If any one or more gaming machines malfunction due to technical or other reasons, the win rates associated with the gaming machines may be affected in a way that adversely impact the revenue of Studio City Casino. In addition, Studio City Casino's reputation may be materially and adversely affected as a result of any incidents of malfunction.

Any of these risks has the potential to materially and adversely affect Studio City Casino and our business, financial condition, results of operations, cash flows and prospects.

***The Macau government could grant additional rights to conduct gaming in the future, which could significantly increase competition in Macau and cause Studio City Casino to lose or be unable to gain or maintain market share.***

Pursuant to the terms of the Macau Gaming Law, the Macau government is precluded from granting more than three gaming concessions. Each Concessionaire was permitted to enter into a subconcession agreement with one subconcessionaire. As of the date of this prospectus, the total number of concessions and subconcessions granted in Macau is six. The Macau government is currently considering the process of reviewing, extending or granting gaming concessions or subconcessions for concessions and subconcessions expiring in 2020 and 2022. The policies and laws of the Macau government could result in the grant of additional concessions or subconcessions, which could significantly increase competition in Macau and cause Studio City Casino to lose or be unable to maintain or gain market share, and as a result, adversely affect our business.

***We cannot assure you that anti-money laundering policies that have been implemented at Studio City Casino and its compliance with applicable anti-money laundering laws will be effective to prevent Studio City Casino from being exploited for money laundering purposes.***

Macau's free port, offshore financial services and free movement of capital create an environment whereby Macau's casinos could be exploited for money laundering purposes. Melco Resorts' and the Gaming Operator's anti-money laundering policies, which we believe to be in compliance with all applicable anti-money laundering laws and regulations in Macau, are applied to the operation of Studio City Casino. However, we cannot assure you that the Gaming Operator's, our contractors, agents or the staff performing services at Studio City Casino will continually adhere to such policies or any such policies will be effective in preventing Studio City Casino operations from being exploited for money laundering purposes, including from jurisdictions outside of Macau. We cannot assure you that we will not be subject to any accusation or investigation related to any possible money laundering activities despite the anti-money laundering measures we have adopted and undertaken or that we will adopt and undertake in the future.

The Gaming Operator also deals with significant amounts of cash in Studio City Casino's operations and is subject to various reporting and anti-money laundering regulations. Any incidents of money laundering, accusations of money laundering or regulatory investigations into possible money laundering activities involving Studio City Casino, its staff, gaming promoters or customers or others with whom it is associated could have a material adverse impact on our reputation, business, cash flow, financial condition, prospects and results of operations. Any serious incident of, or repeated violation of, laws related to money laundering or any regulatory investigation into money laundering activities may cause a revocation or suspension of the subconcession held by the Gaming Operator. For more information regarding anti-money laundering regulations in Macau, see "Regulations—Anti-money Laundering Regulations and Terrorism Financing."

### Risks Relating to Our Relationship with Melco Resorts

***We are heavily dependent on our shareholder, Melco Resorts, and expect to continue to be dependent on Melco Resorts.***

Melco Resorts is a developer, owner and operator of casino gaming and entertainment casino resort facilities in Asia, and our business has benefited significantly from Melco Resorts' strong market position in Macau and its expertise in both gaming and non-gaming businesses. We cannot assure you we will continue to receive the same level of support from Melco Resorts after we become a public company.

Prior to this offering, Melco Resorts has provided us with substantially all of our financial, administrative, sales and marketing, human resources and legal services and has also provided us with the services of a number of its staff pursuant to the Management and Shared Services Arrangements. Other than our property president and property chief financial officer, all of the Studio City dedicated staff are employed by the Master Service Providers under such arrangements. See "Related Party Transactions—Material Contracts with Affiliated Companies." After we become a public company, we expect Melco Resorts to continue to provide us with such support services. However, there is no assurance that employees of Master Service Providers, who also support our financial, management, administration and other corporate functions, will be able to carry out their responsibilities in the best interests of Studio City or provide sufficient support for us to operate as an independent public company in compliance with the relevant financial reporting, internal control and other legal and regulatory requirements. In addition, to the extent Melco Resorts does not continue to provide us with such support, we may need to create our own support systems and may encounter operational, administrative and strategic difficulties. Having to create our own support systems due to lack of support from Melco Resorts may cause us to react more slowly than our competitors to industry changes and may divert our management's attention from running our business or otherwise harm our operations.

In addition, since we will be a public company after this offering, our management team will need to develop the expertise necessary to comply with the numerous regulatory and other requirements applicable to public companies, including requirements relating to corporate governance, listing standards and securities and investor relations issues. While we were a subsidiary of Melco Resorts, we were indirectly subject to requirements to maintain an effective internal control over financial reporting under Section 404 of the Sarbanes–Oxley Act of 2002. However, as a public company itself, our management will have to evaluate our internal control system independently with new thresholds of materiality and to implement necessary changes to our internal control system. We cannot guarantee that we will be able to do so in a timely and effective manner.

***Our business has benefited significantly from our relationship with Melco Resorts. Any negative development in Melco Resorts' market position or brand recognition may materially and adversely affect our marketing efforts and the strength of our brand.***

We are a subsidiary of Melco Resorts and will continue to be a subsidiary of Melco Resorts after this offering, as Melco Resorts is expected to remain our controlling shareholder. We have benefited significantly from our relationship with Melco Resorts in marketing our brand. For example, we have benefited by providing services to Melco Resorts' long-term customers. We also benefit from Melco Resorts' strong brand recognition in Macau, which has provided us credibility and a broad marketing reach. If Melco Resorts loses its market position, the effectiveness of our marketing efforts through our association with Melco Resorts may be materially and adversely affected. In addition, any negative publicity associated with Melco Resorts will likely have an adverse impact on the effectiveness of our marketing as well as our reputation and our brand.

***We may have conflicts of interest with Melco Resorts and, because of Melco Resorts' controlling ownership interest in our company, we may not be able to resolve such conflicts on favorable terms for us.***

Conflicts of interest may arise between Melco Resorts and us in a number of areas relating to our past and ongoing relationships. Potential conflicts of interest include:

- *Other Gaming, Retail and Entertainment Resorts in Macau.* Melco Resorts owns other gaming, retail and entertainment resorts in Macau and the Gaming Operator, as a wholly-owned subsidiary of Melco Resorts, operates casinos and gaming areas at such resorts owned by Melco Resorts. The ownership and operation of City of Dreams and Altira Macau by Melco Resorts and the Gaming Operator may divert their attention and resources. For example, VIP rolling chip operations at Studio City Casino are operated by the Gaming Operator under the Services and Right to Use Arrangements and the VIP tables used in such operations were initially allocated by the Macau government for operation by the Gaming Operator at gaming areas of the Gaming Operator's other properties in Macau. The Gaming Operator may discontinue the operation of such VIP tables at Studio City by providing a 12 month advance notice at any time after October 1, 2018. There is no assurance the operation of such VIP tables at the Studio City Casino will continue after October 1, 2019. Such discontinuation of operation of VIP tables at Studio City Casino, as well as any strategic decisions made by Melco Resorts to focus on their other projects in Macau rather than us, could materially and adversely affect our financial condition and results of operations.
- *Allocation of Business Opportunities*. Melco Resorts, as well as the Gaming Operator, may take action to construct and operate new gaming projects or invest in such projects, located in the Asian region (including new gaming projects in Macau) or elsewhere, which, along with their current operations, including City of Dreams and Altira Macau, may divert their attention and resources. For example, in 2015, Melco Resorts opened City of Dreams Manila, a casino, hotel, retail and entertainment resort in Manila, the Philippines. Melco Resorts has also provided, and may continue to provide, certain services to Melco International and its subsidiaries that are not our subsidiaries in relation to the City of Dreams Mediterranean project, which is expected to be launched by 2021, and temporary and satellite casinos prior to the 2021 expected launch date. We could face competition from these other gaming projects. Due to the Management and Shared Services Arrangements we have with Melco Resorts, should Melco Resorts decide to focus more attention on gaming projects located in other areas, including in jurisdictions that may be expanding or commencing their gaming industries, or should economic conditions or other factors result in a significant decrease in gaming revenues and number of patrons in Macau, Melco Resorts may make strategic decisions to focus on their other projects rather than us, which could adversely affect our development and operation of Studio City and future growth.
- *Related Party Transactions.* We have entered into a number of related party transactions, including the Management and Shared Services Arrangements, that we believe allow us to leverage off the experience and scale of Melco Resorts. While these arrangements were entered into at pre-agreed rates that we believe are commercially reasonable, the determination of such commercial terms were subject to judgment and estimates and we may have obtained different terms for similar types of services had we entered into such arrangements with independent third parties or had we not been a subsidiary of Melco Resorts.
- *Our Board Members and Executive Officers May Have Conflicts of Interest*. Certain of our directors are also the directors and/or executive officers of Melco Resorts and our property president also serves on Melco Resorts' executive committee. In addition, our senior management team (including staff of Melco Resorts designated to Studio City under the Management and Shared Services Arrangements) also has reporting obligations to Melco Resorts. These relationships could create, or appear to create, conflicts of interest when these persons are faced with decisions with potentially different implications for Melco Resorts and us. See "—Risks Relating to Our Business—We utilize services provided by subsidiaries of Melco Resorts, including hiring and training of personnel for Studio City" and "—Certain of our directors and executive officers hold a substantial amount of share options, restricted

shares and ordinary shares of Melco Resorts, which could create an appearance of potential conflicts of interests." We plan to appoint independent directors to our Board of Directors, and our audit and risk committee will consist solely of independent directors. However, due to the nature of their role as independent directors, such directors may not have access to the same information, resources and support as directors who are also directors of Melco Resorts, which may hinder their ability to eliminate all conflicts of interest presented by our relationships with Melco Resorts.

- *Developing Business Relationships with Melco Resorts' Competitors*. So long as Melco Resorts remains as our controlling shareholder, we may be limited in our ability to do business with its competitors, such as other gaming operators in Macau. This may limit our ability to market our services for the best interests of our company and our other shareholders.

Although our company will be a public company after this offering, we expect to operate, for as long as Melco Resorts is our controlling shareholder, as a subsidiary of Melco Resorts. Melco Resorts may from time to time make strategic decisions that it believes are in the best interests of its business as a whole, including our company. These decisions may be different from the decisions that we would have made on our own. Melco Resorts' decisions with respect to us or our business may be resolved in ways that favor Melco Resorts and therefore Melco Resorts' own shareholders, which may not coincide with the interests of our other shareholders. We may not be able to resolve any potential conflicts, and even if we do so, the resolution may be less favorable to us than if we were dealing with a non-controlling shareholder. Even if both parties seek to transact business on terms intended to approximate those that could have been achieved among unaffiliated parties, this may not succeed in practice.

***Certain of our directors and executive officers hold a substantial amount of share options, restricted shares and ordinary shares of Melco Resorts, which could create an appearance of potential conflicts of interests.***

Certain of our directors and executive officers hold a substantial amount of share options, restricted shares and ordinary shares of Melco Resorts, and the value of such share options and restricted shares are related to the value of the ordinary shares of Melco Resorts. In addition, our directors and executive officers are eligible to participate in the share incentive plan of Melco Resorts. See "Management—Share Incentive Plan." The direct and indirect interests of our directors and executive officers in the ordinary shares of Melco Resorts and the presence of certain directors and executive officers of Melco Resorts on our board of directors could create, or appear to create, conflicts of interest with respect to matters involving both Melco Resorts and us that could have different implications for Melco Resorts and us. For example, potential conflicts of interest could arise in connection with the resolution of any dispute between Melco Resorts and us or the affiliates of Melco Resorts and us, regarding the terms of the arrangements governing the offering and our relationship with Melco Resorts following the offering. These arrangements include the Services and Right to Use Arrangements, the Management and Shared Services Arrangements and any commercial agreements between Melco Resorts and us, or the affiliates of Melco Resorts and us. Potential conflicts of interest may also arise out of any commercial arrangements that Melco Resorts and us may enter into in the future. Similar potential conflicts may also arise related to the pursuit of certain opportunities, including growth opportunities in Macau or elsewhere.

***Changes in Melco Resorts' share ownership, including a change of control of its subsidiaries' shares, could result in our inability to draw loans or cause events of default under our indebtedness, or could require us to prepay or make offers to repurchase certain indebtedness.***

Credit facility agreements relating to certain of our indebtedness contain change of control provisions, including in respect of Melco Resorts' obligations relating to the control and/or ownership of certain of its and our subsidiaries including their and our assets. Under the terms of such credit facility agreements, the occurrence of certain change of control events, including a decline below certain thresholds in the aggregate direct or indirect shareholdings in certain of Melco Resorts' subsidiaries, including Studio City Holdings Five Limited,

Studio City Finance Limited and Studio City Investments Limited, may result in an event of default and/or a requirement to prepay the credit facilities in relation to such indebtedness in full.

The terms of the agreement of certain indebtedness also contain change of control provisions whereby the occurrence of a relevant change of control event will require us to offer to repurchase the securities at a price equal to 101% of their principal amount, plus accrued and unpaid interest and, if any, additional amounts and other amount specified under such indebtedness to the date of repurchase.

Any occurrence of these events could be outside our control and could result in events of default and cross-defaults which may cause the termination and acceleration of our credit facilities and other indebtedness and potential enforcement of remedies by our lenders or note holders (as the case may be), which would have a material adverse effect on our financial condition and results of operations.

**Risks Relating to Conducting Business in Macau**

***Our business, financial condition and results of operations may be materially and adversely affected by any economic slowdown in Macau, China and nearby Asia regions as well as globally.***

All of our operations are in Macau. Accordingly, our business development plans, results of operations and financial condition may be materially adversely affected by significant political, social and economic developments in Macau and China. A slowdown in economic growth in China could adversely impact the number of visitors from China to Studio City as well as the amount they are willing to spend in our hotel, restaurants and other facilities as well as at Studio City Casino, which could have a material adverse effect on our results of the operations and financial condition. A number of measures taken by the Chinese government in recent years to control the rate of economic growth, including those designed to tighten credit and liquidity, have led to a slowdown of China’s economy. According to the National Bureau of Statistics of China, China’s GDP growth rate was 6.9% in 2017, which is similar to the 6.7% growth rate in 2016, and any slowdown in its future growth may have an adverse impact on financial markets, currency exchange rates, as well as the spending of visitors in Macau and Studio City. Since April 2018, the Renminbi has experienced a general decline in value against the U.S. Dollar and the value of the major stock exchanges in mainland China have also experienced recent declines. There is no guarantee that economic downturns, whether actual or perceived, any further decrease in economic growth rates or an otherwise uncertain economic outlook in China will not occur or persist in the future, that they will not be protracted or that governments will respond adequately to control and reverse such conditions, any of which could materially and adversely affect our business, financial condition and results of operations.

In addition, the global macroeconomic environment is facing challenges, including the escalation of the European sovereign debt crisis since 2011, the end of quantitative easing by the U.S. Federal Reserve, the economic slowdown in the Eurozone in 2014 and the escalation of international trade conflicts, including the escalation of trade tariffs and related retaliatory measures. There is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies adopted by the central banks and financial authorities of some of the world’s leading economies, including the United States and China. There have been concerns over unrest and terrorist threats in the Middle East, Europe and Africa, which have resulted in volatility in oil and other markets, and over the conflicts involving Ukraine and Syria and potential conflicts involving the Korean peninsula. Any severe or prolonged slowdown in the global economy may materially and adversely affect our business, results of operations and financial condition. In addition, continued turbulence in the international markets may adversely affect our ability to access capital markets to meet liquidity needs.

***Studio City Casino’s operations could be adversely affected by foreign exchange restrictions on the Renminbi.***

Gaming operators in Macau are currently prohibited from accepting wagers in Renminbi, the currency of China. There are currently restrictions on the export of the Renminbi outside of China, including to Macau. For

example, Chinese citizens traveling abroad are only allowed to take a total of RMB20,000 plus the equivalent of up to US$5,000 out of China. Moreover, it was recently announced that a new annual limit of RMB100,000 (US$15,370) on the aggregate amount that can be withdrawn overseas from Chinese bank accounts was set by the Chinese government, with effect on January 1, 2018. In addition, the Chinese government's ongoing anti-corruption campaign has led to tighter monetary transfer regulations, including real-time monitoring of certain financial channels, reducing the amount that China-issued ATM cardholders can withdraw in each withdrawal, imposing a limit on the annual aggregate amount that may be withdrawn and the launch of facial recognition and identity card checks with respect to certain ATM users, which could disrupt the amount of money visitors can bring from mainland China to Macau. Furthermore, the Macau government has launched identity card checks with respect to certain ATM users and recently recommended banks perform adequate due diligence and monitoring of merchants with respect to usage of point-of-sales machines, such as cash registers where a customer is charged for goods or services purchased. These measures may limit liquidity availability and curb capital outflows. In addition, on June 12, 2017, a new law with respect to the control of cross-border transportation of cash and other negotiable instruments to the bearer was enacted and came into effect on November 1, 2017. In accordance with such law, all individuals entering Macau with an amount in cash or negotiable instrument to the bearer equal to or higher than the amount of MOP120,000 (US$14,975) as determined by the Chief Executive of Macau are required to declare such amount to the customs authorities. For further details, please refer to "Regulation—Control of Cross-border Transportation of Cash Regulations." Restrictions on the export of the Renminbi and related measures may impede the flow of gaming customers from China to Macau, inhibit the growth of gaming in Macau and negatively impact the operation of Studio City Casino.

***Policies, campaigns and measures adopted by the PRC and/or Macau governments from time to time could materially and adversely affect our operations.***

Our operating results may be adversely affected by:

- tightening of travel restrictions to Macau or austerity measures which may be imposed by the Chinese government;
- changes in government policies, laws and regulations, or in the interpretation or enforcement of these policies, laws and regulations;
- changes in cross-border fund transfer and/or foreign exchange regulations or policies effected by the Chinese and/or Macau governments;
- measures taken by the Chinese government to deter marketing of gaming activities to mainland Chinese residents by foreign casinos;
- measures that may be introduced to control inflation, such as interest rate increases or bank account withdrawal controls; and
- changes in the rate or method of taxation by the Macau government.

A significant number of the gaming customers of Studio City Casino come from, and are expected to continue to come from, China. Any travel restrictions imposed by China could disrupt the number of patrons visiting Studio City from China. Since mid-2003, under the Individual Visit Scheme, or IVS, Chinese citizens from certain cities have been able to travel to Macau individually instead of as part of a tour group. In mid-2008 through 2010, the Chinese government adjusted its visa policy and limited the number of visits Chinese citizens may make to Macau in a given time period. China also banned "zero fare tours," popular among visitors to Macau from mainland China, whereby travelers avail the services of tour guides at minimal or no cost if they agree to shop in designated areas in exchange. Further, in 2014, the Chinese government and the Macau government tightened visa transit policies for mainland China residents. Starting on July 1, 2014, the Macau government has tightened transit visa rule implementation, limiting such travelers to a five-day stay, with documented proof that they were going to a third destination. From July 2015, Macau eased the restrictions and

again allowed mainland Chinese passport holders who transit via the city to stay for up to seven days. While the Chinese government has in the past restricted and then loosened IVS travel frequently, it has recently indicated its intention to maintain tourism development by opening the IVS to more Chinese cities to visit Macau. In March 2016, for instance, the Ministry of Public Security of China announced a new practice to make it easier for some mainland Chinese citizens to apply for the IVS visa. It is unclear whether these and other measures will continue to be in effect or become more restrictive in the future. A decrease in the number of visitors from China would adversely affect Studio City's results of operations.

In addition, certain policies and campaigns implemented by the Chinese government may lead to a decline in the number of patrons visiting our properties and the amount of spending by such patrons. The strength and profitability of the gaming business depends on consumer demand for integrated resorts in general and for the type of luxury amenities that a gaming operator offers. Recent initiatives and campaigns undertaken by the Chinese government have resulted in an overall dampening effect on the behavior of Chinese consumers and a decrease in their spending, particularly in luxury good sales and other discretionary spending. For example, the Chinese government's ongoing anti-corruption campaign has had an overall chilling effect on the behavior of Chinese consumers and their spending patterns both domestically and abroad. In addition, the number of patrons visiting Studio City may be affected by the Chinese government's focus on deterring marketing of gaming to mainland Chinese residents by casinos and its initiatives to tighten monetary transfer regulations, increase monitoring of various transactions, including bank or credit card transactions, reduce the amount that China-issued ATM cardholders can withdraw in each withdrawal and impose a limit on the annual aggregate amount that may be withdrawn. Recent conviction of staff of a foreign casino in China in relation to gaming related activities in China have created further regulatory uncertainty on marketing activities in China.

Our operations in Macau are also exposed to the risk of changes in laws and policies that govern operations of Macau-based companies. Tax laws and regulations may also be subject to amendment or different interpretation and implementation, thereby adversely affecting our profitability after tax. Further, certain terms of the Gaming Operator's subconcession may be subject to renegotiations with the Macau government in the future, including the premium amount the Gaming Operator will be obligated to pay the Macau government in order to continue operations at Studio City Casino. As Studio City Entertainment is expected to fund part of the premium for the operation of Studio City Casino, increased premium due to any renegotiations could have a material adverse effect on the results of our operations and financial condition.

***Uncertainties in the legal systems in the PRC may expose us to risks.***

Gaming related activities in the PRC, including marketing activities, are regulated by the PRC government and subject to various PRC laws and regulations. The PRC legal system continues to rapidly evolve and the interpretations of many laws, regulations and rules are not always uniform. In addition, the PRC legal system is based in part on government policies and internal rules, some of which are not published on a timely basis or at all. As a result, we may not be aware of all policies and rules imposed by the PRC authorities which may affect or relate to our business and operations. There is also no assurance that our interpretation of the laws and regulations that affect our activities and operations in the PRC is or will be consistent with the interpretation and application by the PRC governmental authorities. These uncertainties may impede our ability to assess our legal rights or risks relating to our business and activities. Any changes in the laws and regulations, or in the interpretation or enforcement of these laws and regulations, which affect gaming related activities in the PRC could have a material and adverse effect on our business and prospects, financial condition and results of operations.

In addition, PRC administrative and court authorities have significant discretion in interpreting and implementing statutory terms. Such discretion of the PRC administrative and court authorities increases the uncertainties in the PRC legal system and makes it difficult to evaluate the likely outcome of any administrative and court proceedings in the PRC. Any litigation or proceeding in the PRC may be protracted and result in substantial costs and diversion of our resources and management attention. Any such litigation or proceeding could have a material adverse effect on our business, reputation, financial condition and results of operations.

***Terrorism, violent criminal acts and the uncertainty of war and other factors affecting discretionary consumer spending and leisure travel may reduce visitation to Macau and harm our operating results.***

The strength and profitability of our business will depend on consumer demand for integrated resorts and leisure travel in general. Recent terrorist and violent criminal activities in Europe, the United States, Southeast Asia and elsewhere, military conflicts in the Middle East and natural disasters such as typhoons, tsunamis and earthquakes, among other things, have negatively affected travel and leisure expenditures. For example, in June 2017, there were multiple deaths at the Resorts World Manila entertainment complex in Pasay, Metro Manila, Philippines when a gunman caused a stampede and set fire to casino tables and slot machine chairs. Terrorism and other criminal acts of violence could have a negative impact on international travel and leisure expenditures, including lodging, gaming and tourism. We cannot predict the extent to which such acts may affect us, directly or indirectly, in the future.

In addition, other factors affecting discretionary consumer spending, including amounts of disposable consumer income, fears of recession, lack of consumer confidence in the economy, change in consumer preferences, high energy, fuel and other commodity costs and increased cost of travel may negatively impact our business. An extended period of reduced discretionary spending and/or disruptions or declines in airline travel could materially adversely affect our business, results of operations and financial condition.

***An outbreak of widespread health epidemics, contagious disease or any other outbreak may have an adverse effect on the economies of Macau or nearby regions and may have a material adverse effect on our business, financial condition and results of operations.***

Our business could be materially and adversely affected by the outbreak of widespread health epidemics, such as swine flu, avian influenza, severe acute respiratory syndrome (SARS), Middle East respiratory syndrome (MERS), Zika or Ebola. The occurrence of such health epidemics, prolonged outbreak of an epidemic illness or other adverse public health developments in China or elsewhere in the world could materially disrupt our business and operations. Such events could significantly impact our industry and cause a temporary closure of the facilities we use for our operations, which would severely disrupt our operations and have a material adverse effect on our business, financial condition and results of operations. Guangdong Province, China, which is located across the Zhuhai Border from Macau, has confirmed several cases of avian flu. Fully effective avian flu vaccines have not been developed and there is evidence that the H5N1 virus is constantly evolving so we cannot assure you that an effective vaccine can be discovered or commercially manufactured in time to protect against the potential avian flu pandemic. In the first half of 2003, certain countries in Asia experienced an outbreak of SARS, a highly contagious form of atypical pneumonia, which seriously interrupted economic activities and caused the demand for goods and services to plummet in the affected regions.

The perception that an outbreak of health epidemics or contagious disease may occur may also have an adverse effect on the economic conditions of countries in Asia. In addition, our operations could be disrupted if any of our staff or others involved in our operations were suspected of having the swine flu, avian influenza, SARS, MERS, Zika or Ebola as this could require us to quarantine some or all of such staff or persons or disinfect the facilities used for our operations. Furthermore, any future outbreak may restrict economic activities in affected regions, which could result in reduced business volume and the temporary closure of our offices or otherwise disrupt our business operations and adversely affect our results of operations.

***Macau is susceptible to typhoons and heavy rainstorms that may damage our property and disrupt our operations.***

Macau's subtropical climate and location on the South China Sea renders it susceptible to typhoons, heavy rainstorms and other natural disasters. In the event of a major typhoon, such as Typhoon Hato in August 2017, or other natural disaster in Macau, Studio City may be severely disrupted and adversely affected. Any flooding, unscheduled interruption in the technology or transportation services or interruption in the supply of public

utilities is likely to result in an immediate, and possibly substantial, loss of revenues due to a shutdown of Studio City, including operations at Studio City Casino. Although we benefit from certain insurance coverage with respect to these events, our coverage may not be sufficient to fully indemnify us against all direct and indirect costs, including loss of business, which could result from substantial damage to, or partial or complete destruction of, our properties or other damages to the infrastructure or economy of Macau.

### Risks Relating to Our ADSs and This Offering

***We are a holding company. Our sole material asset after completion of this offering will be our equity interest in MSC Cotai and we will be accordingly dependent upon distributions from MSC Cotai to pay dividends and cover our corporate and other expenses.***

We are a holding company and will have no material assets other than our equity interest in MSC Cotai. We have also undertaken that we will not own equity interests in any other entity other than MSC Cotai and that we will contribute to MSC Cotai all net proceeds received by us from sales of equity securities and sales of assets. Please see “Corporate History and Organizational Structure.” Because we will have no independent means of generating revenue, our ability to pay dividends, if any, and cover our corporate and other expenses is dependent on the ability of MSC Cotai to generate revenue to pay such dividends and expenses. This ability, in turn, may depend on the ability of MSC Cotai’s subsidiaries to make distributions to it. The ability of MSC Cotai and its subsidiaries to make such distributions will be subject to, among other things, (i) the applicable laws and regulations of the relevant jurisdictions that may limit the amount of funds available for distribution, (ii) restrictions in the Participation Agreement or relevant debt instruments issued by MSC Cotai or its subsidiaries in which it directly or indirectly holds an equity interest and (iii) the availability of funds to distribute. To the extent that we need funds and MSC Cotai or its subsidiaries are restricted from making such distributions or payments under applicable law or regulation or under the terms of any financing arrangements, or are otherwise unable to provide such funds, our liquidity and financial condition could be materially and adversely affected.

***Our listing was authorized by the Macau government subject to certain conditions imposed on the Gaming Operator, us and our direct and indirect shareholders. Failure by the Gaming Operator, us or our direct and indirect shareholders to comply with such conditions may result in our obligation to delist the ADSs from the New York Stock Exchange or have a material adverse effect on the operation of Studio City Casino.***

Our listing was authorized by the Macau government subject to the continued satisfaction of certain conditions including the following:

- the company continues to hold, directly or indirectly, 100% of the equity interest of its subsidiary, Studio City Entertainment;
- Melco Resorts continues to hold, directly or indirectly, at least 50.1% of the equity interest in us;
- Melco International continues to hold, directly or indirectly, the majority of the equity interest in Melco Resorts; and
- Mr. Lawrence Ho, directly or indirectly, continues to hold the majority of the equity interest in Melco International to control such entity.

Under such authorization, the Gaming Operator is required to annually provide the Macau government with evidence with respect to the compliance with the above conditions. In addition, under such authorization, we and the Gaming Operator are also required to comply with the conditions imposed by the Macau government in connection with its approval of our entry into the Services and Right to Use Arrangements.

The Macau government also has the right to revoke the listing authorization if it deems that the listing is contrary to the public interest or in case of breach of the mentioned conditions. In case of revocation of the listing

authorization by the Macau government, we may be required by the Macau government to delist the ADSs from the New York Stock Exchange. Failure to do so could result in the approval of the Services and Right to Use Arrangements being revoked, which would prevent us from receiving any amounts thereunder, in a closure order being issued with respect to the Studio City Casino or in the suspension or termination of the Gaming Operator's Subconcession and consequently we may be unable to offer any gaming facilities at Studio City.

***An active trading market for our ordinary shares or our ADSs may not develop and the trading price for our ADSs may fluctuate significantly.***

Our ADSs will be traded on the New York Stock Exchange. We have no current intention to seek a listing for our ordinary shares on any stock exchange or quoted for trading on any over-the-counter trading system. Prior to the completion of this offering, there has been no public market for our ADSs or our ordinary shares, and we cannot assure you that a liquid public market for our ADSs will develop. If an active public market for our ADSs does not develop following the completion of this offering, the market price and liquidity of our ADSs may be materially and adversely affected.

The initial public offering price for our ADSs was determined by negotiation between us and the underwriters based upon several factors, and we can provide no assurance that an active trading market for our ADSs will develop or that the trading price of our ADSs after this offering will not decline below the initial public offering price. As a result, investors in our securities may experience a significant decrease in the value of their ADSs.

***The trading price of our ADSs may be volatile and subject to fluctuations in the future, which could result in substantial losses to investors.***

The trading price of our ADSs may be volatile and could fluctuate widely due to factors beyond our control. This may happen because of broad market and industry factors, including the performance and fluctuation of the market prices of other companies with business operations located mainly in Macau or China that have listed their securities in the United States. In addition to market and industry factors, the price and trading volume for our ADSs may be highly volatile for factors specific to our own operations, including the following:

- uncertainties or delays relating to the financing, completion and successful operation of our remaining project for Studio City;
- developments in the Macau market or other Asian gaming markets, including the announcement or completion of major new projects by our competitors;
- general economic, political or other factors that may affect Macau, where Studio City is located;
- changes in the economic performance or market valuations of the gaming and leisure industry companies;
- changes in the Gaming Operator's market share of the Macau gaming market;
- regulatory developments affecting us or our competitors;
- actual or anticipated fluctuations in our quarterly or annual operating results;
- announcements of new investments, acquisitions, strategic partnerships or joint ventures by us or our competitors;
- changes in financial estimates by securities analysts;
- detrimental adverse publicity about us, Studio City or our industries;
- additions or departures of key personnel;
- fluctuations in the exchange rates between the U.S. dollar, H.K. dollar, Pataca and Renminbi;

- release or expiration of lock-up or other transfer restrictions on our outstanding equity securities or sales of additional equity securities;
- sales or perceived sales of additional shares or ADSs or securities convertible or exchangeable or exercisable for shares or ADSs;
- potential litigation or regulatory investigations; and
- rumors related to any of the above, irrespective of their veracity.

In addition, the securities market has from time to time experienced significant price and volume fluctuations that are not related to the operating performance of particular companies. These market fluctuations may also have a material adverse effect on the market price of our ADSs.

In the past, shareholders of public companies have often brought securities class action suits against those companies following periods of instability in the market price of their securities. If we were involved in a class action suit, it could divert a significant amount of our management's attention and other resources from our business and operations and require us to incur significant expenses to defend the suit, which could harm our results of operations. Any such class action suit, whether or not successful, could harm our reputation and restrict our ability to raise capital in the future. In addition, if a claim is successfully made against us, we may be required to pay significant damages, which could have a material adverse effect on our financial condition and results of operations.

***Because our initial public offering price is substantially higher than our net tangible book value per share, you will experience immediate and substantial dilution.***

If you purchase ADSs in this offering, you will pay more for your ADSs than the amount paid by our existing shareholders for their ordinary shares on a per ADS basis. As a result, you will experience immediate and substantial dilution of approximately US$            per ADS. See "Dilution" for a more complete description of how the value of your investment in our ADSs will be diluted upon the completion of this offering.

***If securities or industry analysts do not publish research or reports about our business, or if they adversely change their recommendations regarding our ADSs, the market price for our ADSs and trading volume could decline.***

The trading market for our ADSs will depend in part on the research and reports that securities or industry analysts publish about us or our business. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts who covers us downgrades our ADSs or publishes inaccurate or unfavorable research about our business, the market price for our ADSs would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for our ADSs to decline.

***Techniques employed by short sellers may drive down the market price of our ADSs.***

Short selling is the practice of selling securities that the seller does not own but rather has borrowed from a third party with the intention of buying identical securities back at a later date to return to the lender. The short seller hopes to profit from a decline in the value of the securities between the sale of the borrowed securities and the purchase of the replacement shares, as the short seller expects to pay less in that purchase than it received in the sale. As it is in the short seller's interest for the price of the security to decline, many short sellers publish, or arrange for the publication of, negative opinions regarding the relevant issuer and its business prospects in order to create negative market momentum and generate profits for themselves after selling a security short. These short attacks have, in the past, led to selling of shares in the market.

Public companies that have substantially all of their operations in Greater China have been the subject of short selling. Much of the scrutiny and negative publicity has centered on allegations of a lack of effective internal control over financial reporting resulting in financial and accounting irregularities and mistakes, inadequate corporate governance policies or a lack of adherence thereto and, in many cases, allegations of fraud. As a result, many of these companies are now conducting internal and external investigations into the allegations and, in the interim, are subject to shareholder lawsuits and/or SEC enforcement actions.

It is not clear what effect such negative publicity could have on us. If we were to become the subject of any unfavorable allegations, whether such allegations are proven to be true or untrue, we could have to expend a significant amount of resources to investigate such allegations and/or defend ourselves. While we would strongly defend against any such short seller attacks, we may be constrained in the manner in which we can proceed against the relevant short seller by principles of freedom of speech, applicable state law or issues of commercial confidentiality. Such a situation could be costly and time-consuming, and could distract our management from growing our business. Even if such allegations are ultimately proven to be groundless, allegations against us could severely impact our business operations, and any investment in our ADSs could be greatly reduced or even rendered worthless.

***Holders of ADSs have fewer rights than shareholders and must act through the depositary to exercise those rights.***

Holders of ADSs do not have the same rights of our shareholders and may only exercise the voting rights with respect to the underlying SC Class A Shares of the depositary and in accordance with the provisions of the deposit agreement. Advance notice of at least seven days is required for the convening of our annual general meeting and other shareholders meetings. When a general meeting is convened, you may not receive sufficient notice of a shareholders' meeting to permit you to withdraw SC Class A Shares represented by your ADSs to allow you to cast your vote with respect to any specific matter. In addition, the depositary and its agents may not be able to send voting instructions to you or carry out your voting instructions in a timely manner. We will make all reasonable efforts to cause the depositary to extend voting rights to you in a timely manner, but we cannot assure you that you will receive the voting materials in time to ensure that you can instruct the depositary to vote your ADSs. The depositary and its agents will not be responsible for any failure to carry out any instructions to vote, for the manner in which any vote is cast or for the effect of any such vote. As a result, you may not be able to exercise your right to vote and you may lack recourse if your ADSs are not voted as you requested. In addition, in your capacity as an ADS holder, you will not be able to convene a shareholder meeting.

***Your rights to pursue claims against the depositary as a holder of ADSs are limited by the terms of the deposit agreement. In addition, parties to the Participation Agreement have agreed to resolve any disputes by arbitration.***

As a holder of our ADSs, you are a party to the deposit agreement under which our ADSs are issued. Under the deposit agreement, any action or proceeding against or involving the depositary arising out of or based upon the deposit agreement or the transactions contemplated thereby or by virtue of you owning the ADSs may only be instituted in a state or federal court in New York, New York. In addition, under the deposit agreement, you, as a holder of our ADSs, will have irrevocably waived any objection which you may have to the laying of venue of any such proceeding and irrevocably submitted to the exclusive jurisdiction of such courts in any such action or proceeding. The depositary may, however, in its sole discretion, require that any dispute or difference arising from the relationship created by the deposit agreement be referred to and finally settled by an arbitration proceeding to be conducted under the terms described in the deposit agreement, which may include claims arising under the U.S. federal securities laws and claims not in connection with this offering, although the arbitration provisions do not preclude you from pursuing claims under the U.S. federal securities laws in federal courts. Furthermore, we may amend or terminate the deposit agreement without your consent. If you continue to hold your ADSs after an amendment to the deposit agreement, you agree to be bound by the terms and subject to the conditions of the deposit agreement as amended. For more information, see "Description of American Depositary Shares."

In addition, the Participation Agreement, pursuant to which MSC Cotai grants the participation interest to New Cotai, provides that all disputes arising out of the Participation Agreement must be resolved through arbitration proceedings subject to certain limited exceptions and such provision will affect the manner by which New Cotai or any other parties to the Participation Agreement may pursue any claim or action arising out of the Participation Agreement. For more information, see "Corporate History and Organizational Structure—Participation Agreement."

***ADSs holders may not be entitled to a jury trial with respect to claims arising under the deposit agreement, which could result in less favorable outcomes to the plaintiff(s) in any such action.***

The deposit agreement governing the ADSs representing our Class A ordinary shares provides that, subject to the depositary's right to require a claim to be submitted to arbitration, the federal or state courts in the City of New York have exclusive jurisdiction to hear and determine claims arising under the deposit agreement and in that regard, to the fullest extent permitted by law, ADS holders waive the right to a jury trial of any claim they may have against us or the depositary arising out of or relating to our shares, the ADSs or the deposit agreement, including any claim under the U.S. federal securities laws.

If we or the depositary opposed a jury trial demand based on the waiver, the court would determine whether the waiver was enforceable based on the facts and circumstances of that case in accordance with applicable state and federal law. The enforceability of a contractual pre-dispute jury trial waiver in connection with claims arising under the U.S. federal securities laws has not been finally adjudicated by the United States Supreme Court. However, based on past court decisions, we believe that a contractual pre-dispute jury trial waiver provision is generally enforceable, including under the laws of the State of New York, which govern the deposit agreement. In determining whether to enforce a contractual pre-dispute jury trial waiver provision, courts will generally consider whether a party knowingly, intelligently and voluntarily waived the right to a jury trial. We believe that this is the case with respect to the deposit agreement and the ADSs. It is advisable that you consult legal counsel regarding the jury waiver provision before investing in the ADSs.

If you or any other holders or beneficial owners of ADSs bring a claim against us or the depositary in connection with matters arising under the deposit agreement or the ADSs, including claims under the U.S. federal securities laws, you or such other holder or beneficial owner may not be entitled to a jury trial with respect to such claims, which may have the effect of limiting and discouraging lawsuits against us and/or the depositary. If a lawsuit is brought against us and/or the depositary under the deposit agreement, it may be heard only by a judge or justice of the applicable trial court, which would be conducted according to different civil procedures and may result in different outcomes than a trial by jury would have had, including results that could be less favorable to the plaintiff(s) in any such action.

Nevertheless, if this jury trial waiver provision is not enforced, to the extent a court action proceeds, it would proceed under the terms of the deposit agreement as a jury trial.

***Your right to participate in any future rights offerings may be limited, which may cause dilution to your holdings, and you may not receive cash dividends if it is unlawful or impractical to make them available to you.***

We may, from time to time, distribute rights to our shareholders, including rights to acquire our securities. However, we cannot make rights available to you in the United States unless we register the rights and the securities to which the rights relate under the Securities Act or an exemption from the registration requirements is available. Also, under the deposit agreement, the depositary bank will not make rights available to you unless the distribution to ADS holders of both the rights and any related securities are either registered under the Securities Act, or exempted from registration under the Securities Act. We are under no obligation to file a registration statement with respect to any such rights or securities or to endeavor to cause such a registration statement to be declared effective. Moreover, we may not be able to establish an exemption from registration under the Securities

Act. Accordingly, you may be unable to participate in our rights offerings and may experience dilution in your holdings.

In addition, the depositary of our ADSs has agreed to pay to you the cash dividends or other distributions it or the custodian receives on our SC Class A Shares or other deposited securities after deducting its fees and expenses. You will receive these distributions in proportion to the number of SC Class A Shares your ADSs represent. However, the depositary may, at its discretion, decide that it is unlawful, inequitable or impractical to make a distribution available to any holders of ADSs. For example, it would be unlawful to make a distribution to a holder of ADSs if it consists of securities that require registration under the Securities Act but that are not properly registered or distributed under an applicable exemption from registration. Also, the depositary may determine that it is not practicable to distribute certain property through the mail, or that the value of certain distributions may be less than the cost of mailing them. In these cases, the depositary may decide not to distribute such property and you will not receive such distribution. Except as otherwise provided under the Registration Rights Agreement, we have no obligation to register under U.S. securities laws any ADSs, SC Class A Shares, rights or other securities received through such distributions. See "Description of Share Capital—Registration Rights." We also have no obligation to take any other action to permit the distribution of ADSs, SC Class A Shares, rights or anything else to holders of ADSs.

***Substantial future sales or perceived potential sales of our ADSs, ordinary shares or other equity securities in the public market could cause the price of our ADSs to decline significantly.***

After completion of this offering, New Cotai will own 72,511,760 SC Class B Shares, representing a % voting, non-economic interest in our company. New Cotai will also have a Participation Interest, which will entitle New Cotai to receive from MSC Cotai an amount equal to % of the amount of any distribution, dividend or other consideration paid by MSC Cotai to us, subject to adjustments, exceptions and conditions. Under the Participation Agreement, New Cotai and its permitted transferees will be entitled to exchange its Participation Interest for SC Class A Shares, as described under "Corporate History and Organizational Structure." We will grant registration rights with respect to the SC Class A Shares delivered in exchange for Participation Interests. See "Corporate History and Organizational Structure" and "Description of Share Capital—Registration Rights."

Sales of substantial amounts of our ADSs in the public market after the completion of this offering, including upon the exchange of SC Class A Shares by New Cotai or its permitted transferees, or the perception that these sales could occur, could adversely affect the market price of our ADSs and could materially impair our ability to raise capital through equity offerings in the future. The ADSs sold in this offering will be freely tradable without restriction or further registration under the Securities Act, and shares held by our existing shareholders may also be sold in the public market in the future subject to the restrictions in Rule 144 and Rule 701 under the Securities Act and the applicable lock-up agreements. The ADSs represent interests in our SC Class A Shares. We would, subject to market forces, expect there to be a close correlation in the price of our ADSs and the price of the SC Class A Shares and any factors contributing to a decline in one market is likely to result to a similar decline in another.

There will be ADSs (representing SC Class A Shares) outstanding immediately after this offering, or ADSs (representing SC Class A Shares) if the underwriters exercise their over-allotment option in full. [In connection with this offering, we and our existing shareholders have agreed with the underwriters, subject to certain exceptions, not to sell, transfer or otherwise dispose of any ADSs, ordinary shares or similar securities or any securities convertible into or exchangeable or exercisable for our ordinary shares or ADSs, for a period ending [180] days after the date of this prospectus without the prior written consent of the underwriters, subject to certain exceptions.] However, the underwriters may release these securities from these restrictions at any time, subject to applicable regulations of the Financial Industry Regulatory Authority. We cannot predict what effect, if any, market sales of securities held by our significant shareholders or any other shareholder or the availability of these securities for future sale will have on the market price of our ADSs. See

"Underwriting" and "Shares Eligible for Future Sale" for a more detailed description of the restrictions on selling our securities after this offering.

***The depositary for our ADSs will give us a discretionary proxy to vote our SC Class A Shares underlying your ADSs if you do not vote at shareholders' meetings, except in limited circumstances, which could adversely affect your interests.***

Under the deposit agreement for our ADSs, the depositary will give us a discretionary proxy to vote our SC Class A Shares underlying your ADSs at shareholders' meetings if you do not give voting instructions to the depositary, unless:

- we have failed to timely provide the depositary with our notice of meeting and related voting materials;
- we have instructed the depositary that we do not wish a discretionary proxy to be given;
- we have informed the depositary that there is substantial opposition as to a matter to be voted on at the meeting;
- a matter to be voted on at the meeting would have a material adverse impact on shareholders; or
- voting at the meeting is made on a show of hands.

The effect of this discretionary proxy is that, if you fail to give voting instructions to the depositary, you cannot prevent our SC Class A Shares underlying your ADSs from being voted, absent the situations described above, and it may make it more difficult for shareholders to influence our management. Holders of our SC Class A Shares are not subject to this discretionary proxy.

***Because we do not expect to pay dividends in the foreseeable future after this offering, you must rely on price appreciation of our ADSs for return on your investment.***

We currently intend to retain most, if not all, of our available funds and any future earnings after this offering to fund the development and growth of our business. As a result, we do not expect to pay any cash dividends in the foreseeable future. See "Dividend Policy." Therefore, you should not rely on an investment in our ADSs as a source for any future dividend income.

Our board of directors has complete discretion as to whether to distribute dividends, subject to certain requirements of the laws of the Cayman Islands. In addition, our shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our directors. Under the laws of the Cayman Islands, a Cayman Islands company may pay a dividend out of either profit or share premium account, provided that in no circumstances may a dividend be paid if this would result in the company being unable to pay its debts as they fall due in the ordinary course of business. Even if our board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiaries, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, the return on your investment in our ADSs will likely depend entirely upon any future price appreciation of our ADSs. There is no guarantee that our ADSs will appreciate in value after this offering or even maintain the price at which you purchased the ADSs. You may not realize a return on your investment in our ADSs and you may even lose your entire investment in our ADSs.

***You may be subject to limitations on the transfer of your ADSs.***

Your ADSs are transferable on the books of the depositary. However, the depositary may close its books at any time or from time to time when it deems expedient in connection with the performance of its duties. The depositary may close its books from time to time for a number of reasons, including in connection with corporate

events such as a rights offering, during which time the depositary needs to maintain an exact number of ADS holders on its books for a specified period. The depositary may also close its books in emergencies, and on weekends and public holidays. The depositary may refuse to deliver, transfer or register transfers of our ADSs generally when our share register or the books of the depositary are closed, or at any time if we deem or the depositary deems it advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason.

***You may have difficulty enforcing judgments obtained against us.***

We are a company incorporated under the laws of the Cayman Islands and substantially all of our assets are located outside the United States. All of our current operations are conducted in Macau. As a result, it may be difficult or impossible for you to bring an action against us in the United States in the event that you believe that your rights have been infringed under the U.S. federal securities laws or otherwise. It may also be difficult for you to enforce in the Cayman Islands and Macau courts judgments obtained in U.S. courts based on the civil liability provisions of the U.S. federal securities laws against us and our directors and executive officers. In addition, there is uncertainty as to whether the courts of the Cayman Islands and Macau would recognize or enforce judgments of U.S. courts against us or such individuals predicated upon the civil liability provisions of the securities laws of the United States or any state. It is also uncertain whether such Cayman Islands and Macau courts would be competent to hear original actions brought in the Cayman Islands and Macau against us or such individuals predicated upon the securities laws of the United States or any state. For more information regarding the relevant laws of the Cayman Islands and Macau, see “Enforceability of Civil Liabilities.”

***We are a foreign private issuer within the meaning of the rules under the Exchange Act, and as such we are exempt from certain provisions applicable to domestic public companies in the United States.***

Because we are a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the securities rules and regulations in the United States that are applicable to U.S. domestic issuers, including: (i) the rules under the Exchange Act requiring the filing of quarterly reports on Form 10-Q or current reports on Form 8-K with the SEC; (ii) the sections of the Exchange Act regulating the solicitation of proxies, consents, or authorizations in respect of a security registered under the Exchange Act; (iii) the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and (iv) the selective disclosure rules by issuers of material nonpublic information under Regulation FD.

We will be required to file an annual report on Form 20-F within four months of the end of each fiscal year. In addition, we intend to publish our results on a quarterly basis through press releases, distributed pursuant to the rules and regulations of the New York Stock Exchange. Press releases relating to financial results and material events will be furnished to the SEC on Form 6-K. However, the information we are required to file with or furnish to the SEC will be less extensive and less timely compared to that required to be filed with the SEC by U.S. domestic issuers.

As a Cayman Islands exempted company applying to list our ADSs on the New York Stock Exchange, we are subject to New York Stock Exchange corporate governance listing standards. However, the New York Stock Exchange rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from New York Stock Exchange corporate governance listing standards. For instance, shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to inspect corporate records or to obtain copies of lists of shareholders of these companies. Our directors have discretion under our articles of association to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. In addition, we rely on this “home country practice” exception and do not have a majority of independent directors serving on our board. This may make it more difficult for you to obtain the information needed to establish any

facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

Upon completion of this offering and the Assured Entitlement Distribution, MCE Cotai will control a majority of our outstanding ordinary shares, making us a “controlled company” within the meaning of the New York Stock Exchange corporate governance rules. As a “controlled company,” we are eligible to, and, in the event we no longer qualify as a foreign private issuer, we intend to elect not to comply with certain of the New York Stock Exchange corporate governance standards, including the requirement that a majority of directors on our board of directors be independent directors.

Certain corporate governance practices in the Cayman Islands, which is our home country, differ significantly from requirements for companies incorporated in other jurisdictions such as the United States. To the extent we choose to follow home country practice with respect to corporate governance matters, our shareholders may be afforded less protection than they otherwise would under rules and regulations applicable to U.S. domestic issuers.

***We will incur increased costs as a result of being a public company.***

We will become a public company upon completion of this offering, and we expect to incur significant legal, accounting and other expenses that we do not incur as a private company. The Sarbanes-Oxley Act of 2002, as well as rules subsequently implemented by the SEC and the New York Stock Exchange, impose various requirements on the corporate governance practices of public companies. We expect these rules and regulations to increase our legal and financial compliance costs and to make some corporate activities more time-consuming and costly. We expect to incur significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002 and the other rules and regulations of the SEC. For example, as a result of becoming a public company, we will need to increase the number of independent directors and adopt policies regarding internal controls and disclosure controls and procedures. We also expect that operating as a public company will make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. In addition, we will incur additional costs associated with our public company reporting requirements. It may also be more difficult for us to find qualified persons to serve on our board of directors or as executive officers. We are currently evaluating and monitoring developments with respect to these rules and regulations, and we cannot predict or estimate with any degree of certainty the amount of additional costs we may incur or the timing of such costs.

***We are a Cayman Islands exempted company and, because judicial precedent regarding the rights of shareholders is more limited under Cayman Islands law than that under U.S. law, you may have less protection for your shareholder rights than you would under U.S. law.***

We are an exempted company incorporated under the laws of the Cayman Islands. Our corporate affairs are governed by our memorandum and articles of association, the Companies Law of the Cayman Islands and the common law of the Cayman Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary duties of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from the common law of England, the decisions of whose courts are of persuasive authority, but are not binding, on a court in the Cayman Islands. The rights of our shareholders and the fiduciary duties of our directors under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a less developed body of securities laws than the United States. Some U.S. states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands. In addition, Cayman Islands companies may not have standing to initiate a shareholder derivative action in a federal court of the United States.

Shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to inspect corporate records (other than the memorandum and articles of association) or to obtain copies of lists of shareholders of these companies. Our directors have discretion under our articles of association to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

As a result of all of the above, our public shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as shareholders of a U.S. public company. For a discussion of significant differences between the provisions of the Companies Law of the Cayman Islands and the laws applicable to companies incorporated in the United States and their shareholders, see “Description of Share Capital—Differences in Corporate Law.”

***We intend to apply the net proceeds of this offering and the private placement pursuant to the Assured Entitlement Distribution to acquire newly-issued MSC Cotai Shares. However, management of MSC Cotai has broad discretion as to how the proceeds MSC Cotai receives from us will be applied.***

We intend to apply the net proceeds of this offering and the private placement pursuant to the Assured Entitlement Distribution to acquire newly-issued MSC Cotai Shares. In turn, MSC Cotai intends to apply the net proceeds it receives from us primarily for the repayment of certain of our existing indebtedness and for working capital and other general corporate purposes. See “Use of Proceeds” for additional information. However, MSC Cotai’s management will have considerable discretion in deciding how to apply these proceeds. You will not have the opportunity to assess whether the proceeds are being used appropriately before you make your investment decision. You must rely on the judgment and discretion of MSC Cotai’s management regarding the application of the net proceeds of this offering. We cannot assure you that the net proceeds will be used in a manner that would improve our results of operations or increase our ADS price, nor that these net proceeds will be placed only in investments that generate income or appreciate in value.

***If we are a passive foreign investment company for United States federal income tax purposes for any taxable year, United States holders of our ADSs could be subject to adverse United States federal income tax consequences.***

A non-United States corporation will be a passive foreign investment company, or PFIC, for United States federal income tax purposes for any taxable year if either (i) at least 75% of its gross income for such taxable year is passive income or (ii) at least 50% of the value of its assets (based on an average of the quarterly values of the assets) during such year is attributable to assets that produce or are held for the production of passive income. Based on the current and anticipated value of our assets and the composition of our income and assets, we do not expect to be a PFIC for United States federal income tax purposes for our current taxable year ending December 31, 2018 or in the foreseeable future. However, the determination of whether or not we are a PFIC according to the PFIC rules is made on an annual basis and will depend on the composition of our income and assets and the value of our assets from time to time. Therefore, changes in the composition of our income or assets or the value of our assets may cause us to become a PFIC. The determination of the value of our assets (including goodwill not reflected on our balance sheet) may be based, in part, on the quarterly market value of our ADSs, which is subject to change and may be volatile.

The classification of certain of our income as active or passive, and certain of our assets as producing active or passive income, and hence whether we are or will become a PFIC, depends on the interpretation of certain United States Treasury Regulations as well as certain IRS guidance relating to the classification of assets as producing active or passive income. Such regulations and guidance are potentially subject to different interpretations. If due to different interpretations of such regulations and guidance the percentage of our passive income or the percentage of our assets treated as producing passive income increases, we may be a PFIC in one or more taxable years.

If we are a PFIC for any taxable year during which a United States person holds ADSs, certain adverse United States federal income tax consequences could apply to such United States person. See "Taxation—Certain United States Federal Income Tax Considerations—Passive Foreign Investment Company."

## SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INDUSTRY DATA

This prospectus contains forward-looking statements that involve risks and uncertainties, and relate to future events, including our future operating results and conditions, our prospects and our future financial performance and condition, all of which are largely based on our current expectations and projections. All statements other than statements of current or historical facts are forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, including those listed under "Risk Factors," that may cause our actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements.

In some cases, you can identify these forward-looking statements by words or phrases such as "may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "potential," "continue," "likely to" or other similar expressions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements include statements about:

- our goals and strategies;
- the expected growth of the gaming and leisure market in Macau and visitation in Macau;
- our ability to successfully operate Studio City;
- our ability to obtain all required governmental approval, authorizations and licenses for the remaining project;
- our ability to obtain adequate financing for the remaining project;
- our ability to develop the remaining project in accordance with our business plan, completion time and within budget;
- our compliance with conditions and covenants under the existing and future indebtedness;
- construction cost estimates for the remaining project, including projected variances from budgeted costs;
- our ability to enter into definitive contracts with contractors with sufficient skill, financial strength and relevant experience for the construction of the remaining project;
- capital and credit market volatility;
- our ability to raise additional capital, if and when required;
- increased competition from other casino hotel and resort projects in Macau and elsewhere in Asia, including the three concessionaires (SJM, Wynn Resorts Macau and Galaxy) and subconcessionaires (including MGM Grand Paradise, S.A., or MGM Grand, and Venetian Macau) in Macau;
- government policies and regulation relating to the gaming industry, including gaming license approvals and the legalization of gaming in other jurisdictions, and leisure market in Macau;
- the uncertainty of tourist behavior related to spending and vacationing at casino resorts in Macau;
- fluctuations in occupancy rates and average daily room rates in Macau;
- the liberalization of travel restrictions on PRC citizens and convertibility of the Renminbi;
- the completion of infrastructure projects in Macau;
- our ability to retain and increase our customers;
- our ability to offer new services and attractions;

- our future business development, financial condition and results of operations;
- the expected growth in, market size of and trends in the market in Macau;
- expected changes in our revenues, costs or expenditures;
- our expectations regarding demand for and market acceptance of our brand and business;
- our ability to continue to develop new technologies and/or upgrade our existing technologies;
- our expectation regarding the use of proceeds from this offering;
- growth of and trends of competition in the gaming and leisure market in Macau; and
- general economic and business conditions globally and in Macau.

You should read this prospectus and the documents that we refer to in this prospectus with the understanding that our actual future results may be materially different from and worse than what we expect. Other sections of this prospectus include additional factors which could adversely impact our business and financial performance. Moreover, we operate in Macau's gaming sector, a market with intense competition, and in an evolving and heavily regulated environment. We have a highly leveraged business model. New risk factors and uncertainties may emerge from time to time and it is not possible for our management to predict all risk factors and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We qualify all of our forward-looking statements by these cautionary statements.

You should not rely upon forward-looking statements as predictions of future events. The forward-looking statements made in this prospectus relate only to events or information as of the date on which the statements are made in this prospectus. Except as required by law, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should read this prospectus and the documents that we refer to in this prospectus and have filed as exhibits to the registration statement, of which this prospectus is a part, completely and with the understanding that our actual future results may be materially different from what we expect.

This prospectus also contains statistical data and estimates that we obtained from industry publications and reports generated by government or third-party providers of market intelligence. Although we have not independently verified the data, we believe that the publications and reports are reliable. See "Risk Factors—Risks Relating to Our Business—Industry data, projections and estimates contained in this prospectus are inherently uncertain and subject to interpretation. Accordingly, you should not place undue reliance on such information."

## USE OF PROCEEDS

We estimate that we will receive net proceeds from this offering and the private placement pursuant to the Assured Entitlement Distribution of approximately US$ million, or approximately US$ million if the underwriters exercise their option to purchase additional ADSs in full, after deducting underwriting discounts and commissions and estimated offering expenses payable by us. These estimates are based upon an assumed initial offering price of US$ per ADS, the mid-point of the estimated range of the initial public offering price shown on the front cover page of this prospectus. A US$1.00 change in the assumed initial public offering price of US$ per ADS would, in the case of an increase, increase and, in the case of a decrease, decrease the net proceeds of this offering by US$ million, or approximately US$ million if the underwriters exercise their option to purchase additional ADSs in full.

The primary purposes of this offering are to create a public market for SC Class A Shares in the form of ADSs for the benefit of all shareholders and obtain additional capital. We plan to use the net proceeds of this offering and the Assured Entitlement Distribution to acquire newly-issued MSC Cotai Shares. In turn, MSC Cotai intends to apply the net proceeds it receives from us primarily for the following purposes:

- US$ million for repayment of certain of our existing indebtedness; and
- the remainder for working capital and other general corporate purposes.

For details of our existing indebtedness, including interest rate and maturity thereof, see "Description of Indebtedness." The amounts and timing of any expenditures will vary depending on the amount of cash generated by our operations, and the rate of growth, if any, of our business, and our plans and business conditions. The foregoing represents our current intentions based upon our present plans and business conditions to use and allocate the net proceeds of this offering. Our management will have significant flexibility in applying and discretion to apply the net proceeds of the offering. If an unforeseen event occurs or business conditions change, we may use the proceeds of this offering differently than as described in this prospectus.

Pending use of the net proceeds, we intend to hold our net proceeds in demand deposits.

## DIVIDEND POLICY

We have not previously declared or paid cash dividends and do not have any plan to declare or pay any dividends in the foreseeable future after this offering. We currently intend to retain most, if not all, of our available funds and any future earnings to operate and expand our business.

Our board of directors has discretion as to whether to distribute dividends, subject to certain requirements of Cayman Islands law and certain restrictions set forth in the instruments in relation to our outstanding borrowings. In addition, our shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our directors. Under Cayman Islands law, a Cayman Islands company may pay a dividend out of either profit or share premium account, provided that in no circumstances may a dividend be paid if this would result in the company being unable to pay its debts as they fall due in the ordinary course of business. Even if our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the board of directors may deem relevant. If we pay any dividends on our SC Class A Shares, we will pay those dividends which are payable in respect of the SC Class A Shares underlying our ADSs to the depositary, as the registered holder of such SC Class A Shares, and the depositary then will pay such amounts to the ADS holders who will receive payment to the same extent as holders of our SC Class A Shares, subject to the terms of the deposit agreement, including the fees and expenses payable thereunder. See “Description of American Depositary Shares.” Cash dividends on our SC Class A Shares, if any, will be paid in U.S. Dollars.

We are a holding company incorporated in the Cayman Islands. For our cash requirements, including any payment of dividends to our shareholders, we rely on dividends distributed by our subsidiaries in Macau, Hong Kong and the British Virgin Islands to MSC Cotai and MSC Cotai to us. The Macau regulations may restrict the ability of our Macau subsidiaries to pay dividends to us. For example, our Macau subsidiaries are subject to a Macau complementary tax of up to 12% on taxable income, as defined in the relevant tax laws. However, we were granted a Macau complementary tax exemption through 2021 on profits generated from income received from the Gaming Operator, to the extent that such income results from gaming operations within Studio City Casino and has been subject to gaming tax. We remain subject to Macau complementary tax on our non-gaming profits. See “Regulation—Taxation.” Furthermore, regulations in Macau currently require our subsidiaries incorporated in Macau to set aside a minimum of 25% of the relevant entity’s profit after taxation to their legal reserve until the balance of the legal reserve reaches a level equivalent to 50% of its share capital and the legal reserve is not available for distribution to the shareholders of such subsidiaries. See “Regulation—Distribution of Profits Regulations.”

In addition, the respective indentures governing our existing notes including the 2012 Notes and the 2016 Notes and the agreement for the 2016 Credit Facility contain certain covenants that, subject to certain exceptions and conditions, restrict the payment of dividends by some of our subsidiaries. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Restrictions on Distributions.”

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## CAPITALIZATION

The following table sets forth our capitalization as of June 30, 2018:

- on an actual basis; and
- on a pro forma basis to give effect to i) the completion of the Organizational Transactions, including the reclassification of MCE Cotai's 60% equity interest in our company into 108,767,640 SC Class A Shares, the exchange of New Cotai's 40% equity interest in our company into 72,511,760 SC Class B Shares and a non-voting, non-shareholding economic Participation Interest in MSC Cotai; ii) the issuance and sale of SC Class A Shares in the form of ADSs by us in this offering at an assumed initial public offering price of US$ per ADS, the mid-point of the estimated range of the initial public offering price shown on the front cover of this prospectus, and the private placement pursuant to the Assured Entitlement Distribution at an assumed initial public offering price of US$ per SC Class A Share, which is the mid-point of the estimated range of the initial public offering price per ADS shown on the front cover of this prospectus divided by the number of SC Class A Shares represented by one ADS, after deducting underwriting discounts and commissions and estimated offering expenses payable by us; and iii) the application of the net proceeds of this offering and the Assured Entitlement Distribution to acquire newly-issued MSC Cotai Shares, in turn, MSC Cotai will apply part of the net proceeds of US$ million for repayment of certain of our existing indebtedness, with the remainder of US$ million for working capital and other general corporate purposes.

You should read this table together with our consolidated financial statements and the related notes included elsewhere in this prospectus and the information under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

| | As of June 30, 2018 | |
|---|---|---|
| | **Actual** | **Pro Forma** |
| | **(US$ thousands, except for share and per share data)** | |
| Cash and cash equivalents | 294,878 | |
| Long-term debt, net | 2,003,181 | |
| **Shareholders' equity and participation interest:** | | |
| Ordinary shares (par value US$1; 200,000 shares authorized, 18,127.94 shares issued and outstanding on an actual basis) | 18 | |
| Class A ordinary shares (par value US$0.0001; 1,927,488,240 shares authorized; shares issued and outstanding on a pro forma basis) | — | |
| Class B ordinary shares (par value US$0.0001; 72,511,760 shares authorized; 72,511,760 shares issued and outstanding on a pro forma basis) | — | |
| Additional paid-in capital(1) | 1,512,705 | |
| Accumulated other comprehensive income | 488 | |
| Accumulated losses | (791,343) | |
| Total shareholders' equity(1) | 721,868 | |
| Participation interest | — | |
| Total capitalization(1) | 2,725,049 | |

(1) A US$1 increase (decrease) in the assumed initial public offering price of US$ per ADS, the mid-point of the estimated range of the initial public offering price shown on the front cover of this prospectus, would increase (decrease) each of additional paid-in capital and total shareholders' equity by US$ million, and total capitalization by US$ million, assuming the number of ADSs offered by us, as set forth on the front cover of this prospectus, remains the same and no change to the number of SC Class A Shares issued by us and subscribed by Melco International in the private placement pursuant to the Assured Entitlement Distribution, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

## DILUTION

If you invest in our ADSs, your interest will be diluted to the extent of the difference between the initial public offering price per ADS and the pro forma net tangible book value per ADS after this offering. Dilution results from the fact that the initial public offering price per SC Class A Share is substantially in excess of the pro forma net tangible book value per SC Class A Share after this offering.

Because New Cotai does not own any SC Class A Shares or other economic interests in Studio City International, we have presented dilution in pro forma net tangible book value per SC Class A Share and per ADS assuming that New Cotai exchanged all of its Participation Interest for newly-issued SC Class A Shares and the cancellation of all of its SC Class B Shares in order to more meaningfully present the dilutive impact to the investors in this offering. We refer to the assumed exchange of all of New Cotai's Participation Interest for SC Class A Shares as described in the previous sentence as the "Assumed Exchange."

The pro forma net tangible book value as of June 30, 2018 would have been US$ million, or US$ per SC Class A Share, and US$ per ADS. Pro forma net tangible value per SC Class A Share represents the amount of our total tangible assets, less total liabilities, divided by the number of SC Class A Shares after giving effect to (i) the Organizational Transactions; and (ii) the Assumed Exchange.

Without taking into account any other changes in the pro forma net tangible book value after June 30, 2018, other than to give effect to (i) the Organizational Transactions; (ii) the Assumed Exchange; and (iii) the issuance and sale by us of SC Class A Shares in the form of ADSs in this offering at an assumed initial public offering price of US$ per ADS, the mid-point of the estimated range of the initial public offering price shown on the front cover of this prospectus, and the issuance and sale by us of SC Class A Shares in the private placement pursuant to the Assured Entitlement Distribution at an assumed initial public offering price of US$ per SC Class A Share, which is the mid-point of the estimated range of the initial public offering price per ADS shown on the front cover of this prospectus divided by the number of SC Class A Shares represented by one ADS, after deducting underwriting discounts and commissions and estimated offering expenses payable by us and assuming the underwriters' option to purchase additional ADSs is not exercised, our pro forma as adjusted net tangible book value as of June 30, 2018 would have been US$ million; or US$ per SC Class A Share, and US$ per ADS.

This represents an immediate increase in net tangible book value of US$ per SC Class A Share, or US$ per ADS, to existing shareholders of SC Class A Shares, after giving effect to the Organizational Transactions and the Assumed Exchange; and an immediate dilution in net tangible book value of US$ per SC Class A Share, or US$ per ADS, to investors purchasing ADSs in this offering. The following table illustrates such dilution:

| | Per SC Class A Share | Per ADS |
|---|---|---|
| Assumed initial public offering price | | |
| Pro forma net tangible book value as of June 30, 2018 after giving effect to (i) the Organizational Transactions; and (ii) the Assumed Exchange | | |
| Pro forma as adjusted net tangible book value after giving effect to (i) the Organizational Transactions; (ii) the Assumed Exchange; and (iii) this offering and the private placement pursuant to the Assured Entitlement Distribution | | |
| Increase in pro forma net tangible book value attributable to this offering and the private placement pursuant to the Assured Entitlement Distribution | | |
| Dilution in net tangible book value to new investors in this offering | | |

A US$1.00 increase or decrease in the assumed initial public offering price of US$ per ADS would increase or decrease our pro forma as adjusted net tangible book value by US$ million, or US$ per SC Class A Share and US$ per ADS, and would increase or decrease the dilution per share and ADS to

the investors in this offering by US$ and US$ respectively, assuming no change to the number of ADSs offered by us as set forth on the front cover of this prospectus and no change to the number of SC Class A Shares issued by us and subscribed by Melco International in the private placement pursuant to the Assured Entitlement Distribution, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Our pro-forma as adjusted net tangible book value following the completion of this offering and the private placement pursuant to the Assured Entitlement Distribution is subject to adjustment based on the actual initial public offering price of the ADSs and other terms of this offering determined at pricing.

The following table summarizes, on a pro forma basis as of June 30, 2018, the differences between the existing shareholders of SC Class A Shares, after giving effect to the Organizational Transactions and the Assumed Exchange as of June 30, 2018, and the new investors with respect to the number of SC Class A Shares (in the form of ADSs purchased from us in this offering and in connection with the Assured Entitlement Distribution), the total consideration paid and the average price per SC Class A Share paid and per ADS at an assumed initial public offering price of US$ per ADS before deducting underwriting discounts and commissions and estimated offering expenses payable by us. The total number of SC Class A Shares does not include SC Class A Shares underlying the ADSs issuable upon exercise of the option to purchase additional ADSs which we granted to underwriters.

| | SC Class A Shares Purchased | | Total Consideration | | Average Price per SC Class A Share | Average Price per ADS |
|---|---|---|---|---|---|---|
| | Number | Percent | Amount | Percentage | | |
| | (US$, except for share numbers and percentages) | | | | | |
| Existing shareholders(1) | | % | | % | | |
| New investors | | % | | % | | |
| Total | | 100.0% | | 100.0% | | |

(1) After giving effect to the Organizational Transactions and the Assumed Exchange.

## ENFORCEABILITY OF CIVIL LIABILITIES

### Cayman Islands

We are incorporated under the laws of the Cayman Islands as an exempted company with limited liability to take advantage of certain benefits associated with the Cayman Islands, such as:

- political and economic stability;
- an effective judicial system;
- a favorable tax system;
- the absence of exchange control and currency restrictions on dividends; and
- the availability of professional and support services.

However, certain disadvantages accompany incorporation in the Cayman Islands. These disadvantages include:

- the securities laws of the Cayman Islands are different from those of the United States and provide less protection to investors; and
- Cayman Islands companies may not have standing to sue before the federal courts of the United States.

Our constitutional documents do not contain provisions requiring that disputes, including those arising under the securities laws of the United States, between us, our executive officers, directors and shareholders, be subject to arbitration.

Substantially all of our operations, including our administrative and corporate operations, are intended to be conducted in Macau and Hong Kong, and substantially all of our assets are expected to be located in Macau. A majority of our directors and officers are nationals or residents of jurisdictions other than the United States and a substantial portion of their assets are located outside the United States. As a result, it may be difficult or impossible for you to effect service of process within the United States upon us or these persons, or to enforce judgments obtained in U.S. courts against us or them, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States. It may also be difficult for you to enforce judgments obtained in United States courts based on the civil liability provisions of the U.S. federal securities laws against us and our executive officers and directors.

We have appointed Cogency Global Inc. as our agent to receive service of process with respect to any action brought against us in the U.S. District Court for the Southern District of New York in connection with this offering under the federal securities laws of the United States or of any State in the United States or any action brought against us in the Supreme Court of the State of New York in the County of New York in connection with this offering under the securities laws of the State of New York.

We have been advised by Walkers, our Cayman Islands counsel, that any final and conclusive monetary judgment of a competent foreign court for a definite sum may be the subject of enforcement proceedings in the courts of the Cayman Islands under the common law doctrine of obligation by action on the debt evidenced by the judgment of such competent foreign court. It is not guaranteed that this remedy would be available, but on general principles, such enforcement proceedings can be expected to be successful provided that: (i) the foreign court had jurisdiction in the matter and the parties subject to such judgment either submitted to such jurisdiction or were resident or carrying on business within such jurisdiction and were duly served with process; (ii) the judgment given by the foreign court was not in respect of penalties, taxes, fines or similar fiscal or revenue obligations; (iii) the judgment was not obtained by fraud; (iv) recognition or enforcement of the judgment would not be contrary to the public policy of the Cayman Islands; and (v) the proceedings pursuant to which judgment was obtained were not contrary to natural justice.

**Macau**

Manuela António - Lawyers and Notaries, our counsel as to Macau law, has advised us that there is uncertainty as to whether the courts of Macau would recognize or enforce judgments of United States courts obtained against us or our executive officers, directors or shareholders predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States. Manuela António - Lawyers and Notaries has advised further that a final and conclusive monetary judgment for a definite sum obtained in a federal or state court in the United States would be treated by the courts of Macau as a cause of action in itself so that no retrial of the issues would be necessary, provided that: (i) such decision is final and the court had jurisdiction in the matter and the defendant either submitted to such jurisdiction or was resident or carrying on business within such jurisdiction and was duly served with process; (ii) due process was observed by such court, with equal treatment given to both parties to the action, and the defendant had the opportunity to submit a defense; (iii) the judgment given by such court was not in respect of penalties, taxes, fines or similar fiscal or tax revenue obligations; (iv) in obtaining judgment there was no fraud on the part of the person in whose favor judgment was given or on the part of the court; (v) recognition or enforcement of the judgment in Macau would not be contrary to public policy; (vi) the proceedings pursuant to which judgment was obtained were not contrary to natural justice; and (vii) any interest charged to the defendant does not exceed three times the official interest rate, which is currently 9.75% per annum, over the outstanding payment (whether of principal, interest, fees or other amounts) due.

# CORPORATE HISTORY AND ORGANIZATIONAL STRUCTURE

## Corporate History

We were established as an international business company, limited by shares, under the laws of the British Virgin Islands as CYBER ONE AGENTS LIMITED on August 2, 2000 and subsequently re-registered as a business company, limited by shares, under the British Virgin Islands Business Companies Act, 2004. New Cotai acquired a 40% equity interest in us on December 6, 2006. New Cotai is a private limited liability company organized in Delaware that is indirectly owned by investment funds managed by Silver Point Capital, L.P., Oaktree Capital Management, L.P. and other third-party investors. MCE Cotai, a wholly owned subsidiary of Melco Resorts, acquired a 60% equity interest in us on July 27, 2011. Melco Resorts is an exempted company incorporated with limited liability under the laws of the Cayman Islands and its American Depositary Shares are listed on the NASDAQ Global Select Market in the United States. On January 17, 2012, our name was changed from CYBER ONE AGENTS LIMITED to STUDIO CITY INTERNATIONAL HOLDINGS LIMITED.

In October 2001, we were granted a land concession in Cotai by the Macau government for the development of Studio City, a cinematically-themed and integrated entertainment, retail and gaming resort. Studio City commenced operations on October 27, 2015. We conduct our principal activities through our subsidiaries, which are primarily located in Macau. We currently operate the non-gaming operations of Studio City. The Gaming Operator operates the Studio City Casino. See "Business—Our Relationship with Melco Resorts" and "Related Party Transactions—Material Contracts with Affiliated Companies."

Prior to or concurrently with the completion of this offering, we will engage in a series of "Organizational Transactions," described below, through which substantially all of our assets and liabilities will be contributed to our subsidiary, MSC Cotai, a business company limited by shares incorporated in the British Virgin Islands, in exchange for all of the outstanding equity interests in MSC Cotai. In connection with the "Organizational Transactions" described below, we will redomicile by way of continuation as an exempted company incorporated with limited liability under the laws of the Cayman Islands.

Immediately prior to the Organizational Transactions, 60% of the equity interest in us was directly held by MCE Cotai and 40% of the equity interest in us was directly held by New Cotai.

## Organizational Transactions

The following transactions, referred to collectively as the "Organizational Transactions," have been or will each be completed prior to the completion of this offering. The Organizational Transactions are conducted pursuant to the Implementation Agreement among MCE Cotai, Melco Resorts, New Cotai, MSC Cotai and us. See "—Implementation Agreement."

- MSC Cotai was incorporated as a business company limited by shares in the British Virgin Islands.
- We will enter into the Transfer Agreement with MSC Cotai to provide for the transfer by us and the assumption by MSC Cotai of substantially all of our assets and liabilities, in exchange for all of the outstanding equity interests in MSC Cotai. See "—Transfer Agreement."
- We will amend and restate our memorandum of association and articles of association to, among other things, authorize two classes of ordinary shares, the SC Class A Shares and the SC Class B Shares. See "Description of Share Capital." Each SC Class A Share and each SC Class B Share will entitle its holder to one vote on all matters to be voted on by shareholders generally and holders of SC Class A Shares and SC Class B Shares will vote together as a single class on all matters presented to our shareholders for their vote or approval, except as otherwise required by applicable law or our memorandum of association and articles of association. See "Description of Share Capital—Voting Rights." Holders of the SC Class B Shares do not have any right to receive dividends or distributions upon our liquidation or winding up or to otherwise share in our profits and surplus assets.

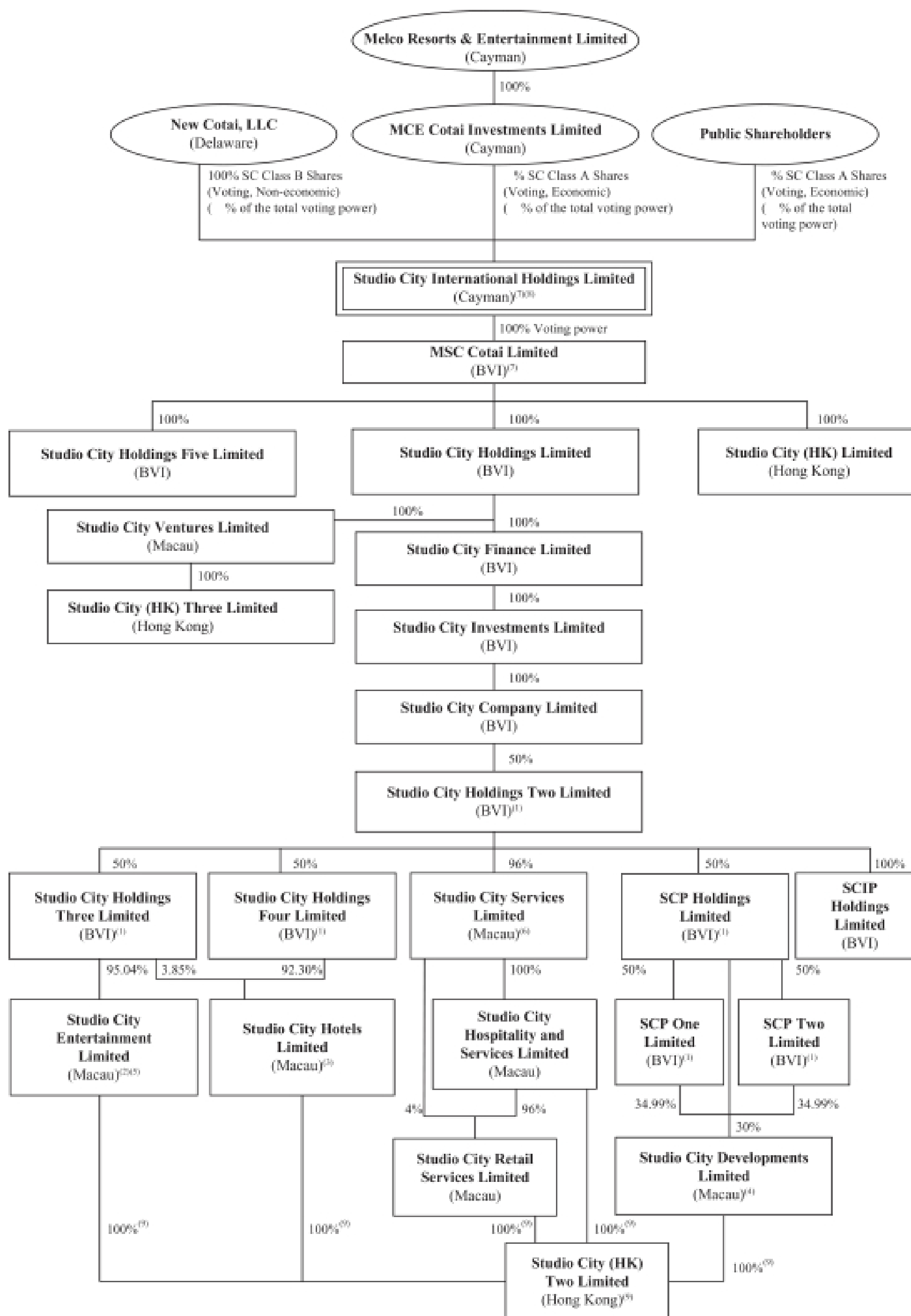
- MCE Cotai's 60% equity interest in our company will be reclassified into SC Class A Shares.
- New Cotai's 40% equity interest in our company will be exchanged for SC Class B Shares, which have only voting and no economic rights. Through its SC Class B Shares, New Cotai will have voting rights in us, and we will control MSC Cotai.
- In addition, New Cotai will have a non-voting, non-shareholding economic participation interest, or Participation Interest, in MSC Cotai, the terms of which will be set forth in the Participation Agreement that will be entered into by MSC Cotai, New Cotai and us. See "—Participation Agreement."
- The Participation Interest will entitle New Cotai to receive from MSC Cotai an amount equal to 66-2/3% of the amount of any distribution, dividend or other consideration paid by MSC Cotai to us, subject to adjustments, exceptions and conditions as set out in the Participation Agreement and further described in "—Participation Agreement". The 66-2/3% represents the equivalent of New Cotai's 40% interest in us prior to the Organizational Transactions.
- The Participation Agreement will also provide that New Cotai will be entitled to exchange all or a portion of its Participation Interest for a number of SC Class A Shares subject to exceptions and adjustments as set out in the Participation Agreement. See "—Participation Agreement." When New Cotai exchanges all or a portion of the Participation Interest for SC Class A Shares pursuant to the terms of exchange set forth in the Participation Agreement and described herein, a proportionate number of SC Class B Shares will be deemed surrendered and automatically cancelled for no consideration as set out in the Participation Agreement.
- We will redomicile by way of continuation as an exempted company incorporated with limited liability under the laws of the Cayman Islands prior to the completion of this offering.

In connection with the completion of this offering, we will issue ADSs (representing SC Class A Shares) to the investors in this offering (or ADSs, representing SC Class A Shares, if the underwriters exercise their option in full to purchase additional SC Class A Shares in the form of ADSs) in exchange for net proceeds of approximately US$ million (or approximately US$ million if the underwriters exercise their option in full to purchase additional SC Class A Shares in the form of ADSs), after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Upon the completion of this offering, we will contribute the proceeds of this offering to MSC Cotai in exchange for MSC Cotai Shares.

As a result of the Organizational Transactions and this offering, immediately following this offering:

- the investors in this offering will collectively own ADSs (representing SC Class A Shares) representing a % economic and voting interest in our company;
- MCE Cotai will own 108,767,640 SC Class A Shares, representing a % voting and economic interest in our company;
- New Cotai will own 72,511,760 SC Class B Shares, representing a % voting, non-economic interest in our company;
- SC Class B Shares will collectively represent approximately % of the voting power in us;
- New Cotai will have a Participation Interest, which will entitle New Cotai to receive from MSC Cotai an amount equal to % of the amount of any distribution, dividend or other consideration paid by MSC Cotai to us, subject to adjustments, exceptions and conditions; and
- we will own all MSC Cotai Shares, representing 100% of the outstanding equity interests in MSC Cotai and 100% of the voting power in MSC Cotai.

The diagram below depicts our expected organizational structure immediately following completion of this offering. This diagram is provided for illustrative purposes only and does not purport to represent all legal entities owned or controlled by us, or owning a beneficial interest in us.




(1) Studio City Holdings Five Limited also holds 50% in one non-voting share.
(2) Studio City Holdings Five Limited also holds 1% of the voting equity interest.

(3) Studio City Holdings Five Limited also holds 3.85% of the voting equity interest.
(4) Studio City Holdings Five Limited also holds 0.02% of the voting equity interest.
(5) Studio City Holdings Four Limited also holds 3.96% of the voting equity interest.
(6) Studio City Company Limited also holds 4% of the voting equity interest.
(7) Upon the completion of this offering, New Cotai will have a Participation Interest in MSC Cotai, which will represent its economic right to receive an amount equal to      % of the dividends, distributions or other consideration paid to us by MSC Cotai, if any, from time to time. New Cotai may exchange all or a portion of its Participation Interest for SC Class A Shares, subject to certain conditions. See "—Participation Agreement."
(8) Prior to the completion of this offering, Studio City International will undergo a series of organizational transactions, as a part of which it will redomicile by way of continuation as an exempted company incorporated with limited liability under the laws of the Cayman Islands.
(9) Jointly owned by Studio City Hospitality and Services Limited, Studio City Hotels Limited, Studio City Entertainment Limited, Studio City Retail Services Limited and Studio City Developments Limited.

### Amended and Restated Memorandum and Articles of Association of MSC Cotai

Prior to the completion of this offering, we will amend and restate MSC Cotai's existing memorandum and articles of association. The form of MSC Cotai's amended and restated memorandum and articles of association to be in effect upon completion of this offering will be filed as an exhibit to the registration statement of which this prospectus forms a part.

***Share Capital***. All MSC Cotai Shares will be held by Studio City International. The number of outstanding MSC Cotai Shares will equal the number of outstanding SC Class A Shares. The amended and restated memorandum and articles of association of MSC Cotai will also provide that MSC Cotai may not issue equity securities ranking senior in priority to the MSC Cotai Shares and may only issue equity and equity-linked securities to us.

***Governance.*** We, as the sole holder of MSC Cotai Shares, will own 100% of the voting power of MSC Cotai and will have the sole right to appoint and replace directors of MSC Cotai. MSC Cotai will not be obligated to appoint more than one director.

***Securities Issuances.*** The amended and restated memorandum and articles of association of MSC Cotai will provide that if we issue SC Class A Shares (including pursuant to the terms of exchange set forth in the Participation Agreement and described below) or other equity securities, MSC Cotai will issue to us (1) in the case of an issuance of SC Class A Shares, new MSC Cotai Shares, or (2) in the case of an issuance of other Studio City International equity securities, equivalent new equity securities in MSC Cotai.

***Expenses.*** Pursuant to the Transfer Agreement and the Participation Agreement, MSC Cotai will agree to bear all fees and expenses that we incur, including all expenses associated with this offering, listing on a securities exchange, director and officer insurance, director fees and maintaining our corporate existence and reimburse us for any such fees and expenses that are paid by us.

***Indemnification and Exculpation.*** The amended and restated memorandum and articles of association will provide for indemnification, to the fullest extent permitted by law, of the directors and officers of MSC Cotai and their respective subsidiaries or affiliates.

***Amendments.*** The amended and restated memorandum and articles of association may be amended with the consent of the holders of a majority in voting power of the outstanding MSC Cotai Shares (and, in some cases, by a resolution of the directors of MSC Cotai), subject to the terms of the Participation Agreement.

### Implementation Agreement

We have entered into the Implementation Agreement with MCE Cotai, Melco Resorts, New Cotai and MSC Cotai to govern our arrangements with respect to the Organizational Transactions, including the order in which such transactions are to occur.

***Implementation Transactions.*** The Implementation Agreement provides that the parties to the agreement will implement the Organizational Transactions in accordance with the terms and conditions of the agreement.

***Company Share Issuances.*** Under the Implementation Agreement, we agreed that we will contribute to MSC Cotai any net proceeds received by us from this offering in exchange for a number of ordinary shares of MSC Cotai equal to the number of SC Class A Shares issued by us in this offering. MSC Cotai agreed that it will accept the contribution and issue such number of SC Class A Shares to us.

**Transfer Agreement**

Prior to the completion of this offering, we will enter into the Transfer Agreement with MSC Cotai to provide for the transfer by us and the assumption by MSC Cotai of substantially all of our assets and liabilities, in exchange for all of the outstanding equity interests in MSC Cotai.

***Contribution of Transferred Assets.*** The Transfer Agreement provides that we will contribute to MSC Cotai substantially all of our assets, including all direct interests of certain subsidiaries, all contracts and all intellectual property, subject to certain exceptions identified in the Transfer Agreement.

***Assumption of Transferred Liabilities.*** Pursuant to the Transfer Agreement, MSC Cotai will assume substantially all of our liabilities described above.

***Share Issuance.*** In consideration for the contribution by us of substantially all of our assets and liabilities, MSC Cotai will issue to us new ordinary shares, following which we will continue to be the sole holder of all of its outstanding ordinary shares. In addition, as discussed above, MSC Cotai will agree to bear all fees and expenses that we incur, including all expenses associated with this offering, listing on a securities exchange, director and officer insurance, director fees and maintaining our corporate existence and reimburse us for any such fees paid by us.

**Participation Agreement**

As part of the Organizational Transactions, Studio City International, MSC Cotai and New Cotai will enter into the Participation Agreement under which MSC Cotai will grant the Participation Interest to New Cotai (as the sole initial holder of the Participation Interest). Pursuant to the terms of the Participation Agreement, New Cotai or any permitted transferees to whom all or part of the Participation Interest may be transferred (collectively referred to as the Participants) will be entitled to receive from MSC Cotai a ratable proportionate amount of the distributions and dividends paid by MSC Cotai to Studio City International, as further described below. The Participation Agreement will also provide that the Participants will be entitled to exchange all or a portion of its Participation Interest, along with the deemed surrender and automatic cancellation of a corresponding number of SC Class B Shares, for a number of SC Class A Shares.

***Payments on the Participation Interest.*** Generally, Participants will be entitled to receive a ratable proportionate amount of the distributions and dividends paid by MSC Cotai to Studio City International. Such ratable proportionate amount due to each Participant will generally be determined by multiplying the amount of the relevant distribution or dividend paid by MSC Cotai to Studio City International by the number of percentage points represented by such Participant's Participation Interest, subject to adjustment from time to time as set forth in the Participation Agreement (the "Participation Percentage"). Immediately prior to this offering, the Participation Percentage will be 66-2/3%. Immediately following this offering, the Participation Interest will provide New Cotai (as the sole initial participant) with the economic right to receive an amount equal to % of all dividends and distributions paid by MSC Cotai to Studio City International.

***Adjustments to Participation Interest and the Number of SC Class B Shares Held.*** Generally, the Participation Interest will be subject to adjustments in the case of (i) the new issuances of MSC Cotai Shares to

Studio City International in exchange for capital contributions by Studio City International to MSC Cotai (including as a result of this offering), (ii) repurchases and redemptions by MSC Cotai of MSC Cotai Shares, and (iii) any exchanges of the Participation Interest, as follows. In addition, the number of SC Class B Shares held by each Participant will be adjusted by Studio City International from time to time so that the voting power represented by such SC Class B Shares is equal to the economic right represented by the SC Class A Shares that such Participant would receive if such Participant would exchange its entire Participation Interest for SC Class A Shares at such time.

***Capital Contributions.*** Upon any SC Class A Share issuance by Studio City International, Studio City International will contribute all proceeds to MSC Cotai and MSC Cotai will issue the same number of new MSC Cotai shares to Studio City International and the Participation Interest will be adjusted to reflect the dilution that would have occurred if the Participants had been holding a corresponding number of SC Class A Shares instead of the Participation Interest. This back-to-back arrangement for share issuances by Studio City International and MSC Cotai will apply to share issuances (i) to non-affiliates, (ii) to affiliates that are approved by Studio City International directors that are disinterested in the transaction, (iii) for assured entitlement arrangements, and (iv) pursuant to public offerings. Issuances to affiliates, unless they are made through public offerings, will generally be subject to pre-emption as further described below.

***Share Repurchases and Redemptions.*** In the event that MSC Cotai carries out a share redemption or repurchase of MSC Cotai Shares (the proceeds of which must be used by Studio City International to redeem SC Class A Shares in a back-to-back arrangement), the Participation Interest will be adjusted to reflect the effect of such share redemption or repurchase if the Participants had been holding a corresponding number of SC Class A Shares instead of the Participation Interest.

***Exchanges of Participation Interest.*** A Participant may elect, from time to time, to exchange its Participation Interest, in whole or in part, for SC Class A Shares. When electing to exchange, a Participant must deliver an exchange notice to MSC Cotai, which notice must be delivered at least five business days prior to the proposed exchange date; provided, that settlement may not occur later than 90 days from the notice date. The exchanging Participant may withdraw its exchange notice at any time prior to the exchange date. Each party will bear its own expenses in connection with an election to exchange. If an election to exchange request is withdrawn, the Participant will reimburse MSC Cotai for all out-of-pocket expenses incurred by MSC Cotai and Studio City International in connection with such withdrawn exchange. Following any exchange of all or a portion of the Participation Interest for SC Class A Shares, the Participation Interest will be reduced to reflect the decrease in number of SC Class A Shares that such Participant would be entitled to receive post-exchange if all of the remaining Participation Interest were to be exchanged.

***Mandatory Exchanges.*** In case of certain change of control events relating to Studio City International, distributions to be made upon MSC Cotai's liquidation, dissolution or unwinding or when the holders of the Participation Interest hold less than the specified minimum threshold set out in the Participation Agreement in Studio City International resulting in a termination of the Participation Agreement, and in certain other cases, any outstanding Participation Interest must be surrendered to MSC Cotai (along with the corresponding number of SC Class B Shares) by the holders for SC Class A Shares, or, at MSC Cotai's option, for cash in certain cases.

***Preemptive Rights.*** If Studio City International proposes to offer equity securities solely or primarily to Melco Resorts or one of its affiliates (except in connection with a public offering, equity incentive plan or assured entitlement arrangements), each Participant will have the pro rata right to purchase an increase in its Participation Interest so as to maintain its then-existing Participation Percentage, subject to certain conditions. To the extent practicable, MSC Cotai must notify the holders of the Participation Interest in writing prior to such sale of equity securities. If the Participant does not elect to purchase any additional Participation Interest within 15 business days, the Participant will be deemed to have rejected the offer. If the Participant elects to participate, it is required to pay the corresponding purchase price to MSC Cotai at the price as specified in the offer. In addition, if Studio City International grants any right, option or warrant (other than in connection with any equity

plan) (i) at a price per share less than the current price of average SC Class A Shares, or (ii) that does not expire by the 30th day after such grant, then MSC Cotai must grant to each Participant similar rights, options or warrants, on a pro rata basis, to subscribe for or to purchase additional Participation Interests so as to maintain its then-existing Participation Percentage, subject to certain conditions.

**Other Provisions**

***Expenses.*** Pursuant to the Transfer Agreement and the Participation Agreement, MSC Cotai will agree to bear all fees and expenses that we incur, including all expenses associated with this offering, listing on a securities exchange, director and officer insurance, director fees and maintaining our corporate existence and reimburse us for any such fees and expenses that are paid by us.

***Capital Contributions.*** Studio City International will be required to contribute to MSC Cotai all net proceeds received by it from sales of equity securities and sales of assets.

***Debt Arrangements.*** If Studio City International enters into any debt financing or other borrowing arrangement, Studio City International will be required to loan the entire proceeds from such financing or borrowing arrangement to MSC Cotai on the same terms and conditions that Studio City International borrowed such proceeds.

***HoldCo Relationship.*** Studio City International will covenant that it will always own all of the issued and outstanding MSC Cotai Shares, and that it will not own equity interests in any other entity.

***Permitted Transferees.*** Holders of the Participation Interests will be able to transfer all or part of their Participation Interest and any rights in respect thereof to certain permitted transferees, as provided in the Participation Agreement, subject to certain conditions. The total Participation Interest percentage will not be changed as a result of such transfers. At any given time, the number of participants may not exceed the prescribed number set out in the Participation Agreement and any transfer in violation of such limit or other applicable provisions of the Participation Agreement will be null and void.

***Termination, Governing Law and Arbitration.*** The Participation Agreement will terminate when the holders of the Participation Interest hold less than the specified minimum threshold set out in the participation agreement in Studio City International. The Participation Agreement will be governed by New York law, and any disputes, other than certain disputed calculations under the Participation Agreement and any claims seeking injunctive relief, which can be sought in courts in Hong Kong, are intended to be resolved by arbitration sitting in Hong Kong including any disputes under the U.S. federal securities laws and claims not in connection with this offering. We believe arbitration provisions in commercial agreements are generally respected by federal courts and state courts of New York.

**Our Relationship with Melco International**

Since February 16, 2017, Melco International has been our majority shareholder through its subsidiary, Melco Resorts; the ADSs of Melco Resorts are listed on the NASDAQ Global Select Market. Upon the completion of this offering, Melco International will remain the majority shareholder of Melco Resorts.

***Hong Kong Stock Exchange Matters of Melco International***

Under Practice Note 15 under the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited, this offering is deemed a “spin-off” transaction by Melco International for which Melco International requires approval by the Hong Kong Stock Exchange. On July 28, 2017, the Hong Kong Stock Exchange agreed that Melco International may proceed with the “spin-off” transaction. Pursuant to Practice Note 15, Melco International must make available to its shareholders an “assured entitlement” to a certain portion of our shares.

As our ordinary shares are not expected to be listed on any stock exchange, Melco International intends to effect the Assured Entitlement Distribution by providing to its shareholders a "distribution in specie," or distribution of our ADSs in kind. The distribution will be made without any consideration being paid by Melco International's shareholders. Melco International's shareholders who are entitled to fractional ADSs, who elect to receive cash in lieu of ADSs and who are located in the United States or are U.S. persons, or are otherwise ineligible holders, will only receive cash in the Assured Entitlement Distribution.

Concurrently with this offering as a separate transaction, Melco International intends to purchase from us new SC Class A Shares needed for the distribution in specie at the public offering price per SC Class A Share, which is the public offering price per ADS divided by the number of SC Class A Shares represented by one ADS. Melco International currently intends to purchase from us new SC Class A Shares with an aggregate purchase price of US$          million, for the purpose of the assured entitlement distribution in specie. The Assured Entitlement Distribution will only be made if this offering is completed.

The purchase of SC Class A Shares and distribution in specie of ADSs by Melco International are not part of this offering.

## UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

We derived the unaudited pro forma condensed consolidated financial information set forth below through the application of pro forma adjustments to our unaudited condensed consolidated balance sheet as of June 30, 2018 and our audited consolidated balance sheets as of December 31, 2017 and 2016, and our unaudited condensed consolidated statements of operations for the six months ended June 30, 2018 and 2017 and our audited consolidated statements of operations for the years ended December 31, 2017, 2016 and 2015 included elsewhere in this prospectus. Studio City International, MSC Cotai and each of their respective consolidated subsidiaries are under the common control of Melco Resorts, who collectively hold more than 50% of the voting and economic interest of these entities.

The following unaudited pro forma condensed consolidated financial information gives pro forma effect to the Organizational Transactions and related transactions as described in "Corporate History and Organizational Structure," as if all such transactions had occurred on January 1, 2015, and are based on available information and certain assumptions we believe are reasonable, but are subject to change. All pro forma adjustments and their underlying assumptions are described more fully in the notes to our unaudited pro forma condensed financial statements.

The unaudited pro forma condensed consolidated financial information should be read in conjunction with the sections of this prospectus captioned "Corporate History and Organizational Structure," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes included elsewhere in this prospectus.

The unaudited pro forma condensed consolidated financial information was prepared in accordance with Article 11 of Regulation S-X. The unaudited pro forma condensed consolidated financial information is included for informational purposes only and does not purport to reflect the financial position or results of operations that would have occurred had we operated as a public company during the periods presented. The unaudited pro forma condensed consolidated financial information does not purport to be indicative of our financial position or results of operations had the Organizational Transactions and related transactions as described in "Corporate History and Organizational Structure" occurred on the date assumed. The unaudited pro forma condensed consolidated financial information also does not project our financial position or results of operations for any future period or date.

The pro forma adjustments principally give effect to:

- the completion of the following transactions, referred to collectively as the "Organizational Transactions":

  i) the amendment and restatement of the memorandum of association and articles of association of Studio City International to authorize two classes of ordinary shares, the SC Class A Shares and the SC Class B Shares. Each SC Class A Share and each SC Class B Share will entitle its holder to one vote on all matters to be voted on by shareholders generally and holders of SC Class A Shares and SC Class B Shares will vote together as a single class on all matters presented to the shareholders for vote or approval, except as otherwise required by applicable law or Studio City International's memorandum of association and articles of association. The SC Class A Shares and the SC Class B Shares will have the same rights, except that holders of the SC Class B Shares do not have any right to receive dividends or distributions upon the liquidation or winding up of Studio City International;

  ii) MCE Cotai's 60% equity interest in Studio City International will be reclassified into 108,767,640 SC Class A Shares;

  iii) New Cotai's 40% equity interest in Studio City International will be exchanged for 72,511,760 SC Class B Shares. New Cotai's SC Class B Shares have only voting and no economic rights and,

through its SC Class B Shares, New Cotai will have a 40% voting and non-economic interest in Studio City International, which will control MSC Cotai;

iv) In addition, New Cotai will have a non-voting, non-shareholding economic participation interest, or Participation Interest, in MSC Cotai. Immediately prior to this offering, the Participation Interest will entitle New Cotai to receive from MSC Cotai an amount equal to 66- ⅔% of the amount of any distribution, dividend or other consideration paid by MSC Cotai to Studio City International, subject to adjustments, exceptions and conditions as set out in a participation agreement to be entered into by Studio City International, MSC Cotai and New Cotai, or the Participation Agreement. The Participation Agreement will also provide that New Cotai will be entitled to exchange all or a portion of its Participation Interest for a number of SC Class A Shares subject to adjustments, exceptions and conditions as set out in the Participation Agreement. When New Cotai exchanges all or a portion of the Participation Interest for SC Class A Shares pursuant to the terms of exchange set forth in the Participation Agreement, a proportionate number of SC Class B Shares will be deemed surrendered and automatically cancelled for no consideration as set out in the Participation Agreement.

- the consolidation of MSC Cotai into Studio City International and its consolidated subsidiaries financial statements in accordance with Accounting Standards Codification ("ASC") 810 *Consolidation*, pursuant to which Studio City International will record a participation interest in relation to the Participation Interest in MSC Cotai as described above. The Participation Interest does not provide to New Cotai any preferential rights in MSC Cotai with respect to dividend and distribution rights, including distributions in the event of liquidation or dissolution. The option held by New Cotai to exchange the Participation Interest for SC Class A Shares and the surrender of SC Class B Shares is a feature embedded in an instrument issued by MSC Cotai that is a privately held enterprise. Therefore, the exchange right does not meet the definition of a derivative in accordance with ASC 815 *Derivatives and Hedging* to require bifurcation for separate accounting.

We have not made an adjustment for additional accounting, legal and information technology costs that we expect to incur as a result of being a public company. As a public company, we expect our general and administrative expenses to increase in an amount that we cannot determine at this time due to greater expenses related to corporate governance, SEC reporting and other compliance matters.

The unaudited pro forma condensed consolidated financial information presented assumes no exercise by New Cotai of the option to exchange all or a portion of the Participation Interest for SC Class A Shares pursuant to the Participation Agreement, and to surrender the proportionate number of SC Class B Shares.

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**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET**
**AS OF JUNE 30, 2018**
**(In thousands of U.S. dollars, except share and per share data)**

| | Before Pro Forma Adjustments | | Organizational Transactions Adjustments | | After Pro Forma Adjustments |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | $ 294,878 | | $ — | | $ 294,878 |
| Bank deposits with original maturities over three months | 24,987 | | — | | 24,987 |
| Restricted cash | 34,402 | | — | | 34,402 |
| Accounts receivable, net | 1,935 | | — | | 1,935 |
| Amounts due from affiliated companies | 29,143 | | — | | 29,143 |
| Inventories | 9,909 | | — | | 9,909 |
| Prepaid expenses and other current assets | 22,510 | | — | | 22,510 |
| Total current assets | 417,764 | | — | | 417,764 |
| PROPERTY AND EQUIPMENT, NET | 2,226,411 | | — | | 2,226,411 |
| LONG-TERM PREPAYMENTS, DEPOSITS AND OTHER ASSETS | 54,825 | | — | | 54,825 |
| RESTRICTED CASH | 130 | | — | | 130 |
| LAND USE RIGHT, NET | 124,011 | | — | | 124,011 |
| TOTAL ASSETS | $2,823,141 | | $ — | | $2,823,141 |
| **LIABILITIES, SHAREHOLDERS' EQUITY AND PARTICIPATION INTEREST** | | | | | |
| CURRENT LIABILITIES | | | | | |
| Accounts payable | $ 5,251 | | $ — | | $ 5,251 |
| Accrued expenses and other current liabilities | 65,965 | | — | | 65,965 |
| Amounts due to affiliated companies | 21,752 | | — | | 21,752 |
| Income tax payable | 33 | | — | | 33 |
| Total current liabilities | 93,001 | | — | | 93,001 |
| LONG-TERM DEBT, NET | 2,003,181 | | — | | 2,003,181 |
| OTHER LONG-TERM LIABILITIES | 4,216 | | — | | 4,216 |
| DEFERRED TAX LIABILITIES | 875 | | — | | 875 |
| COMMITMENTS AND CONTINGENCIES | | | | | |
| **SHAREHOLDERS' EQUITY AND PARTICIPATION INTEREST** | | | | | |
| Class A ordinary shares, par value $0.0001; 1,927,488,240 shares authorized; 108,767,640 shares issued and outstanding on a pro forma basis | — | | 11 | 2(a),2(b) | 11 |
| Class B ordinary shares, par value $0.0001; 72,511,760 shares authorized; 72,511,760 shares issued and outstanding on a pro forma basis | — | | 7 | 2(a),2(b) | 7 |
| Existing shareholders' equity | 721,380 | 2(d) | (721,380) | 2(a),2(b) | — |
| Additional paid-in capital | — | | 432,817 | 2(b) | 432,817 |
| Accumulated other comprehensive income | 488 | | (195) | 2(b) | 293 |
| Total shareholders' equity | 721,868 | | (288,740) | | 433,128 |
| PARTICIPATION INTEREST | — | | 288,740 | 2(a),2(b) | 288,740 |
| Total shareholders' equity and participation interest | 721,868 | | — | | 721,868 |
| TOTAL LIABILITIES, SHAREHOLDERS' EQUITY AND PARTICIPATION INTEREST | $2,823,141 | | $ — | | $2,823,141 |

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**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET**
**AS OF DECEMBER 31, 2017**
**(In thousands of U.S. dollars, except share and per share data)**

| | Before Pro Forma Adjustments | Organizational Transactions Adjustments | | After Pro Forma Adjustments |
|---|---|---|---|---|
| **ASSETS** | | | | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | $ 348,399 | $ — | | $ 348,399 |
| Bank deposits with original maturities over three months | 9,884 | — | | 9,884 |
| Restricted cash | 34,400 | — | | 34,400 |
| Accounts receivable, net | 2,345 | — | | 2,345 |
| Amounts due from affiliated companies | 37,826 | — | | 37,826 |
| Inventories | 10,143 | — | | 10,143 |
| Prepaid expenses and other current assets | 17,930 | — | | 17,930 |
| Total current assets | 460,927 | — | | 460,927 |
| PROPERTY AND EQUIPMENT, NET | 2,280,116 | — | | 2,280,116 |
| LONG-TERM PREPAYMENTS, DEPOSITS AND OTHER ASSETS | 60,722 | — | | 60,722 |
| RESTRICTED CASH | 130 | — | | 130 |
| LAND USE RIGHT, NET | 125,672 | — | | 125,672 |
| TOTAL ASSETS | $2,927,567 | $ — | | $2,927,567 |
| **LIABILITIES, SHAREHOLDERS' EQUITY AND PARTICIPATION INTEREST** | | | | |
| CURRENT LIABILITIES | | | | |
| Accounts payable | $ 2,722 | $ — | | $ 2,722 |
| Accrued expenses and other current liabilities | 155,840 | — | | 155,840 |
| Amounts due to affiliated companies | 19,508 | — | | 19,508 |
| Total current liabilities | 178,070 | — | | 178,070 |
| LONG-TERM DEBT, NET | 1,999,354 | — | | 1,999,354 |
| OTHER LONG-TERM LIABILITIES | 9,512 | — | | 9,512 |
| DEFERRED TAX LIABILITIES | 588 | — | | 588 |
| COMMITMENTS AND CONTINGENCIES | | | | |
| **SHAREHOLDERS' EQUITY AND PARTICIPATION INTEREST** | | | | |
| Class A ordinary shares, par value $0.0001; 1,927,488,240 shares authorized; 108,767,640 shares issued and outstanding on a pro forma basis | — | 11 | 2(a),2(b) | 11 |
| Class B ordinary shares, par value $0.0001; 72,511,760 shares authorized; 72,511,760 shares issued and outstanding on a pro forma basis | — | 7 | 2(a),2(b) | 7 |
| Existing shareholders' equity | 739,555 | (739,555) | 2(a),2(b) | — |
| Additional paid-in capital | — | 443,722 | 2(b) | 443,722 |
| Accumulated other comprehensive income | 488 | (195) | 2(b) | 293 |
| Total shareholders' equity | 740,043 | (296,010) | | 444,033 |
| PARTICIPATION INTEREST | — | 296,010 | 2(a), 2(b) | 296,010 |
| Total shareholders' equity and participation interest | 740,043 | — | | 740,043 |
| TOTAL LIABILITIES, SHAREHOLDERS' EQUITY AND PARTICIPATION INTEREST | $2,927,567 | $ — | | $2,927,567 |

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**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET**
**AS OF DECEMBER 31, 2016**
**(In thousands of U.S. dollars, except share and per share data)**

| | Before Pro Forma Adjustments | Organizational Transactions Adjustments | | After Pro Forma Adjustments |
|---|---|---|---|---|
| **ASSETS** | | | | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | $ 336,783 | $ — | | $ 336,783 |
| Restricted cash | 34,333 | — | | 34,333 |
| Accounts receivable, net | 2,820 | — | | 2,820 |
| Amounts due from affiliated companies | 1,578 | — | | 1,578 |
| Inventories | 9,484 | — | | 9,484 |
| Prepaid expenses and other current assets | 12,220 | — | | 12,220 |
| Total current assets | 397,218 | — | | 397,218 |
| PROPERTY AND EQUIPMENT, NET | 2,419,410 | — | | 2,419,410 |
| LONG-TERM PREPAYMENTS, DEPOSITS AND OTHER ASSETS | 76,246 | — | | 76,246 |
| RESTRICTED CASH | 130 | — | | 130 |
| LAND USE RIGHT, NET | 128,995 | — | | 128,995 |
| TOTAL ASSETS | $3,021,999 | $ — | | $3,021,999 |
| **LIABILITIES, SHAREHOLDERS' EQUITY AND PARTICIPATION INTEREST** | | | | |
| CURRENT LIABILITIES | | | | |
| Accounts payable | $ 3,482 | $ — | | $ 3,482 |
| Accrued expenses and other current liabilities | 156,495 | — | | 156,495 |
| Amounts due to affiliated companies | 33,462 | — | | 33,462 |
| Total current liabilities | 193,439 | — | | 193,439 |
| LONG-TERM DEBT, NET | 1,992,123 | — | | 1,992,123 |
| OTHER LONG-TERM LIABILITIES | 19,130 | — | | 19,130 |
| DEFERRED TAX LIABILITIES | 827 | — | | 827 |
| COMMITMENTS AND CONTINGENCIES | | | | |
| **SHAREHOLDERS' EQUITY AND PARTICIPATION INTEREST** | | | | |
| Class A ordinary shares, par value $0.0001; 1,927,488,240 shares authorized; 108,767,640 shares issued and outstanding on a pro forma basis | — | 11 | 2(a), 2(b) | 11 |
| Class B ordinary shares, par value $0.0001; 72,511,760 shares authorized; 72,511,760 shares issued and outstanding on a pro forma basis | — | 7 | 2(a), 2(b) | 7 |
| Existing shareholders' equity | 815,992 | (815,992) | 2(a), 2(b) | — |
| Additional paid-in capital | — | 489,584 | 2(b) | 489,584 |
| Accumulated other comprehensive income | 488 | (195) | 2(b) | 293 |
| Total shareholders' equity | 816,480 | (326,585) | | 489,895 |
| PARTICIPATION INTEREST | — | 326,585 | 2(a), 2(b) | 326,585 |
| Total shareholders' equity and participation interest | 816,480 | — | | 816,480 |
| TOTAL LIABILITIES, SHAREHOLDERS' EQUITY AND PARTICIPATION INTEREST | $3,021,999 | $ — | | $3,021,999 |

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**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS**
**FOR THE SIX MONTHS ENDED JUNE 30, 2018**
**(In thousands of U.S. dollars, except share and per share data)**

| | Before Pro Forma Adjustments | Organizational Transactions Adjustments | | After Pro Forma Adjustments |
|---|---|---|---|---|
| OPERATING REVENUES | | | | |
| Provision of gaming related services | $ 168,595 | $ — | | $ 168,595 |
| Rooms | 43,583 | — | | 43,583 |
| Food and beverage | 31,459 | — | | 31,459 |
| Entertainment | 6,273 | — | | 6,273 |
| Services fee | 19,606 | — | | 19,606 |
| Mall | 10,698 | — | | 10,698 |
| Retail and other | 1,956 | — | | 1,956 |
| Total revenues | 282,170 | — | | 282,170 |
| OPERATING COSTS AND EXPENSES | | | | |
| Provision of gaming related services | (10,756) | — | | (10,756) |
| Rooms | (10,954) | — | | (10,954) |
| Food and beverage | (27,370) | — | | (27,370) |
| Entertainment | (6,886) | — | | (6,886) |
| Mall | (5,382) | — | | (5,382) |
| Retail and other | (1,274) | — | | (1,274) |
| General and administrative | (65,855) | — | | (65,855) |
| Pre-opening costs | (53) | — | | (53) |
| Amortization of land use right | (1,661) | — | | (1,661) |
| Depreciation and amortization | (83,783) | — | | (83,783) |
| Property charges and other | (3,527) | — | | (3,527) |
| Total operating costs and expenses | (217,501) | — | | (217,501) |
| OPERATING INCOME | 64,669 | — | | 64,669 |
| NON-OPERATING INCOME (EXPENSES) | | | | |
| Interest income | 1,439 | — | | 1,439 |
| Interest expenses | (76,159) | — | | (76,159) |
| Amortization of deferred financing costs | (4,025) | — | | (4,025) |
| Loan commitment fees | (208) | — | | (208) |
| Foreign exchange losses, net | (162) | — | | (162) |
| Other expenses, net | (22) | — | | (22) |
| Total non-operating expenses, net | (79,137) | — | | (79,137) |
| LOSS BEFORE INCOME TAX | (14,468) | — | | (14,468) |
| INCOME TAX EXPENSE | (375) | — | | (375) |
| NET LOSS | (14,843) | — | | (14,843) |
| NET LOSS ATTRIBUTABLE TO PARTICIPATION INTEREST | — | 5,937 | 3(a) | 5,937 |
| NET LOSS ATTRIBUTABLE TO STUDIO CITY INTERNATIONAL | $ (14,843) | $ 5,937 | | $ (8,906) |
| LOSS PER CLASS A ORDINARY SHARE: | | | | |
| Basic and diluted | | | 3(b) | $ (0.082) |
| WEIGHTED AVERAGE CLASS A ORDINARY SHARES OUTSTANDING USED IN LOSS PER SHARE CALCULATION: | | | | |
| Basic and diluted | | | 3(b) | 108,767,640 |

**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS**
**FOR THE SIX MONTHS ENDED JUNE 30, 2017**
**(In thousands of U.S. dollars, except share and per share data)**

| | Before Pro Forma Adjustments | Organizational Transactions Adjustments | | After Pro Forma Adjustments |
|---|---|---|---|---|
| OPERATING REVENUES | | | | |
| Provision of gaming related services | $ 133,352 | $ — | | $ 133,352 |
| Rooms | 43,107 | — | | 43,107 |
| Food and beverage | 29,195 | — | | 29,195 |
| Entertainment | 9,507 | — | | 9,507 |
| Services fee | 19,883 | — | | 19,883 |
| Mall | 15,518 | — | | 15,518 |
| Retail and other | 3,294 | — | | 3,294 |
| Total revenues | 253,856 | — | | 253,856 |
| OPERATING COSTS AND EXPENSES | | | | |
| Provision of gaming related services | (11,764) | — | | (11,764) |
| Rooms | (10,707) | — | | (10,707) |
| Food and beverage | (26,958) | — | | (26,958) |
| Entertainment | (8,837) | — | | (8,837) |
| Mall | (4,451) | — | | (4,451) |
| Retail and other | (1,900) | — | | (1,900) |
| General and administrative | (65,179) | — | | (65,179) |
| Pre-opening costs | 40 | — | | 40 |
| Amortization of land use right | (1,661) | — | | (1,661) |
| Depreciation and amortization | (86,582) | — | | (86,582) |
| Property charges and other | (4,267) | | | (4,267) |
| Total operating costs and expenses | (222,266) | — | | (222,266) |
| OPERATING INCOME | 31,590 | — | | 31,590 |
| NON-OPERATING INCOME (EXPENSES) | | | | |
| Interest income | 800 | — | | 800 |
| Interest expenses | (76,159) | — | | (76,159) |
| Amortization of deferred financing costs | (3,735) | — | | (3,735) |
| Loan commitment fees | (208) | — | | (208) |
| Foreign exchange gains, net | 394 | — | | 394 |
| Other income, net | 287 | — | | 287 |
| Total non-operating expenses, net | (78,621) | — | | (78,621) |
| LOSS BEFORE INCOME TAX | (47,031) | — | | (47,031) |
| INCOME TAX CREDIT | 15 | — | | 15 |
| NET LOSS | (47,016) | — | | (47,016) |
| NET LOSS ATTRIBUTABLE TO PARTICIPATION INTEREST | — | 18,806 | 3(a) | 18,806 |
| NET LOSS ATTRIBUTABLE TO STUDIO CITY INTERNATIONAL | $(47,016) | $ 18,806 | | $(28,210) |
| LOSS PER CLASS A ORDINARY SHARE: | | | | |
| Basic and diluted | | | 3(b) | $(0.259) |
| WEIGHTED AVERAGE CLASS A ORDINARY SHARES OUTSTANDING USED IN LOSS PER SHARE CALCULATION: | | | | |
| Basic and diluted | | | 3(b) | 108,767,640 |

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**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS**
**FOR THE YEAR ENDED DECEMBER 31, 2017**
**(In thousands of U.S. dollars, except share and per share data)**

| | Before Pro Forma Adjustments | Organizational Transactions Adjustments | | After Pro Forma Adjustments |
|---|---|---|---|---|
| OPERATING REVENUES | | | | |
| Provision of gaming related services | $ 295,638 | $ — | | $ 295,638 |
| Rooms | 88,699 | — | | 88,699 |
| Food and beverage | 60,705 | — | | 60,705 |
| Entertainment | 18,534 | — | | 18,534 |
| Services fee | 39,971 | — | | 39,971 |
| Mall | 29,498 | — | | 29,498 |
| Retail and other | 6,769 | — | | 6,769 |
| Total revenues | 539,814 | — | | 539,814 |
| OPERATING COSTS AND EXPENSES | | | | |
| Provision of gaming related services | (24,019) | — | | (24,019) |
| Rooms | (21,750) | — | | (21,750) |
| Food and beverage | (54,266) | — | | (54,266) |
| Entertainment | (16,364) | — | | (16,364) |
| Mall | (9,098) | — | | (9,098) |
| Retail and other | (4,750) | — | | (4,750) |
| General and administrative | (130,465) | — | | (130,465) |
| Pre-opening costs | (116) | — | | (116) |
| Amortization of land use right | (3,323) | — | | (3,323) |
| Depreciation and amortization | (173,003) | — | | (173,003) |
| Property charges and other | (22,210) | — | | (22,210) |
| Total operating costs and expenses | (459,364) | — | | (459,364) |
| OPERATING INCOME | 80,450 | — | | 80,450 |
| NON-OPERATING INCOME (EXPENSES) | | | | |
| Interest income | 2,171 | — | | 2,171 |
| Interest expenses | (152,318) | — | | (152,318) |
| Amortization of deferred financing costs | (7,600) | — | | (7,600) |
| Loan commitment fees | (419) | — | | (419) |
| Foreign exchange gains, net | 466 | — | | 466 |
| Other income, net | 574 | — | | 574 |
| Total non-operating expenses, net | (157,126) | — | | (157,126) |
| LOSS BEFORE INCOME TAX | (76,676) | — | | (76,676) |
| INCOME TAX CREDIT | 239 | — | | 239 |
| NET LOSS | (76,437) | — | | (76,437) |
| NET LOSS ATTRIBUTABLE TO PARTICIPATION INTEREST | — | 30,575 | 3(a) | 30,575 |
| NET LOSS ATTRIBUTABLE TO STUDIO CITY INTERNATIONAL | $ (76,437) | $ 30,575 | | $ (45,862) |
| LOSS PER CLASS A ORDINARY SHARE: | | | | |
| Basic and diluted | | | 3(b) | $ (0.422) |
| WEIGHTED AVERAGE CLASS A ORDINARY SHARES OUTSTANDING USED IN LOSS PER SHARE CALCULATION: | | | | |
| Basic and diluted | | | 3(b) | 108,767,640 |

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**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS**
**FOR THE YEAR ENDED DECEMBER 31, 2016**
**(In thousands of U.S. dollars, except share and per share data)**

| | Before Pro Forma Adjustments | Organizational Transactions Adjustments | | After Pro Forma Adjustments |
|---|---|---|---|---|
| OPERATING REVENUES | | | | |
| Provision of gaming related services | $ 151,597 | $ — | | $ 151,597 |
| Rooms | 84,643 | — | | 84,643 |
| Food and beverage | 61,536 | — | | 61,536 |
| Entertainment | 35,155 | — | | 35,155 |
| Services fee | 51,842 | — | | 51,842 |
| Mall | 34,020 | — | | 34,020 |
| Retail and other | 5,738 | — | | 5,738 |
| Total revenues | 424,531 | — | | 424,531 |
| OPERATING COSTS AND EXPENSES | | | | |
| Provision of gaming related services | (25,332) | — | | (25,332) |
| Rooms | (22,752) | — | | (22,752) |
| Food and beverage | (62,200) | — | | (62,200) |
| Entertainment | (41,432) | — | | (41,432) |
| Mall | (11,083) | — | | (11,083) |
| Retail and other | (3,696) | — | | (3,696) |
| General and administrative | (135,071) | — | | (135,071) |
| Pre-opening costs | (4,044) | — | | (4,044) |
| Amortization of land use right | (3,323) | — | | (3,323) |
| Depreciation and amortization | (168,539) | — | | (168,539) |
| Property charges and other | (1,825) | — | | (1,825) |
| Total operating costs and expenses | (479,297) | — | | (479,297) |
| OPERATING LOSS | (54,766) | — | | (54,766) |
| NON-OPERATING INCOME (EXPENSES) | | | | |
| Interest income | 1,152 | — | | 1,152 |
| Interest expenses | (133,610) | — | | (133,610) |
| Amortization of deferred financing costs | (25,626) | — | | (25,626) |
| Loan commitment fees | (1,647) | — | | (1,647) |
| Foreign exchange losses, net | (3,445) | — | | (3,445) |
| Other income, net | 1,163 | — | | 1,163 |
| Loss on extinguishment of debt | (17,435) | — | | (17,435) |
| Costs associated with debt modification | (8,101) | — | | (8,101) |
| Total non-operating expenses, net | (187,549) | — | | (187,549) |
| LOSS BEFORE INCOME TAX | (242,315) | — | | (242,315) |
| INCOME TAX EXPENSE | (474) | — | | (474) |
| NET LOSS | (242,789) | — | | (242,789) |
| NET LOSS ATTRIBUTABLE TO PARTICIPATION INTEREST | — | 97,116 | 3(a) | 97,116 |
| NET LOSS ATTRIBUTABLE TO STUDIO CITY INTERNATIONAL | $ (242,789) | $ 97,116 | | $ (145,673) |
| LOSS PER CLASS A ORDINARY SHARE: | | | | |
| Basic and diluted | | | 3(b) | $ (1.339) |
| WEIGHTED AVERAGE CLASS A ORDINARY SHARES OUTSTANDING USED IN LOSS PER SHARE CALCULATION: | | | | |
| Basic and diluted | | | 3(b) | 108,767,640 |

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**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS**
**FOR THE YEAR ENDED DECEMBER 31, 2015**
**(In thousands of U.S. dollars, except share and per share data)**

| | Before Pro Forma Adjustments | Organizational Transactions Adjustments | | After Pro Forma Adjustments |
|---|---|---|---|---|
| OPERATING REVENUES | | | | |
| Provision of gaming related services | $ 21,427 | $ — | | $ 21,427 |
| Rooms | 14,417 | — | | 14,417 |
| Food and beverage | 9,457 | — | | 9,457 |
| Entertainment | 6,730 | — | | 6,730 |
| Services fee | 7,968 | — | | 7,968 |
| Mall | 6,999 | — | | 6,999 |
| Retail and other | 2,336 | — | | 2,336 |
| Total revenues | 69,334 | — | | 69,334 |
| OPERATING COSTS AND EXPENSES | | | | |
| Provision of gaming related services | (462) | — | | (462) |
| Rooms | (4,113) | — | | (4,113) |
| Food and beverage | (12,549) | — | | (12,549) |
| Entertainment | (7,404) | — | | (7,404) |
| Mall | (3,653) | — | | (3,653) |
| Retail and other | (579) | — | | (579) |
| General and administrative | (34,245) | — | | (34,245) |
| Pre-opening costs | (153,515) | — | | (153,515) |
| Amortization of land use right | (9,909) | — | | (9,909) |
| Depreciation and amortization | (31,056) | — | | (31,056) |
| Property charges and other | (1,126) | — | | (1,126) |
| Total operating costs and expenses | (258,611) | — | | (258,611) |
| OPERATING LOSS | (189,277) | — | | (189,277) |
| NON-OPERATING INCOME (EXPENSES) | | | | |
| Interest income | 4,641 | — | | 4,641 |
| Interest expenses, net of capitalized interest | (23,285) | — | | (23,285) |
| Amortization of deferred financing costs | (16,295) | — | | (16,295) |
| Loan commitment fees | (1,794) | — | | (1,794) |
| Foreign exchange gains, net | 435 | — | | 435 |
| Other income, net | 379 | — | | 379 |
| Costs associated with debt modification | (7,011) | — | | (7,011) |
| Total non-operating expenses, net | (42,930) | — | | (42,930) |
| LOSS BEFORE INCOME TAX | (232,207) | — | | (232,207) |
| INCOME TAX EXPENSE | (353) | — | | (353) |
| NET LOSS | (232,560) | — | | (232,560) |
| NET LOSS ATTRIBUTABLE TO PARTICIPATION INTEREST | — | 93,024 | 3(a) | 93,024 |
| NET LOSS ATTRIBUTABLE TO STUDIO CITY INTERNATIONAL | $ (232,560) | $ 93,024 | | $ (139,536) |
| LOSS PER CLASS A ORDINARY SHARE: | | | | |
| Basic and diluted | | | 3(b) | $ (1.283) |
| WEIGHTED AVERAGE CLASS A ORDINARY SHARES OUTSTANDING USED IN LOSS PER SHARE CALCULATION: | | | | |
| Basic and diluted | | | 3(b) | 108,767,640 |

**NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(In thousands of U.S. dollars, except share and per share data)**

**1. BASIS OF PRESENTATION**

The unaudited pro forma condensed consolidated financial statements are derived through the application of pro forma adjustments to the unaudited condensed consolidated balance sheet as of June 30, 2018 and the audited consolidated balance sheets as of December 31, 2017 and 2016, and the unaudited condensed consolidated statements of operations for the six months ended June 30, 2018 and 2017 and the audited consolidated statements of operations for the years ended December 31, 2017, 2016 and 2015 of Studio City International included elsewhere in this prospectus. The accompanying unaudited pro forma condensed consolidated financial information gives pro forma effect to the Organizational Transactions and related transactions as described in "Corporate History and Organizational Structure," as if all such transactions had occurred on January 1, 2015, and are based on available information and certain assumptions we believe are reasonable, but are subject to change. All pro forma adjustments and their underlying assumptions are described in Note 2 and Note 3 to the unaudited pro forma condensed financial statements.

**2. UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEETS ADJUSTMENTS**

The unaudited pro forma condensed consolidated balance sheet reflects the effect of the following pro forma adjustments:

(a) Reflect the Organizational Transactions and related transactions, as described in "Corporate History and Organizational Structure," including:

i) the amendment and restatement of the memorandum of association and articles of association of Studio City International to authorize two classes of ordinary shares, the SC Class A Shares and the SC Class B Shares. Each SC Class A Share and each SC Class B Share will entitle its holder to one vote on all matters to be voted on by shareholders generally and holders of SC Class A Shares and SC Class B Shares will vote together as a single class on all matters presented to the shareholders for vote or approval, except as otherwise required by applicable law or Studio City International's memorandum of association and articles of association. Holders of the SC Class B Shares do not have any right to receive dividends or distributions upon the liquidation or winding up of Studio City International;

ii) MCE Cotai's 60% equity interest in Studio City International will be reclassified into 108,767,640 SC Class A Shares;

iii) New Cotai's 40% equity interest in Studio City International will be exchanged for 72,511,760 SC Class B Shares. New Cotai's SC Class B Shares have only voting and no economic rights and, through its SC Class B Shares, New Cotai will have a 40% voting and non-economic interest in Studio City International, which will control MSC Cotai; and

(iv) in addition, New Cotai will have a non-voting, non-shareholding economic participation interest, or Participation Interest, in MSC Cotai.

Immediately prior to this offering, the Participation Interest will entitle New Cotai to receive from MSC Cotai an amount equal to 66 ⅔% of the amount of any distribution, dividend or other consideration paid by MSC Cotai to Studio City International, subject to adjustments, exceptions and conditions as set out in the Participation Agreement. The Participation Agreement will also provide that New Cotai will be entitled to exchange all or a portion of its Participation Interest for a number of SC Class A Shares subject to adjustments, exceptions and conditions as set out in the Participation Agreement. The Participation Interest to be held by New Cotai does not confer on New Cotai any right to participate in the management of the MSC Cotai nor does it confer on New Cotai any voting or other shareholders' rights in MSC Cotai. The Participation Interest to be held by New Cotai solely confers a right to participate in the profits and losses of MSC Cotai as set out in the Participation Agreement.

**NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)**
**(In thousands of U.S. dollars, except share and per share data)**

(b) In connection with the Organizational Transactions and related transactions, as described in "Corporate History and Organizational Structure", assuming substantially all of the assets and liabilities of Studio City International will be contributed to MSC Cotai, existing shareholders' equity is allocated to 108,767,640 Class A ordinary shares with par value of $0.0001 each ("Par value of Class A ordinary shares issued"), 72,511,760 Class B ordinary shares with par value of $0.0001 each ("Par value of Class B ordinary shares issued") and Participation Interest of New Cotai which, immediately prior to this offering, entitles New Cotai to receive from MSC Cotai an amount equal to 66-2/3% of the amount of any distribution, dividend or other consideration paid by MSC Cotai to us, subject to adjustments, exceptions and conditions as set out in the Participation Agreement.

The following pro-forma adjustments are recorded as allocation from existing shareholders' equity:

| | As of June 30, 2018 | As of December 31, 2017 | As of December 31, 2016 |
|---|---|---|---|
| Par value of Class A ordinary shares issued | $ 11 | $ 11 | $ 11 |
| Par value of Class B ordinary shares issued | 7 | 7 | 7 |
| Participation Interest in MSC Cotai | 288,545 | 295,815 | 326,390 |
| Additional paid-in capital | 432,817 | 443,722 | 489,584 |
| | $721,380 | $ 739,555 | $ 815,992 |

The Participation Interest in MSC Cotai is comprised of:

| | As of June 30, 2018 | As of December 31, 2017 | As of December 31, 2016 |
|---|---|---|---|
| Allocation from existing shareholders' equity as calculated above | $288,545 | $ 295,815 | $ 326,390 |
| Allocation from accumulated other comprehensive income | 195 | 195 | 195 |
| | $288,740 | $ 296,010 | $ 326,585 |

(c) After the Organizational Transactions and related transactions, as described in "Corporate History and Organizational Structure," we will own all MSC Cotai Shares, representing 100% of the outstanding equity interests in MSC Cotai and 100% of the voting power in MSC Cotai and we will have full control of the management of MSC Cotai. Therefore, pursuant to ASC 810 *Consolidation*, we will consolidate the financial results of MSC Cotai into our financial statements. The Participation Interest for SC Class A Shares will be accounted for as participation interest in our financial statements after the Organizational Transactions and related transactions.

(d) The existing shareholders' equity as of June 30, 2018 was derived from the sum of (1) the existing shareholders' equity as of December 31, 2017 of $739,555, (2) an adjustment to increase the accumulated losses of $3,332 upon the adoption of Accounting Standards Codification 606, *Revenue from Contracts with Customers* using the modified retrospective method on January 1, 2018 and (3) net loss for the six months ended June 30, 2018 of $14,843.

**NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)**
**(In thousands of U.S. dollars, except share and per share data)**

## 3. UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS ADJUSTMENTS

The unaudited pro forma condensed consolidated statements of operations reflect the effect of the following pro forma adjustments:

(a) After the Organizational Transactions and related transactions, as described in "Corporate History and Organizational Structure," the Participation Interest will entitle New Cotai to receive from MSC Cotai an amount equal to 66 ⅔% of the amount of any distribution, dividend or other consideration paid by MSC Cotai to Studio City International, subject to adjustments, exceptions and conditions as set out in the Participation Agreement.

(b) Basic and diluted pro forma loss per SC Class A Share does not include SC Class B Shares as these shares do not participate in the loss of Studio City International. As a result, SC Class B Shares are not considered participating securities and are not included in the weighted average shares outstanding for purposes of computing pro forma loss per share. Diluted pro forma loss per share is calculated using the if-converted method for the exchange of SC Class B Shares for the proportionate number of SC Class A Shares.

## SELECTED HISTORICAL CONSOLIDATED FINANCIAL AND OPERATING DATA

The following selected historical consolidated statements of operations data for the years ended December 31, 2017, 2016 and 2015 and selected historical consolidated balance sheets data as of December 31, 2017 and 2016 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. Our consolidated financial statements are prepared and presented in accordance with U.S. GAAP. The consolidated statements of operations data for the six months ended June 30, 2018 and 2017 and selected consolidated balance sheet data as of June 30, 2018 have been derived from our unaudited condensed consolidated financial statements included elsewhere in this prospectus. The unaudited condensed consolidated financial statements have been prepared on the same basis as our audited consolidated financial statements, except for the adoption of the New Revenue Standard using the modified retrospective method on January 1, 2018. Amounts for the periods beginning on or after January 1, 2018 are presented under the New Revenue Standard, while prior period amounts are not adjusted and continue to be reported in accordance with the previous basis. There was no material impact on our financial position as of June 30, 2018 and our results of operations and cash flows for the six months ended June 30, 2018 as a result of the adoption of the New Revenue Standard. The unaudited condensed consolidated financial statements include all adjustments, consisting of normal recurring adjustments, that we consider necessary for a fair statement of our financial position and operating results for the periods presented. Our consolidated statement of operations data for the year ended December 31, 2014 and our selected consolidated balance sheet data as of December 31, 2015 have been derived from our audited consolidated financial statements which are not included in this prospectus. The consolidated statement of operations data for the year ended December 31, 2013 and the selected consolidated balance sheets data as of December 31, 2014 and 2013 were not included in this section because Studio City did not commence operations until October 2015. Our historical results are not necessarily indicative of results expected for future periods. You should read this "Selected Historical Consolidated Financial and Operating Data" section together with our consolidated financial statements and the related notes and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section included elsewhere in this prospectus.

| | For the Year Ended December 31, | | | | For the Six Months Ended June 30, | |
|---|---|---|---|---|---|---|
| | 2017 | 2016 | 2015(1) | 2014(1) | 2018(2) | 2017 |
| | (US$ thousands, except for share and per share data) | | | | | |
| **Consolidated Statements of Operations Data:** | | | | | | |
| Operating revenues: | | | | | | |
| Provision of gaming related services | 295,638 | 151,597 | 21,427 | — | $ 168,595 | $ 133,352 |
| Rooms | 88,699 | 84,643 | 14,417 | — | 43,583 | 43,107 |
| Food and beverage | 60,705 | 61,536 | 9,457 | — | 31,459 | 29,195 |
| Entertainment | 18,534 | 35,155 | 6,730 | — | 6,273 | 9,507 |
| Services fee | 39,971 | 51,842 | 7,968 | — | 19,606 | 19,883 |
| Mall | 29,498 | 34,020 | 6,999 | — | 10,698 | 15,518 |
| Retail and other | 6,769 | 5,738 | 2,336 | 1,767 | 1,956 | 3,294 |
| Total revenues | 539,814 | 424,531 | 69,334 | 1,767 | 282,170 | 253,856 |
| Operating costs and expenses: | | | | | | |
| Provision of gaming related services | (24,019) | (25,332) | (462) | — | (10,756) | (11,764) |
| Rooms | (21,750) | (22,752) | (4,113) | — | (10,954) | (10,707) |
| Food and beverage | (54,266) | (62,200) | (12,549) | — | (27,370) | (26,958) |
| Entertainment | (16,364) | (41,432) | (7,404) | — | (6,886) | (8,837) |
| Mall | (9,098) | (11,083) | (3,653) | — | (5,382) | (4,451) |
| Retail and other | (4,750) | (3,696) | (579) | — | (1,274) | (1,900) |
| General and administrative | (130,465) | (135,071) | (34,245) | (3,071) | (65,855) | (65,179) |
| Pre-opening costs | (116) | (4,044) | (153,515) | (14,951) | (53) | 40 |
| Amortization of land use right | (3,323) | (3,323) | (9,909) | (12,104) | (1,661) | (1,661) |
| Depreciation and amortization | (173,003) | (168,539) | (31,056) | (26) | (83,783) | (86,582) |

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| | For the Year Ended December 31, | | | | For the Six Months Ended June 30, | |
|---|---|---|---|---|---|---|
| | 2017 | 2016 | 2015(1) | 2014(1) | 2018(2) | 2017 |
| | (US$ thousands, except for share and per share data) | | | | | |
| Property charges and other | (22,210) | (1,825) | (1,126) | — | (3,527) | (4,267) |
| Total operating costs and expenses | (459,364) | (479,297) | (258,611) | (30,152) | (217,501) | (222,266) |
| Operating income (loss) | 80,450 | (54,766) | (189,277) | (28,385) | 64,669 | 31,590 |
| Non-operating income (expenses): | | | | | | |
| Interest income | 2,171 | 1,152 | 4,641 | 8,901 | 1,439 | 800 |
| Interest expenses, net of capitalized interest | (152,318) | (133,610) | (23,285) | (18,047) | (76,159) | (76,159) |
| Amortization of deferred financing costs | (7,600) | (25,626) | (16,295) | (10,642) | (4,025) | (3,735) |
| Loan commitment fees | (419) | (1,647) | (1,794) | (15,153) | (208) | (208) |
| Foreign exchange gains (losses), net | 466 | (3,445) | 435 | (2,710) | (162) | 394 |
| Other income (expenses), net | 574 | 1,163 | 379 | — | (22) | 287 |
| Loss on extinguishment of debt | — | (17,435) | — | — | — | — |
| Costs associated with debt modification | — | (8,101) | (7,011) | — | — | — |
| Total non-operating expenses, net | (157,126) | (187,549) | (42,930) | (37,651) | (79,137) | (78,621) |
| Loss before income tax | (76,676) | (242,315) | (232,207) | (66,036) | (14,468) | (47,031) |
| Income tax credit (expense) | 239 | (474) | (353) | — | (375) | 15 |
| Net loss | (76,437) | (242,789) | (232,560) | (66,036) | (14,843) | (47,016) |
| Loss per share: | | | | | | |
| Basic and diluted | (4,217) | (13,393) | (12,829) | (4,190) | (819) | (2,594) |
| Weighted average shares outstanding used in loss per share calculation: | | | | | | |
| Basic and diluted | 18,127.94 | 18,127.94 | 18,127.94 | 15,759.02 | 18,127.94 | 18,127.94 |

(1) We commenced operations in October 2015.
(2) We adopted the New Revenue Standard using the modified retrospective method from January 1, 2018. Amounts for the periods beginning on or after January 1, 2018 are presented under the New Revenue Standard, while prior period amounts are not adjusted and continue to be reported in accordance with the previous basis. There was no material impact on our results of operations for the six months ended June 30, 2018 as a result of the adoption of the New Revenue Standard.

| | As of December 31, | | | As of June 30, |
|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2018(1) |
| | (US$ thousands) | | | |
| **Selected Consolidated Balance Sheets Data:** | | | | |
| Total current assets | 460,927 | 397,218 | 661,074 | 417,764 |
| Cash and cash equivalents | 348,399 | 336,783 | 285,067 | 294,878 |
| Bank deposits with original maturities over three months | 9,884 | — | — | 24,987 |
| Restricted cash | 34,400 | 34,333 | 301,096 | 34,402 |
| Amounts due from affiliated companies | 37,826 | 1,578 | 40,837 | 29,143 |
| Total non-current assets | 2,466,640 | 2,624,781 | 2,731,509 | 2,405,377 |
| Property and equipment, net | 2,280,116 | 2,419,410 | 2,518,578 | 2,226,411 |
| Land use right, net | 125,672 | 128,995 | 132,318 | 124,011 |
| Restricted cash | 130 | 130 | — | 130 |
| Total assets | 2,927,567 | 3,021,999 | 3,392,583 | 2,823,141 |

| | As of December 31, | | | As of June 30, |
|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2018(1) |
| | (US$ thousands) | | | |
| Total current liabilities | 178,070 | 193,439 | 327,213 | 93,001 |
| Accrued expenses and other current liabilities | 155,840 | 156,495 | 214,004 | 65,965 |
| Current portion of long-term debt, net | — | — | 74,630 | — |
| Amounts due to affiliated companies | 19,508 | 33,462 | 34,763 | 21,752 |
| Long-term debt, net | 1,999,354 | 1,992,123 | 1,982,573 | 2,003,181 |
| Other long-term liabilities | 9,512 | 19,130 | 23,097 | 4,216 |
| Total liabilities | 2,187,524 | 2,205,519 | 2,333,236 | 2,101,273 |
| Total shareholders' equity(1) | 740,043 | 816,480 | 1,059,347 | 721,868 |
| Total liabilities and shareholders' equity(1) | 2,927,567 | 3,021,999 | 3,392,583 | 2,823,141 |

(1) We adopted the New Revenue Standard using the modified retrospective method from January 1, 2018 and recognized an increase in opening balance of accumulated losses of US$3.3 million due to the cumulative effect of adopting the New Revenue Standard. Amounts for the periods beginning on or after January 1, 2018 are presented under the New Revenue Standard, while prior period amounts are not adjusted and continue to be reported in accordance with the previous basis.

**Non-GAAP Financial Measures**

To supplement our consolidated financial statements, which are prepared and presented in accordance with U.S. GAAP, we use adjusted EBITDA, a non-GAAP financial measure, as described below, to understand and evaluate our core operating performance. This non-GAAP financial measure, which may differ from similarly titled measures used by other companies, is presented to enhance investors' overall understanding of our financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with U.S. GAAP.

Adjusted EBITDA is defined as earnings before interest, taxes, depreciation, amortization, pre-opening costs, property charges and other, other non-operating income and expenses. We believe that adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results. This non-GAAP financial measure eliminates the impact of items that we do not consider indicative of the performance of our business. While we believe that this non-GAAP financial measure is useful in evaluating our business, this information should be considered as supplemental in nature and is not meant as a substitute for the related financial information prepared in accordance with U.S. GAAP. It should not be considered in isolation or construed as an alternative to net income/loss, cash flow or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities.

The use of adjusted EBITDA has material limitations as an analytical tool, as adjusted EBITDA does not include all items that impact our net income/loss. Investors are encouraged to review the reconciliation of the historical non-GAAP financial measure to its most directly comparable GAAP financial measure.

The table below presents the reconciliation of net loss to adjusted EBITDA for the periods indicated.

| | For the Year Ended December 31, | | | | For the Six Months Ended June 30, | |
|---|---|---|---|---|---|---|
| | 2017 | 2016 | 2015[2] | 2014[2] | 2018[3] | 2017 |
| | (US$ thousands) | | | | | |
| Net loss | (76,437) | (242,789) | (232,560) | (66,036) | (14,843) | (47,016) |
| Income tax (credit) expense | (239) | 474 | 353 | — | 375 | (15) |
| Interest and other non-operating expenses, net | 157,126 | 187,549 | 42,930 | 37,651 | 79,137 | 78,621 |
| Property charges and other | 22,210 | 1,825 | 1,126 | — | 3,527 | 4,267 |
| Depreciation and amortization | 176,326 | 171,862 | 40,965 | 12,130 | 85,444 | 88,243 |
| Pre-opening costs | 116 | 4,044 | 153,515 | 14,951 | 53 | (40) |
| Adjusted EBITDA | 279,102 | 122,965 | 6,329 | (1,304) | 153,693 | 124,060 |
| Adjusted EBITDA margin[1] | 51.7% | 29.0% | 9.1% | N/A | 54.5% | 48.9% |

(1) Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by total revenues.
(2) We commenced operations in October 2015.
(3) We adopted the New Revenue Standard using the modified retrospective method from January 1, 2018. Amounts for the periods beginning on or after January 1, 2018 are presented under the New Revenue Standard, while prior period amounts are not adjusted and continue to be reported in accordance with the previous basis. There was no material impact on our results of operations and Adjusted EBITDA for the six months ended June 30, 2018 as a result of the adoption of the New Revenue Standard.

### Key Operating Data

The following table presents the key operating data at Studio City for the periods indicated since the commencement of its operation on October 27, 2015.

| | For the Year Ended December 31, | | | For the Six Months Ended June 30, | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2018 | 2017 |
| **Selected Key Operating Data** | | | | | |
| *Mass market table games* | | | | | |
| Mass market table games drop (US$ million) | 2,913.0 | 2,480.0 | 365.3 | 1,639.5 | 1,317.7 |
| Mass market table games hold percentage | 26.1% | 24.7% | 22.4% | 26.0% | 26.6% |
| Mass market table games gross gaming revenue[1] (US$ million) | 759.1 | 611.6 | 81.8 | 425.6 | 350.8 |
| *Gaming machine* | | | | | |
| Gaming machine handle (US$ million) | 2,120.5 | 2,002.3 | 264.9 | 1,196.6 | 1,000.3 |
| Gaming machine win rate | 3.7% | 3.8% | 4.9% | 3.5% | 3.7% |
| Gaming machine gross gaming revenue[2] (US$ million) | 78.2 | 76.0 | 12.9 | 42.0 | 37.0 |
| Average net win per gaming machine per day (US$) | 225 | 189 | 168 | 244 | 210 |
| *VIP rolling chip*[3] | | | | | |
| VIP rolling chip volume (US$ million) | 19,003.9 | 1,343.6 | — | 12,682.8 | 8,206.4 |
| VIP rolling chip win rate | 3.16% | 1.39% | — | 2.67% | 2.92% |
| VIP rolling chip gross gaming revenue[4] (US$ million) | 600.8 | 18.6 | — | 339.0 | 239.4 |
| *Hotel* | | | | | |
| Average daily rate (US$) | 140 | 136 | 136 | 137 | 137 |
| REVPAR (US$) | 138 | 133 | 133 | 137 | 135 |
| Occupancy rate | 99% | 98% | 98% | 100% | 99% |

(1) Mass market table games gross gaming revenue is calculated by multiplying mass market table games drop by mass market table games hold percentage.

(2) Gaming machine gross gaming revenue is calculated by multiplying gaming machine handle by gaming machine win rate.

(3) VIP rolling chip operations commenced in November 2016. There is no assurance such VIP tables at the Studio City Casino will continue to be in operation after October 1, 2019. See "Risk Factors—Risks Relating to Our Business—The Gaming Operator may cease the operation of VIP rolling chip tables at the Studio City Casino under certain circumstances, including by providing us with a 12-month advance notice on or after October 1, 2018. There is no assurance that the VIP rolling chip operations at Studio City Casino will continue after October 1, 2019 and the discontinuation of such VIP rolling chip operations is likely to materially and adversely affect our financial condition and results of operations."

(4) VIP rolling chip gross gaming revenue is calculated by multiplying VIP rolling chip volume by VIP rolling chip win rate.

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

*You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our consolidated historical financial statements and the related notes included elsewhere in this prospectus. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results and the timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Risk Factors" and elsewhere in this prospectus.*

## Overview

Studio City is a world-class gaming, retail and entertainment resort located in Cotai, Macau. Studio City Casino has 250 mass market gaming tables and approximately 970 gaming machines, which we believe provide higher margins and attractive long-term growth opportunities. The mass market focus of Studio City Casino is complemented with junket and premium direct VIP rolling chip operations, which include 45 VIP rolling chip tables. Our cinematically-themed integrated resort is designed to attract a wide range of customers by providing highly differentiated non-gaming attractions, including the world's first figure-8 Ferris wheel, a Warner Bros.-themed family entertainment center, a 4-D Batman flight simulator, an exclusive night club and a 5,000-seat live performance arena. Studio City features approximately 1,600 luxury hotel rooms, diverse food and beverage establishments and approximately 35,000 square meters of complementary retail space. Studio City was named *Casino/Integrated Resort of the Year* in 2016 by the International Gaming Awards.

Studio City is rapidly ramping up since commencing operations in October 2015. We have grown total revenues from US$69.3 million in 2015 to US$424.5 million in 2016 and further to US$539.8 million in 2017, and generated net losses of US$232.6 million, US$242.8 million and US$76.4 million, respectively, for these periods. We increased our adjusted EBITDA from US$6.3 million in 2015 to US$123.0 million in 2016 and further to US$279.1 million in 2017, and expanded our adjusted EBITDA margin from 9.1% to 29.0% and further to 51.7%, respectively, for these periods. Our total revenues increased from US$253.9 million in the six months ended June 30, 2017 to US$282.2 million in the six months ended June 30, 2018 and our net loss decreased from US$47.0 million in the six months ended June 30, 2017 to US$14.8 million in the six months ended June 30, 2018. Our adjusted EBITDA increased from US$124.1 million in the six months ended June 30, 2017 to US$153.7 million in the six months ended June 30, 2018 and our adjusted EBITDA margin expanded from 48.9% to 54.5% in these periods, respectively.

Studio City Casino is operated by the Gaming Operator, one of the subsidiaries of Melco Resorts and a holder of a gaming subconcession, and we operate the non-gaming businesses of Studio City.

## Major Factors Affecting Our Results of Operations

Our historical operating results may not be indicative of future operating results because prior to October 2015 when Studio City commenced operations, activities undertaken had been primarily related to our early development and construction of Studio City. We currently derive a significant portion of our revenues from the provision of services in connection with the operation of Studio City Casino, and our remaining revenues from other non-gaming operations of Studio City, including the hotel, food and beverage, entertainment, mall, services fee and retail and other. As our business develops, we expect our revenues derived from the provision of services at Studio City Casino to increase in proportion to our revenues from other sources and expect the expenses we incur to be primarily related to the operation of Studio City.

Our results of operations are directly affected by certain factors specific to us, including the following:

***Overall Economic Environment and Growth in the Gaming and Tourism Market in Macau***

The performance of the gaming and tourism industries in Macau is impacted by a range of factors, including overall global economic development, credit markets and consumer spending trends. Income and spending levels of visitors from various regions in Asia, in particular those from mainland China, are key factors in the development of these industries. We believe that visitation and gaming revenue for the Macau market have been, and will continue to be, driven by the rise of the wealthier demographic in China. Our operations can also be impacted by the ability of Chinese citizens to access large sums of foreign currency and the Chinese government's visa policies. However, the Chinese and Macau governments' development plans and policies for the region, including improved transportation and infrastructure connecting Macau with mainland China and fewer restrictions on travel to Macau from mainland China, are expected to boost the future development of gaming and tourism industries in Macau.

***Continued Ramp-up and Development of Studio City***

Studio City remains in its ramp-up period. Since Studio City started operations in October 2015, it did not have any material financial results in the first nine months of 2015. Our operating costs, including staffing costs and marketing expenses, will continue to increase in line with our continued ramp-up.

As part of our business development initiatives, we launched marketing campaigns and incentive programs to drive up visitation and increase awareness. We believe these programs, along with the improving transportation infrastructure, and increasing gaming facilities, food and beverage selections, entertainment options and retail offerings will enable us to attract more customers to our property and thereby increase our revenue. However, notwithstanding our management's efforts to increase demand for our services and optimize the operations of Studio City, we have only been in operation for a short period of time, and factors affecting our operations, including factors not currently known to us, may present challenges to further develop our businesses in a manner that is consistent with our current plans and expectations. If the ramp-up is not as successful as we expected, there may be a significant impact on our results of operations and financial condition.

Development of our remaining project remains in its early stages. We expect to have significant capital expenditures in the future as we continue to expand our existing operations at Studio City and develop the remaining project. As we continue to develop the remaining project, we may need to incur additional indebtedness, which could affect our interest expenses and financing costs and result in an increase in depreciation and amortization expenses.

***Our Relationship with Melco Resorts***

We have entered into arrangements with certain subsidiaries of Melco Resorts, our controlling shareholder, to manage the Studio City Casino under the Services and Right to Use Arrangements and conduct management and shared services related to our operations under the Management and Shared Services Arrangements. See "Business—Our Relationship with Melco Resorts." Pursuant to the Services and Right to Use Arrangements, the Gaming Operator manages the casino operations and performs marketing, advertising, player development and other programs as provided under the arrangements. The Gaming Operator deducts the relevant gaming tax and the costs incurred in connection with its operation, including retail value of the complimentary rooms, food and beverage and entertainment services provided to gaming patrons at Studio City, gaming staff costs and other gaming related costs from the gross gaming revenues. We receive the residual gross gaming revenues and recognize these amounts as revenues from provision of gaming related services. For details of the terms of the Services and Right to Use Arrangements, see "Related Party Transactions—Material Contracts with Affiliated Companies—Services and Right to Use Arrangements."

In addition, there are various other related party transactions between Melco Resorts and its subsidiaries and us, which comprise a significant part of our financial results. Under the Management and Shared Services Arrangements, we receive services from the Master Service Providers, including operational management services and general corporate services, such as payroll, human resources, information technology, marketing, accounting and legal services. We also provide certain shared administrative services and shuttle bus transportation services to Studio City Casino. We believe that these shared services are beneficial in comparison to the cost and terms for similar services that we could negotiate on a stand-alone basis. See "Risk Factors—Risks Relating to Our Business—The costs associated with the Services and Right to Use Arrangements and the Management and Shared Services Arrangements may not be indicative of the actual costs we could have incurred as an independent company," "Risk Factors—Risks Relating to Our Relationship with Melco Resorts—Studio City Casino is subject to operational risks commonly faced by other gaming facilities in Macau" and "Related Party Transactions."

***Competitive Landscape***

The markets for gaming, hotel and other entertainment facilities in Macau are rapidly evolving. Macau has undergone significant expansion since the liberalization of Macau's gaming industry in 2002 with several world-class integrated resorts opening with a significant increase in the number of hotel rooms and other non-gaming amenities which enhances the appeal of Macau as a tourism destination, promotes visitation and expands the duration of visitors' stay. Currently, there are six gaming operators in Macau, three concessionaires and three subconcessionaires. The three concessionaires are SJM, Wynn Resorts Macau and Galaxy. The three subconcessionaires are Melco Resorts Macau, MGM Grand and Venetian Macau, respectively. As of June 30, 2018, there were 41 casinos, 6,588 gaming tables and 17,296 slot machines in Macau according to the DICJ.

Regionally, countries such as Singapore, Malaysia, South Korea, the Philippines, Vietnam, Cambodia, Australia, New Zealand and Japan have opened, or are considering opening, gaming and non-gaming entertainment facilities, which has increased, and will continue to increase, the overall level of competition. We compete to some extent with these destinations.

Competition affects our ability to attract more patrons to Studio City's gaming and non-gaming facilities, and affects the price of our services, the level of our promotional activities, our operational and marketing costs and results of operations in general. See "Risk Factors—Risks Relating to Operating in the Gaming Industry in Macau—Studio City Casino faces intense competition in the gaming industry of Macau and elsewhere in Asia, and it may not be able to compete successfully."

***Finance Costs and Access to Financing***

Our continued need to service our outstanding indebtedness which, as of June 30, 2018, amounted to US$2,025.1 million, affects our finance costs and our cash flow. Moreover, since we are still in the ramp-up period, our access to additional financing and our ability to obtain additional financing is key to our ability to fund our capital expenditures in the further development of Studio City. Our existing indebtedness also include covenants that restrict our ability to incur additional indebtedness.

***Mix of Gaming Segments***

Our results of operations are also affected by changes in the number and mix of mass market gaming tables, gaming machines and VIP rolling chip tables at Studio City Casino. In general, mass market segment has a higher margin than VIP rolling chip segment due to its lower cost structure, which is mainly impacted by junket operator commissions and higher player concessions. Studio City Casino launched its VIP rolling chip operations in November 2016 to broaden its gaming offerings and diversify its revenue base. As different market segments and operating formats have different revenue generation and cost structures, changes in the mix of gaming tables and gaming machines may impact the revenue we receive from the Gaming Operator or our costs and expenses,

and thus our operating margins. We and the Gaming Operator may continue to alter the number and mix of mass market gaming tables, gaming machines and VIP rolling chip tables from time to time in response to market demand and industry competition.

### Description of Certain Statements of Operations Items

***Revenues***

We currently generate revenues primarily from the provision of gaming related services to the Gaming Operator which operates Studio City Casino, and non-gaming revenues. The table below sets forth the breakdown of our revenues, both in absolute amount and as a percentage of total revenues, for the periods indicated.

| | For the Year Ended December 31, | | | | | | | | For the Six Months Ended June 30, | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2017 | | 2016 | | 2015(1) | | 2014(1) | | 2018(2) | | 2017 | |
| | US$ | % | US$ | % | US$ | % | US$ | % | US$ | % | US$ | % |
| | (US$ thousands, except for percentages) | | | | | | | | | | | |
| Provision of gaming related services | 295,638 | 54.8 | 151,597 | 35.7 | 21,427 | 30.9 | — | — | 168,595 | 59.8 | 133,352 | 52.5 |
| Rooms | 88,699 | 16.4 | 84,643 | 19.9 | 14,417 | 20.8 | — | — | 43,583 | 15.4 | 43,107 | 17.0 |
| Food and beverage | 60,705 | 11.2 | 61,536 | 14.5 | 9,457 | 13.6 | — | — | 31,459 | 11.2 | 29,195 | 11.5 |
| Entertainment | 18,534 | 3.4 | 35,155 | 8.3 | 6,730 | 9.7 | — | — | 6,273 | 2.2 | 9,507 | 3.8 |
| Services fee | 39,971 | 7.4 | 51,842 | 12.2 | 7,968 | 11.5 | — | — | 19,606 | 6.9 | 19,883 | 7.8 |
| Mall | 29,498 | 5.5 | 34,020 | 8.0 | 6,999 | 10.1 | — | — | 10,698 | 3.8 | 15,518 | 6.1 |
| Retail and other | 6,769 | 1.3 | 5,738 | 1.4 | 2,336 | 3.4 | 1,767 | 100.0 | 1,956 | 0.7 | 3,294 | 1.3 |
| Total revenues | 539,814 | 100.0 | 424,531 | 100.0 | 69,334 | 100.0 | 1,767 | 100.0 | 282,170 | 100.0 | 253,856 | 100.0 |

(1) We commenced operations in October 2015.
(2) We adopted the New Revenue Standard using the modified retrospective method from January 1, 2018. Amounts for the periods beginning on or after January 1, 2018 are presented under the New Revenue Standard, while prior period amounts are not adjusted and continue to be reported in accordance with the previous basis. There was no material impact on our total revenues and the respective revenue for the six months ended June 30, 2018 as a result of the adoption of the New Revenue Standard.

*Revenues from Provision of Gaming Related Services*

We started to generate revenues from provision of gaming related services in October 2015 when we commenced operations. Revenues from provision of gaming related services are derived from the provision of facilities for the operations of Studio City Casino by the Gaming Operator and services related thereto pursuant to the Services and Right to Use Arrangements. Pursuant to the Services and Right to Use Arrangements, the Gaming Operator is responsible for the operation of Studio City Casino and deducts gaming tax imposed on the gross gaming revenues as described under "Regulation—The Gaming Operator's Subconcession—The Concession Regime" and its costs incurred in connection with the operation of Studio City Casino from the gross gaming revenues. Such costs of operations of Studio City Casino include (i) retail value of the complimentary services (including rooms, food and beverage and entertainment services) provided by us to Studio City Casino's gaming patrons; (ii) shared administrative services and shuttle bus transportation services provided to Studio City Casino by us; (iii) gaming-related staff costs; and (iv) other gaming related costs including the costs related to the VIP operations at Studio City Casino under the Services and Right to Use Arrangements. The costs related to the VIP operations at Studio City Casino under the Services and Right to Use Arrangements are calculated monthly by multiplying (a) the ratio of the Gaming Operator's average number of VIP tables operating at Studio City Casino for a calendar month to the total number of VIP tables operated by the Gaming Operator at its major gaming areas (including Studio City Casino) for the same calendar month by (b) 7% of the Gaming Operator's VIP gaming revenue from the major gaming areas it operates (including Studio City Casino). The deductions for the costs of operations relating to the VIP operations at Studio City Casino under the Services and Right to Use Arrangements cannot exceed 50% of Studio City Casino's VIP EBITDA (as defined under the relevant

arrangements). The residual amount following such various deductions is transferred to us as our revenues for provision of gaming related services.

Studio City Casino's gross gaming revenues, consisting of mass market table games revenue, gaming machine revenue and VIP rolling chip revenue. The table below sets forth Studio City Casino's gross gaming revenues by nature for the periods indicated.

| | For the Year Ended December 31, | | | For the Six Months Ended June 30, | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2018 | 2017 |
| | | | (US$ millions) | | |
| Mass market table games revenue | 759.1 | 611.6 | 81.8 | 425.6 | 350.8 |
| Gaming machine revenue | 78.2 | 76.0 | 12.9 | 42.0 | 37.0 |
| VIP rolling chip revenue | 600.8 | 18.6 | — | 339.0 | 239.4 |
| Total gross gaming revenues | 1,438.1 | 706.2 | 94.7 | 806.6 | 627.2 |

After the Gaming Operator deducted gaming tax and the costs incurred in connection with its operation of Studio City Casino from the gross gaming revenues, we recognized revenues from provision of gaming related services of US$295.6 million, US$151.6 million and US$21.4 million in 2017, 2016 and 2015, respectively, representing 20.6%, 21.5% and 22.6% of Studio City Casino's gross gaming revenues in 2017, 2016 and 2015, respectively, and of US$168.6 million and US$133.4 million in the six months ended June 30, 2018 and 2017, respectively, representing 20.9% and 21.3% of Studio City Casino's gross gaming revenues in the same periods, respectively.

*Non-gaming Revenues*

Our differentiated non-gaming amenities complement the gaming operations and attract a diverse range of customers. Studio City features approximately 1,600 hotel rooms, over 20 food and beverage outlets, approximately 35,000 square meters of themed retail space and a variety of cinematically-themed attractions. We started to generate non-gaming revenues from our intended business since the commencement of operations in October 2015. Below sets forth Studio City's non-gaming revenues by nature:

*Room revenues.* We generated room revenues from Studio City hotel consisting of Celebrity Tower with 996 rooms and all-suite Star Tower with 602 rooms. Our room revenues accounted for 16.4%, 19.9% and 20.8% of our revenues during 2017, 2016 and 2015, respectively, and 15.4% and 17.0% of our revenues in the six months ended June 30, 2018 and 2017, respectively.

*Food and beverage revenues.* We generated food and beverage revenues from a broad range of international restaurants, cafes and bars and lounges with over 20 food and beverage venues located throughout the property. Our food and beverage revenues accounted for 11.2%, 14.5% and 13.6% of our revenues during 2017, 2016 and 2015, respectively, and 11.2% and 11.5% of our revenues in the six months ended June 30, 2018 and 2017, respectively.

*Entertainment revenues.* We generated entertainment revenues from Studio City's cinematically-themed entertainment offerings, including a variety of cinematically-themed attractions, an exclusive night club and concerts held in the Studio City Event Center. Our entertainment revenues accounted for 3.4%, 8.3% and 9.7% of our revenues during 2017, 2016 and 2015, respectively, and 2.2% and 3.8% of our revenues in the six months ended June 30, 2018 and 2017, respectively.

*Services fee revenues.* Our services fee revenues primarily consist of certain shared administrative services and shuttle bus transportation services to Studio City Casino. See "Related Party Transactions—Transactions with Affiliated Companies." Our services fee revenues accounted for 7.4%, 12.2% and 11.5% of our revenues during 2017, 2016 and 2015, respectively, and 6.9% and 7.8% of our revenues in the six months ended June 30, 2018 and 2017, respectively.

*Mall revenues.* We generated mall revenues from operating and right to use fee income for mall spaces in Studio City. Our mall revenues accounted for 5.5%, 8.0% and 10.1% of our revenues during 2017, 2016 and 2015, respectively, and 3.8% and 6.1% of our revenues in the six months ended June 30, 2018 and 2017, respectively.

*Retail and other revenues.* Retail and other revenues mainly consist of revenues from self-operated retail outlets and accounted for 1.3%, 1.4% and 3.4% of our revenues during 2017, 2016 and 2015, respectively, and 0.7% and 1.3% of our revenues in the six months ended June 30, 2018 and 2017, respectively.

Our non-gaming revenues include the retail value of complimentary services (including rooms, food and beverage and entertainment services) provided to Studio City Casino's gaming patrons and are charged to Studio City Casino. In addition, non-gaming revenues also include services fee revenues generated from shared administrative services and shuttle bus transportation services provided to Studio City Casino. Such retail value of the complimentary services provided by us and services fee charges are deducted from Studio City Casino's gross gaming revenues as casino operating costs before the residual amount is recorded as our revenues for provision of gaming related services. In 2017, 2016 and 2015, non-gaming revenues from such complimentary services provided to gaming patrons at Studio City Casino aggregated to US$74.3 million, US$61.8 million and US$7.1 million, respectively, a majority of which were complimentary rooms. The services fees for services provided to the Studio City Casino amounted to US$36.9 million, US$49.2 million and US$7.7 million in 2017, 2016 and 2015, respectively. In the six months ended June 30, 2018 and 2017, non-gaming revenues from such complimentary services provided to gaming patrons at Studio City Casino amounted to US$38.4 million and US$35.6 million, respectively, a majority of which were complimentary rooms. The fee for services provided to the Studio City Casino amounted to US$18.1 million and US$18.6 million in the six months ended June 30, 2018 and 2017, respectively. See "Related Party Transactions—Transactions with Affiliated Companies."

### *Operating Costs and Expenses*

Our operating costs and expenses consist of general and administrative, pre-opening costs, amortization of land use right, depreciation and amortization and property charges and other and, since the commencement of operation of Studio City in October 2015, provision of gaming related services expenses and non-gaming expenses (including rooms, food and beverage, entertainment, mall and retail and other). We expect our operating costs and expenses to increase along with our business growth as we are still in a ramp-up period. The table below sets forth our operating expenses by nature for the periods indicated.

| | For the Year Ended December 31, | | | | For the Six Months Ended June 30, | |
|---|---|---|---|---|---|---|
| | 2017 | 2016 | 2015(1) | 2014(1) | 2018 | 2017 |
| | (US$ thousands) | | | | | |
| Provision of gaming related services | 24,019 | 25,332 | 462 | — | 10,756 | 11,764 |
| Rooms | 21,750 | 22,752 | 4,113 | — | 10,954 | 10,707 |
| Food and beverage | 54,266 | 62,200 | 12,549 | — | 27,370 | 26,958 |
| Entertainment | 16,364 | 41,432 | 7,404 | — | 6,886 | 8,837 |
| Mall | 9,098 | 11,083 | 3,653 | — | 5,382 | 4,451 |
| Retail and other | 4,750 | 3,696 | 579 | — | 1,274 | 1,900 |
| General and administrative | 130,465 | 135,071 | 34,245 | 3,071 | 65,855 | 65,179 |
| Pre-opening costs | 116 | 4,044 | 153,515 | 14,951 | 53 | (40) |
| Amortization of land use right | 3,323 | 3,323 | 9,909 | 12,104 | 1,661 | 1,661 |
| Depreciation and amortization | 173,003 | 168,539 | 31,056 | 26 | 83,783 | 86,582 |
| Property charges and other | 22,210 | 1,825 | 1,126 | — | 3,527 | 4,267 |
| Total operating costs and expenses | 459,364 | 479,297 | 258,611 | 30,152 | 217,501 | 222,266 |

(1) We commenced operations in October 2015.

The provision of gaming related services expenses mainly represented (1) services fees for shared corporate services provided by the Master Services Providers pursuant to the Management and Shared Service Arrangements and (2) management payroll expenses. See "Business—Our Relationship with Melco Resorts—Management and Shared Services Arrangements with Melco Resorts" and "Related Party Transactions—Material Contracts with Affiliated Companies."

The non-gaming expenses, including rooms, food and beverage, entertainment, mall and retail and other, primarily represented the costs of operating the respective non-gaming services at Studio City and respective payroll expenses.

General and administrative expenses primarily consisted of payroll expenses, utilities, marketing and advertising costs, repairs and maintenance, and since the commencement of the operation of Studio City in October 2015, also included fees paid to the Master Services Providers for shared corporate services provided to non-gaming departments. Expenses relating to services fee revenues are also included in the general and administrative expenses. See "Business—Our Relationship with Melco Resorts—Management and Shared Services Arrangements with Melco Resorts" and "Related Party Transactions—Material Contracts with Affiliated Companies." We expect general and administrative expenses to increase with our business growth. In addition, upon becoming a public company, we will incur significant legal, accounting and other expenses that we have not incurred thus far as a private company, including expenses associated with public company reporting requirements. We will also incur expenses in order to comply with the Sarbanes-Oxley Act of 2002 and the related rules and regulations implemented by the SEC and the New York Stock Exchange. Although we are unable to estimate these expenses with any degree of certainty, we expect that such compliance, together with the further development of Studio City, will cause our general and administrative expenses to increase in absolute terms.

Pre-opening costs primarily represented personnel, marketing and other costs incurred prior to the opening of new or start-up operations. For the six months ended June 30, 2018 and during 2017, 2016 and 2015, we incurred pre-opening costs in connection with Studio City. We also incurred pre-opening costs on other one-off activities related to the marketing of new facilities and operations in Studio City.

Amortization of land use right is primarily related to the land use right under the land concession contract for Studio City. The land use right was originally amortized over the initial term of 25 years with an expiration date in October 2026. Effective from October 1, 2015, the estimated term of the land use right, in accordance with the relevant accounting standards, has been extended to October 2055, which aligned with the estimated useful lives of certain buildings assets of 40 years. The change in estimated term of the land use right resulted in a reduction in amortization of land use right and net loss of US$2.2 million for the year ended December 31, 2015 and has had and will continue to have impact on the amortization of land use right going forward. Amortization of land use right amounted to US$3.3 million in both 2017 and 2016, and US$1.7 million in both the six months ended June 30, 2018 and 2017.

We recognize depreciation and amortization expenses related to capitalized construction costs and other property and equipment from the time each asset is placed in service. This may occur at different stages as Studio City's facilities are completed and opened.

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### Results of Operations

The table below sets forth our consolidated results of operations for the periods indicated. This information should be read together with our consolidated financial statements and related notes included elsewhere in this prospectus. The operating results in any period are not necessarily indicative of the results that may be expected for any future period.

| | For the Year Ended December 31, | | | | For the Six Months Ended June 30, | |
|---|---|---|---|---|---|---|
| | 2017 | 2016 | 2015(1) | 2014(1) | 2018(2) | 2017 |
| | (US$ thousands, except for share and per share data) | | | | | |
| Operating revenues | | | | | | |
| Provision of gaming related services | 295,638 | 151,597 | 21,427 | — | 168,595 | 133,352 |
| Rooms | 88,699 | 84,643 | 14,417 | — | 43,583 | 43,107 |
| Food and beverage | 60,705 | 61,536 | 9,457 | — | 31,459 | 29,195 |
| Entertainment | 18,534 | 35,155 | 6,730 | — | 6,273 | 9,507 |
| Services fee | 39,971 | 51,842 | 7,968 | — | 19,606 | 19,883 |
| Mall | 29,498 | 34,020 | 6,999 | — | 10,698 | 15,518 |
| Retail and other | 6,769 | 5,738 | 2,336 | 1,767 | 1,956 | 3,294 |
| Total revenues | 539,814 | 424,531 | 69,334 | 1,767 | 282,170 | 253,856 |
| Operating costs and expenses | | | | | | |
| Provision of gaming related services | (24,019) | (25,332) | (462) | — | (10,756) | (11,764) |
| Rooms | (21,750) | (22,752) | (4,113) | — | (10,954) | (10,707) |
| Food and beverage | (54,266) | (62,200) | (12,549) | — | (27,370) | (26,958) |
| Entertainment | (16,364) | (41,432) | (7,404) | — | (6,886) | (8,837) |
| Mall | (9,098) | (11,083) | (3,653) | — | (5,382) | (4,451) |
| Retail and other | (4,750) | (3,696) | (579) | — | (1,274) | (1,900) |
| General and administrative | (130,465) | (135,071) | (34,245) | (3,071) | (65,855) | (65,179) |
| Pre-opening costs | (116) | (4,044) | (153,515) | (14,951) | (53) | 40 |
| Amortization of land use right | (3,323) | (3,323) | (9,909) | (12,104) | (1,661) | (1,661) |
| Depreciation and amortization | (173,003) | (168,539) | (31,056) | (26) | (83,783) | (86,582) |
| Property charges and other | (22,210) | (1,825) | (1,126) | — | (3,527) | (4,267) |
| Total operating costs and expenses | (459,364) | (479,297) | (258,611) | (30,152) | (217,501) | (222,266) |
| Operating income (loss) | 80,450 | (54,766) | (189,277) | (28,385) | 64,669 | 31,590 |
| Non-operating income (expenses) | | | | | | |
| Interest income | 2,171 | 1,152 | 4,641 | 8,901 | 1,439 | 800 |
| Interest expenses, net of capitalized interest | (152,318) | (133,610) | (23,285) | (18,047) | (76,159) | (76,159) |
| Amortization of deferred financing costs | (7,600) | (25,626) | (16,295) | (10,642) | (4,025) | (3,735) |
| Loan commitment fees | (419) | (1,647) | (1,794) | (15,153) | (208) | (208) |
| Foreign exchange gains (losses), net | 466 | (3,445) | 435 | (2,710) | (162) | 394 |
| Other income (expenses), net | 574 | 1,163 | 379 | — | (22) | 287 |
| Loss on extinguishment of debt | — | (17,435) | — | — | — | — |
| Costs associated with debt modification | — | (8,101) | (7,011) | — | — | — |
| Total non-operating expenses, net | (157,126) | (187,549) | (42,930) | (37,651) | (79,137) | (78,621) |
| Loss before income tax | (76,676) | (242,315) | (232,207) | (66,036) | (14,468) | (47,031) |
| Income tax credit (expense) | 239 | (474) | (353) | — | (375) | 15 |
| Net loss | (76,437) | (242,789) | (232,560) | (66,036) | (14,843) | (47,016) |
| Loss per share: | | | | | | |
| Basic and diluted | (4,217) | (13,393) | (12,829) | (4,190) | (819) | (2,594) |
| Weighted average shares outstanding used in loss per share calculation: | | | | | | |
| Basic and diluted | 18,127.94 | 18,127.94 | 18,127.94 | 15,759.02 | 18,127.94 | 18,127.94 |

(1) We commenced operations in October 2015.
(2) We adopted the New Revenue Standard using the modified retrospective method from January 1, 2018. Amounts for the periods beginning on or after January 1, 2018 are presented under the New Revenue Standard, while prior period amounts are not adjusted and

continue to be reported in accordance with the previous basis. There was no material impact on our results of operations for the six months ended June 30, 2018 as a result of the adoption of the New Revenue Standard.

***Six Months Ended June 30, 2018 Compared to Six Months Ended June 30, 2017***

*Revenues*

Our total revenues increased by US$28.3 million, or 11.2%, to US$282.2 million for the six months ended June 30, 2018 from US$253.9 million for the six months ended June 30, 2017. The increase in total revenues was primarily due to enhanced performance in the mass market table games and VIP rolling chip operations as a result of the continuous ramp-up of Studio City. There was no material impact on our total revenues and the respective revenue for the six months ended June 30, 2018 as a result of the adoption of the New Revenue Standard from January 1, 2018.

- *Provision of gaming related services.* Revenues from the provision of gaming related services increased by US$35.2 million, or 26.4%, to US$168.6 million for the six months ended June 30, 2018 from US$133.4 million for the six months ended June 30, 2017. This increase was due to enhanced performance in mass market table games and VIP rolling chip operations, which contributed to a significant increase in Studio City Casino's gross gaming revenues for the six months ended June 30, 2018.

  Studio City Casino generated gross gaming revenues of US$806.6 million and US$627.2 million for the six months ended June 30, 2018 and 2017, respectively, before the deduction by the Gaming Operator of gaming tax and the costs incurred in connection with its operation of Studio City Casino pursuant to the Services and Right to Use Arrangements.

  Mass market table games revenue increased to US$425.6 million for the six months ended June 30, 2018 from US$350.8 million for the six months ended June 30, 2017 due to an increase in mass market table games drop, partially offset by a decrease in mass market table games hold percentage. Mass market table games drop increased to US$1,639.5 million for the six months ended June 30, 2018 from US$1,317.7 million for the six months ended June 30, 2017. Mass market table games hold percentage decreased to 26.0% for the six months ended June 30, 2018 from 26.6% for the six months ended June 30, 2017.

  Gaming machine revenue increased to US$42.0 million for the six months ended June 30, 2018 from US$37.0 million for the six months ended June 30, 2017 due to an increase in gaming machine handle to US$1,196.6 million for the six months ended June 30, 2018 from US$1,000.3 million for the six months ended June 30, 2017, partially offset by a decrease in gaming machine win rate to 3.5% for the six months ended June 30, 2018 from 3.7% for the six months ended June 30, 2017. Average net win per gaming machine per day was US$244 and US$210 for the six months ended June 30, 2018 and 2017, respectively.

  Studio City Casino launched its VIP rolling chip operations in November 2016 with 33 VIP rolling chip tables and in June 2017 the number of VIP rolling chip tables subsequently increased to 45. VIP rolling chip revenue increased to US$339.0 million for the six months ended June 30, 2018 from US$239.4 million for the six months ended June 30, 2017 due to an increase in VIP rolling chip volume, partially offset by a decrease in VIP rolling chip win rate. VIP rolling chip volume increased to US$12.7 billion for the six months ended June 30, 2018 from US$8.2 billion for the six months ended June 30, 2017. VIP rolling chip win rate (calculated before discounts and commissions) decreased to 2.67% for the six months ended June 30, 2018 from 2.92% for the six months ended June 30, 2017.

  In the six months ended June 30, 2018 and 2017, total gaming tax and costs incurred in connection with the operation of Studio City Casino deducted from gross gaming revenues were US$638.0 million and US$493.8 million, respectively, which included (i) gaming tax imposed on the gross gaming revenue of US$314.6 million and US$244.6 million, respectively, (ii) retail value of the complimentary

services provided by us to Studio City Casino's gaming patrons of US$38.4 million and US$35.6 million, respectively; (iii) shared administrative services and shuttle bus transportation services provided by us to Studio City Casino of US$18.1 million and US$18.6 million, respectively and (iv) remaining costs of US$266.9 million and US$195.0 million, respectively, primarily representing gaming-related staff costs and other gaming-related costs, including costs related to VIP operations at Studio City Casino.

After the deduction by the Gaming Operator of gaming tax and the costs incurred in connection with its operation of Studio City Casino from gross gaming revenues, we recognized revenues from the provision of gaming related services of US$168.6 million and US$133.4 million for the six months ended June 30, 2018 and 2017, respectively.

- *Rooms.* Our room revenues remained stable at US$43.6 million and US$43.1 million for the six months ended June 30, 2018 and 2017, respectively. Studio City's average daily rate, occupancy rate and REVPAR were US$137, 100% and US$137, respectively, for the six months ended June 30, 2018, as compared to US$137, 99% and US$135, respectively, for the six months ended June 30, 2017.
- *Food and beverage, entertainment, mall and retail and other*. Our revenues generated from food and beverage, entertainment, mall and retail and other decreased by US$7.1 million, or 12.4%, to US$50.4 million for the six months ended June 30, 2018 from US$57.5 million for the six months ended June 30, 2017. The decrease was primarily due to the closure of a non-gaming attraction for remodeling in late 2017 and closure of certain retail shops for the expansion of the northeast entrance of Studio City in mid-2017.
- *Services fee.* Our services fee revenues remained stable at US$19.6 million and US$19.9 million for the six months ended June 30, 2018 and 2017, respectively.

*Operating Costs and Expenses*

Our total operating costs and expenses were US$217.5 million for the six months ended June 30, 2018, compared to US$222.3 million for the six months ended June 30, 2017.

- *Provision of gaming related services*. Provision of gaming related services expenses, relatively fixed in nature, amounted to US$10.8 million and US$11.8 million for the six months ended June 30, 2018 and 2017, respectively.
- *Rooms*. Room expenses amounted to US$11.0 million and US$10.7 million for the six months ended June 30, 2018 and 2017, respectively.
- *Food and beverage, entertainment, mall and retail and other*. Expenses related to food and beverage, entertainment, mall and retail and other amounted to US$40.9 million and US$42.1 million for the six months ended June 30, 2018 and 2017, respectively.
- *General and administrative*. General and administrative expenses remained stable at US$65.9 million and US$65.2 million for the six months ended June 30, 2018 and 2017, respectively.
- *Amortization of land use right*. Amortization of land use right expenses were US$1.7 million for both the six months ended June 30, 2018 and 2017.
- *Depreciation and amortization*. Depreciation and amortization expenses slightly decreased by US$2.8 million, or 3.2%, to US$83.8 million for the six months ended June 30, 2018 from US$86.6 million for the six months ended June 30, 2017.
- *Property charges and other.* Property charges and other expenses of US$3.5 million for the six months ended June 30, 2018 were primarily attributable to a write-off of US$2.2 million in relation to the termination of a contract related to a non-gaming attraction and US$1.2 million repairs and maintenance costs incurred as a result of Typhoon Hato. Property charges and other expenses of US$4.3 million for the six months ended June 30, 2017 represented the write-off and impairment of assets arising from the closure of certain retail shops.

*Operating Income*

As a result of the foregoing, we had an operating income of US$64.7 million for the six months ended June 30, 2018, compared to an operating income of US$31.6 million for the six months ended June 30, 2017.

*Non-operating Expenses, Net*

Net non-operating expenses consisted of interest income, interest expenses, amortization of deferred financing costs, loan commitment fees, net foreign exchange (losses) gains and other non-operating income (expenses), net. We incurred total net non-operating expenses of US$79.1 million for the six months ended June 30, 2018, compared to US$78.6 million for the six months ended June 30, 2017.

- *Interest expenses*. Interest expenses remained stable at US$76.2 million for both the six months ended June 30, 2018 and 2017.
- *Amortization of deferred financing costs*. Amortization of deferred financing costs was associated with the 2012 Notes, 2016 Notes and 2016 Credit Facility and amounted to US$4.0 million and US$3.7 million for the six months ended June 30, 2018 and 2017, respectively.
- *Loan commitment fees*. Loan commitment fees, which were associated with the 2016 Credit Facility, were US$0.2 million for both the six months ended June 30, 2018 and 2017.

*Loss before Income Tax*

As a result of the foregoing, we had a loss before income tax of US$14.5 million for the six months ended June 30, 2018, compared to a loss of US$47.0 million for the six months ended June 30, 2017.

*Income Tax (Expense) Credit*

Income tax expense was US$0.4 million for the six months ended June 30, 2018 and was mainly attributable to deferred income tax expense, compared to income tax credit of US$15,000 for the six months ended June 30, 2017, which was attributable to deferred income tax credit. The effective tax rates for the six months ended June 30, 2018 and 2017 were (2.59)% and 0.03%, respectively. Our effective tax rates for the six months ended June 30, 2018 and 2017 differed from the statutory Macau complementary tax rate of 12% primarily due to certain of our profits being exempted from the Macau complementary tax, the effect of expenses for which no income tax benefits are receivable and the effect of changes in valuation allowances. Our management currently does not expect to realize significant income tax benefits associated with net operating loss carry-forwards and other deferred tax assets generated by our Macau operations. However, to the extent that the financial results of our Macau operations improve and it becomes more likely than not that the deferred tax assets are realizable, we will reduce the valuation allowances related to the net operating losses and other deferred tax assets.

*Net Loss*

As a result of the foregoing, we had a net loss of US$14.8 million for the six months ended June 30, 2018, compared to US$47.0 million for the six months ended June 30, 2017.

***Year Ended December 31, 2017 Compared to Year Ended December 31, 2016***

*Revenues*

Our total revenues increased by US$115.3 million, or 27.2%, to US$539.8 million in 2017 from US$424.5 million in 2016. The increase in total revenues was primarily due to enhanced performance in the mass

market table games as a result of the continuous ramp-up of Studio City since its commencement of operations in October 2015 and the launch of VIP rolling chip operations in November 2016.

- *Provision of gaming related services.* Revenues from the provision of gaming related services increased by US$144.0 million, or 95.0%, to US$295.6 million in 2017 from US$151.6 million in 2016. This increase was due to enhanced performance in mass market table games as a result of the continuous ramp-up of Studio City since its commencement of operations in October 2015 and the launch of VIP rolling chip operations in November 2016, which contributed to a significant increase in Studio City Casino's gross gaming revenues in 2017.

  Studio City Casino generated gross gaming revenues of US$1,438.1 million and US$706.2 million in 2017 and 2016, respectively, before the deduction by the Gaming Operator of gaming tax and the costs incurred in connection with its operation of Studio City Casino pursuant to the Services and Right to Use Arrangements.

  Mass market table games revenue increased to US$759.1 million in 2017 from US$611.6 million in 2016 due to an increase in both mass market table games drop and mass market table games hold percentage. Mass market table games drop increased to US$2,913.0 million in 2017 from US$2,480.0 million in 2016. Mass market table games hold percentage also increased to 26.1% in 2017 from 24.7% in 2016.

  Gaming machine revenue increased to US$78.2 million in 2017 from US$76.0 million in 2016 due to an increase in gaming machine handle to US$2,120.5 million in 2017 from US$2,002.3 million in 2016 despite a slight decrease in gaming machine win rate to 3.7% in 2017 from 3.8% in 2016. Average net win per gaming machine per day was US$225 and US$189 in 2017 and 2016, respectively.

  Studio City Casino launched its VIP rolling chip operations in November 2016 with 33 VIP rolling chip tables and in June 2017 the number of VIP rolling chip tables subsequently increased to 45. VIP rolling chip revenue increased to US$600.8 million in 2017 from US$18.6 million in 2016 due to the first full year of VIP rolling chip operations in Studio City in 2017. VIP rolling chip volume increased to US$19.0 billion in 2017 from US$1.3 billion in 2016. VIP rolling chip win rate (calculated before discounts and commissions) also increased to 3.16% in 2017 from 1.39% in 2016.

  In 2017 and 2016, total gaming tax and costs incurred in connection with the operation of Studio City Casino deducted from gross gaming revenues were US$1,142.5 million and US$554.6 million, respectively, which included (i) gaming tax imposed on the gross gaming revenue of US$560.9 million and US$275.4 million, respectively, (ii) retail value of the complimentary services provided by us to Studio City Casino's gaming patrons of US$74.3 million and US$61.8 million, respectively; (iii) shared administrative services and shuttle bus transportation services provided by us to Studio City Casino of US$36.9 million and US$49.2 million, respectively and (iv) remaining costs of US$470.4 million and US$168.2 million, respectively, primarily representing gaming-related staff costs and other gaming-related costs, including costs related to VIP operations at Studio City Casino.

  After the deduction by the Gaming Operator of gaming tax and the costs incurred in connection with its operation of Studio City Casino from gross gaming revenues, we recognized revenues from the provision of gaming related services of US$295.6 million and US$151.6 million in 2017 and 2016, respectively.

- *Rooms.* Our room revenues increased by US$4.1 million, or 4.8%, to US$88.7 million in 2017 from US$84.6 million in 2016. The increase in room revenues was primarily due to the slightly increased occupancy rate and average daily rate. Studio City's average daily rate, occupancy rate and REVPAR were US$140, 99% and US$138, respectively, in 2017, as compared to US$136, 98% and US$133, respectively, in 2016.

- *Food and beverage, entertainment, mall and retail and other*. Our revenues generated from food and beverage, entertainment, mall and retail and other decreased by US$20.9 million, or 15.3%, to

US$115.5 million in 2017 from US$136.4 million in 2016. We generated more revenues in 2016 as we sold more tickets during that period for more events held at Studio City including live concerts from headline acts such as Madonna and Russell Peters.

- *Services fee*. Our services fee revenues decreased by US$11.9 million, or 22.9%, to US$40.0 million in 2017 from US$51.8 million in 2016. The decrease was due to the implementation of cost-saving initiatives at Studio City, resulting in a lower level of shared administrative services charged to Studio City Casino in 2017.

*Operating Costs and Expenses*

Our total operating costs and expenses decreased by US$19.9 million, or 4.2%, to US$459.4 million in 2017 from US$479.3 million in 2016.

- *Provision of gaming related services*. Provision of gaming related services expenses, relatively fixed in nature, remained stable at US$24.0 million and US$25.3 million in 2017 and 2016, respectively.
- *Rooms*. Room expenses remained stable at US$21.8 million and US$22.8 million in 2017 and 2016, respectively.
- *Food and beverage, entertainment, mall and retail and other*. Expenses related to food and beverage, entertainment, mall and retail and other decreased by US$33.9 million, or 28.7%, to US$84.5 million in 2017 from US$118.4 million in 2016. The decrease was primarily due to the decrease in performers' fees as we held fewer events at Studio City in 2017 and lower payroll expenses resulting from the implementation of our cost-saving initiatives.
- *General and administrative*. General and administrative expenses decreased by US$4.6 million, or 3.4%, to US$130.5 million in 2017 from US$135.1 million in 2016, primarily due to lower payroll expenses resulting from the implementation of our cost-saving initiatives and higher marketing and advertising costs in the prior period from promotional activities carried out for the newly-opened Studio City, partially offset by higher repairs and maintenance costs.
- *Amortization of land use right*. Amortization of land use right expenses were US$3.3 million in both 2017 and 2016.
- *Depreciation and amortization*. Depreciation and amortization expenses slightly increased by US$4.5 million, or 2.6%, to US$173.0 million in 2017 from US$168.5 million in 2016.
- *Property charges and other.* Property charges and other expenses increased by US$20.4 million, or 1,117.0%, to US$22.2 million in 2017 from US$1.8 million in 2016. Property charges and other expense of US$22.2 million in 2017 were primarily attributable to impairment of assets as a result of the remodeling of a non-gaming attraction, retail shops and a food station of US$19.6 million.

*Operating Income (Loss)*

As a result of the foregoing, we had an operating income of US$80.5 million in 2017, compared to an operating loss of US$54.8 million in 2016.

*Non-operating Expenses, Net*

Net non-operating expenses consisted of interest income, interest expenses, net of capitalized interest, amortization of deferred financing costs, loan commitment fees, net foreign exchange gains (losses), loss on extinguishment of debt and costs associated with debt modification as well as other non-operating income, net. We incurred total net non-operating expenses of US$157.1 million in 2017, compared to US$187.5 million in 2016. Higher net non-operating expenses in 2016 was primarily due to the loss on extinguishment of debt and

costs associated with debt modification arisen from the refinancing of the 2013 Project Facility with the 2016 Notes and the 2016 Credit Facility in November 2016.

- *Interest expenses, net of capitalized interest*. Interest expenses were US$152.3 million in 2017, compared to US$133.6 million in 2016. The increase in interest expenses of US$18.7 million was due to the higher borrowing rate as a result of the refinancing of the 2013 Project Facility with the 2016 Notes and the 2016 Credit Facility in November 2016. There was no interest capitalization during the year ended December 31, 2017 and 2016 as we commenced our operations in October 2015.
- *Amortization of deferred financing costs*. Amortization of deferred financing costs was US$7.6 million in 2017, compared to US$25.6 million in 2016. In late 2016, the 2013 Project Facility was refinanced by the 2016 Notes and the 2016 Credit Facility. Amortization of deferred financing costs in 2017 was associated with the 2012 Notes, 2016 Notes and 2016 Credit Facility while amortization of deferred financing costs in 2016 was mainly associated with the 2013 Project Facility and 2012 Notes. The decrease was primarily due to no amortization of deferred financing costs recorded for the 2013 Project Facility in 2017 after its refinancing in November 2016. The deferred financing costs related to the 2016 Notes and 2016 Credit Facility were lower compared to the deferred financing costs for the 2013 Project Facility.
- *Loan commitment fees*. Loan commitment fees were US$0.4 million in 2017, which were associated with the 2016 Credit Facility, while those in 2016 were US$1.6 million, which were associated with the 2013 Project Facility. As of December 31, 2017, the available facilities consisted of US$29.9 million in the form of a revolving credit facility under the 2016 Credit Facility compared to available facilities of approximately US$100 million in the form of a revolving credit facility under the 2013 Project Facility prior to the refinancing of the 2013 Project Facility in November 2016.
- *Loss on extinguishment of debt.* Loss on extinguishment of debt was US$17.4 million in 2016 and was associated with a portion of the unamortized deferred financing costs of the 2013 Project Facility that were not eligible for capitalization upon refinancing of the 2013 Project Facility with the 2016 Notes and the 2016 Credit Facility. We incurred nil loss on extinguishment of debt in 2017.
- *Costs associated with debt modification.* Costs associated with debt modification in 2016 were US$8.1 million, which mainly represented a portion of the underwriting fee and legal and professional fees incurred for refinancing of the 2013 Project Facility with the 2016 Notes and the 2016 Credit Facility that were not eligible for capitalization. We incurred nil costs associated with debt modification in 2017.

*Loss before Income Tax*

As a result of the foregoing, we had a loss before income tax of US$76.7 million in 2017, compared to a loss of US$242.3 million in 2016.

*Income Tax Credit (Expense)*

Income tax credit was US$0.2 million in 2017 and was attributable to deferred income tax credit, compared to income tax expense of US$0.5 million in 2016, which was attributable to deferred income tax expense. The effective tax rates in 2017 and 2016 were a positive rate of 0.3% and a negative rate of 0.2%, respectively. Our effective tax rates in 2017 and 2016 differed from the statutory Macau complementary tax rate of 12% due to the effect of expenses for which no income tax benefit is receivable, the change in valuation allowance and certain of our profits were exempted from the Macau complementary tax. Our management currently does not expect to realize significant income tax benefits associated with net operating loss carry-forwards and other deferred tax assets generated by our Macau operations. However, to the extent that the financial results of our Macau operations improve and it becomes more likely than not that the deferred tax assets are realizable, we will reduce the valuation allowance related to the net operating losses and other deferred tax assets.

*Net Loss*

As a result of the foregoing, we had a net loss of US$76.4 million in 2017, compared to US$242.8 million in 2016.

***Year Ended December 31, 2016 Compared to Year Ended December 31, 2015***

*Revenues*

Our total revenues increased by US$355.2 million, or 512.3%, to US$424.5 million in 2016 from US$69.3 million in 2015. The increase in total revenues was primarily a result of the ramp-up of business and having full year operations in 2016 since Studio City commenced operations on October 27, 2015.

- *Provision of gaming related services.* Revenues from the provision of gaming related services increased by US$130.2 million, or 607.5%, to US$151.6 million in 2016 from US$21.4 million in 2015. Such increase was due to the first full year of operation of Studio City in 2016 and hence a significant increase in Studio City Casino's gross gaming revenues in 2016.

  Studio City Casino generated gross gaming revenues of US$706.2 million and US$94.7 million in 2016 and 2015, respectively, before the deduction by the Gaming Operator of gaming tax and the costs incurred in connection with its operation of Studio City Casino pursuant to the Services and Right to Use Arrangements.

  Mass market table games revenue increased to US$611.6 million in 2016 from US$81.8 million in 2015 primarily due to an increase in mass market table games drop to US$2,480.0 million in 2016 from US$365.3 million in 2015, corresponding to the commencement of Studio City's full-year operations in 2016. Mass market table games hold percentage also increased to 24.7% in 2016 from 22.4% in 2015.

  Gaming machine revenue increased to US$76.0 million in 2016 from US$12.9 million in 2015 due to an increase in gaming machine handle to US$2,002.3 million in 2016 from US$264.9 million in 2015, partially offset by a decrease in gaming machine win rate to 3.8% in 2016 from 4.9% in 2015. Average net win per gaming machine per day was US$189 and US$168 in 2016 and 2015, respectively.

  Studio City Casino launched its VIP rolling chip operations in November 2016. In 2016, VIP rolling chip revenue was US$18.6 million, with rolling chip volume of US$1,343.6 million and rolling chip win rate (calculated before discounts and commissions) of 1.39%.

  In 2016 and 2015, total gaming tax and costs incurred in connection with the operation of Studio City Casino deducted from the gross gaming revenues were US$554.6 million and US$73.3 million, respectively, which included (i) gaming tax imposed on the gross gaming revenue of US$275.4 million and US$37.0 million, respectively; (ii) retail value of the complimentary services provided by us to Studio City Casino's gaming patrons of US$61.8 million and US$7.1 million, respectively; (iii) costs for shared administrative services and shuttle bus transportation services provided by us to Studio City Casino of US$49.2 million and US$7.7 million, respectively; and (iv) remaining costs of US$168.2 million and US$21.5 million, respectively, primarily representing gaming related staff costs and other gaming related costs.

  After the deduction by the Gaming Operator of gaming tax and the costs incurred in connection with its operation of Studio City Casino from gross gaming revenues, we recognized revenues from provision of gaming related services of US$151.6 million and US$21.4 million in 2016 and 2015, respectively.

- *Rooms*. Our room revenues increased by US$70.2 million, or 487.1%, to US$84.6 million in 2016 from US$14.4 million in 2015. The increase in room revenues was primarily due to the full year operation of Studio City in 2016. Studio City's average daily rate, occupancy rate and REVPAR remained relatively stable at US$136, 98% and US$133, respectively, in both 2016 and 2015.

- *Food and beverage, entertainment, mall and retail and other*. Our revenues generated from food and beverage, entertainment, mall and retail and other increased by US$110.9 million, or 434.6%, to

US$136.4 million in 2016 from US$25.5 million in 2015. The increase was primarily due to the first full year operation of Studio City in 2016.

- *Services fee.* Our services fee revenues increased by US$43.9 million, or 550.6%, to US$51.8 million in 2016 from US$8.0 million in 2015. The increase was primarily due to the provision of full year services in 2016.

*Operating Costs and Expenses*

Our total operating costs and expenses increased by US$220.7 million, or 85.3%, to US$479.3 million in 2016 from US$258.6 million in 2015. The increase was primarily due to Studio City's first full year operations in 2016.

- *Provision of gaming related services*. Provision of gaming related services expenses increased by US$24.9 million, or 5,383.1%, to US$25.3 million in 2016 from US$0.5 million in 2015. The increase was primarily due to the first full year of Studio City Casino operations in 2016.
- *Rooms*. Room expenses increased by US$18.6 million, or 453.2%, to US$22.8 million in 2016 from US$4.1 million in 2015. The increase was primarily due to the increase in the costs of operating the hotel facilities due to the first full year hotel operations in Studio City in 2016.
- *Food and beverage, entertainment, mall and retail and other*. Expenses related to food and beverage, entertainment, mall and retail and other increased by US$94.2 million, or 389.6%, to US$118.4 million in 2016 from US$24.2 million in 2015. The increase was primarily due to the increase in payroll and other operating costs for operating the food and beverage outlets, entertainment facilities and the mall, performers' fees and advertising and marketing expenses due to the first full year operations in 2016.
- *General and administrative*. General and administrative expenses increased by US$100.8 million or 294.4%, to US$135.1 million in 2016 from US$34.2 million in 2015, primarily due to the increase in payroll expenses, utilities, marketing and advertising costs, expenses related to repairs and maintenance, and non-gaming related service fees for the full year operation of Studio City.
- *Pre-opening costs*. Pre-opening costs decreased by US$149.5 million, or 97.4%, to US$4.0 million in 2016 from US$153.5 million in 2015. Such costs relate primarily to personnel training, rental, marketing, advertising and administrative costs in connection with new or start-up operations. The pre-opening costs significantly decreased in 2016 after we commenced our operations in October 2015.
- *Amortization of land use right*. Amortization of land use right expenses decreased by US$6.6 million, or 66.5%, to US$3.3 million in 2016 from US$9.9 million in 2015. The decrease was primarily due to the extension of the estimated term of the land use right which went into effect in October 2015.
- *Depreciation and amortization*. Depreciation and amortization expenses increased by US$137.5 million, or 442.7%, to US$168.5 million in 2016 from US$31.1 million in 2015. The increase was primarily due to the full year depreciation of assets at Studio City.

*Operating Loss*

As a result of the foregoing, we had an operating loss of US$54.8 million in 2016, compared to an operating loss of US$189.3 million in 2015.

*Non-operating Expenses, Net*

Net non-operating expenses consisted of interest income, interest expenses, net of capitalized interest, amortization of deferred financing costs, loan commitment fees, net foreign exchange (losses) gains, loss on extinguishment of debt and costs associated with debt modification as well as other non-operating income, net.

We incurred total net non-operating expenses of US$187.5 million, compared to US$42.9 million in 2015. The increase was primarily due to the increase in interest expenses, net of capitalized interest.

- *Interest income.* Interest income was US$1.2 million in 2016, compared to US$4.6 million in 2015. The decrease was primarily due to lower level of deposits placed at banks in 2016.
- *Interest expenses, net of capitalized interest*. Interest expenses were US$133.6 million (nil capitalized interest) in 2016, compared to US$23.3 million (net of capitalized interest of US$108.4 million) in 2015. The increase in net interest expenses (net of capitalization) of US$110.3 million was primarily due to the cessation of interest capitalization for Studio City since its opening in October 2015.
- *Amortization of deferred financing costs*. Amortization of deferred financing costs was US$25.6 million (nil capitalization) in 2016, compared to US$16.3 million (net of capitalization of US$8.6 million) in 2015. Amortization of deferred financing costs in 2016 was associated with the 2013 Project Facility, 2016 Notes and the 2012 Notes while those in 2015 were associated with the 2013 Project Facility and 2012 Notes. The increase was primarily due to the cessation of capitalization of deferred financing costs amortization associated with the opening of Studio City in October 2015.
- *Loan commitment fees*. Loan commitment fees associated with the 2013 Project Facility were payable from January 2013 and were US$1.6 million in 2016 and US$1.8 million in 2015. The slight decrease was primarily due to the repayment of the 2013 Project Facility (other than HK$1 million which was rolled over into a term loan facility under the 2016 Credit Facility) with the proceeds from the issuance of the 2016 Notes together with cash on hand.
- *Loss on extinguishment of debt.* Loss on extinguishment of debt was US$17.4 million in 2016 associated with a portion of the unamortized deferred financing costs of the 2013 Project Facility that were not eligible for capitalization upon refinancing of the 2013 Project Facility with the 2016 Notes and the 2016 Credit Facility. We incurred nil loss on extinguishment of debt in 2015.
- *Costs associated with debt modification.* Costs associated with debt modification in 2016 were US$8.1 million, which mainly represented a portion of the underwriting fee and legal and professional fees incurred for refinancing of the 2013 Project Facility with the 2016 Notes and the 2016 Credit Facility that were not eligible for capitalization. Costs associated with debt modification was US$7.0 million in 2015, which primarily represented legal and professional fees incurred for the loan documentation amending the 2013 Project Facility that are not eligible for capitalization.

*Loss before Income Tax*

As a result of the foregoing, we had a loss before income tax of US$242.3 million in 2016, compared to a loss of US$232.2 million in 2015.

*Income Tax Expense*

Income tax expense was US$0.5 million and US$0.4 million in 2016 and 2015, respectively, and was attributable to deferred income tax expenses. The effective tax rate was a negative rate of 0.2% for each of the years ended December 31, 2016 and 2015. Our effective tax rates for 2016 and 2015 differed from the statutory Macau complementary tax rate of 12% primarily due to the effect of expenses for which no income tax benefit is receivable and the change in valuation allowance. Furthermore, certain of our profits were exempted from the Macau complementary tax which significantly decreased our effective tax rate for 2016. Our management currently does not expect to realize significant income tax benefits associated with net operating loss carry-forwards and other deferred tax assets generated by our Macau operations. However, to the extent that the financial results of our Macau operations improve and it becomes more likely than not that the deferred tax assets are realizable, we will reduce the valuation allowance related to the net operating losses and other deferred tax assets.

*Net Loss*

As a result of the foregoing, we had net loss of US$242.8 million in 2016, compared to US$232.6 million in 2015.

### Non-GAAP Financial Measures

To supplement our consolidated financial statements, which are prepared and presented in accordance with U.S. GAAP, we use adjusted EBITDA, a non-GAAP financial measure, as described below, to understand and evaluate our core operating performance. This non-GAAP financial measure, which may differ from similarly titled measures used by other companies, is presented to enhance investors' overall understanding of our financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with U.S. GAAP.

Adjusted EBITDA is defined as earnings before interest, taxes, depreciation, amortization, pre-opening costs, property charges and other, other non-operating income and expenses. We believe that adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results. This non-GAAP financial measure eliminates the impact of items that we do not consider indicative of the performance of our business. While we believe that this non-GAAP financial measure is useful in evaluating our business, this information should be considered as supplemental in nature and is not meant as a substitute for the related financial information prepared in accordance with U.S. GAAP. It should not be considered in isolation or construed as an alternative to net income/loss, cash flow or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities.

The use of adjusted EBITDA has material limitations as an analytical tool, as adjusted EBITDA does not include all items that impact our net income/loss. Investors are encouraged to review the reconciliation of the historical non-GAAP financial measure to its most directly comparable GAAP financial measure.

| | For the Year Ended December 31, | | | | For the Six Months Ended June 30, | |
|---|---|---|---|---|---|---|
| | 2017 | 2016 | 2015[2] | 2014[2] | 2018[3] | 2017 |
| | (US$ thousands) | | | | | |
| Net loss | (76,437) | (242,789) | (232,560) | (66,036) | (14,843) | (47,016) |
| Income tax (credit) expense | (239) | 474 | 353 | — | 375 | (15) |
| Interest and other non-operating expenses, net | 157,126 | 187,549 | 42,930 | 37,651 | 79,137 | 78,621 |
| Property charges and other | 22,210 | 1,825 | 1,126 | — | 3,527 | 4,267 |
| Depreciation and amortization | 176,326 | 171,862 | 40,965 | 12,130 | 85,444 | 88,243 |
| Pre-opening costs | 116 | 4,044 | 153,515 | 14,951 | 53 | (40) |
| Adjusted EBITDA | 279,102 | 122,965 | 6,329 | (1,304) | 153,693 | 124,060 |
| Adjusted EBITDA margin[1] | 51.7% | 29.0% | 9.1% | N/A | 54.5% | 48.9% |

(1) Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by total revenues.
(2) We commenced operations in October 2015.
(3) We adopted the New Revenue Standard using the modified retrospective method from January 1, 2018. Amounts for the periods beginning on or after January 1, 2018 are presented under the New Revenue Standard, while prior period amounts are not adjusted and continue to be reported in accordance with the previous basis. There was no material impact on our results of operations and Adjusted EBITDA for the six months ended June 30, 2018 as a result of the adoption of the New Revenue Standard.

### Segment Reporting

Our principal operating activities are the provision of gaming related services and the hospitality business in Macau. Our chief operating decision maker monitors the operations and evaluate earnings by reviewing the

assets and operations of Studio City as one operating segment. Accordingly, we do not present separate segment information. As of June 30, 2018, December 31, 2017, 2016 and 2015, we operated in one geographical area, Macau, where we generated our revenue and our long-lived assets were located.

## Liquidity and Capital Resources

Up through the opening of Studio City, our principal sources of liquidity included shareholder equity contributions, loan facilities and senior notes facilities to meet our project development needs. Following the opening of Studio City in October 2015, we relied on, and intend to continue to rely on, our cash generated from our operations and our debt and equity financings, including the net proceeds we will receive from this offering, to meet our financing or refinancing needs. As of June 30, 2018 and December 31, 2017, we recorded US$294.9 million and US$348.4 million, respectively, in cash and cash equivalents and US$25.0 million and US$9.9 million, respectively, in bank deposits with original maturities over three months. Further, the HK$233.0 million (equivalent to approximately US$29.9 million) revolving credit facility under the 2016 Credit Facility is available for future drawdown as of June 30, 2018, subject to certain conditions precedent. We believe that our current available cash and cash equivalents, the bank deposits and funds available for drawdown under the 2016 Credit Facility will be sufficient to meet our working capital requirements and capital expenditures in the ordinary course of business for the next twelve months without considering the proceeds from this offering.

### *Cash Flows*

The following table sets forth a summary of our cash flows for the periods presented. The consolidated cash flows data for the year ended December 31, 2017, 2016 and 2015 and for the six months ended June 30, 2017 have been adjusted to reflect the retrospective adoption on January 1, 2018 of Accounting Standards Update 2016-18 *Statement of Cash Flows (Topic 230): Restricted Cash (A Consensus of the FASB Emerging Issues Task Force*). As a result of the adoption, restricted cash is included with cash and cash equivalents in the beginning and ending balances, and the changes in restricted cash that were previously reported within net cash used in investing activities in the consolidated statements of cash flows have been eliminated.

| | For the Year Ended December 31, | | | For the Six Months Ended June 30, | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2018 | 2017 |
| | (US$ thousands) | | | | |
| Net cash provided by (used in) operating activities | 68,313 | 14,579 | (113,054) | 73,345 | 23,228 |
| Net cash used in investing activities | (55,345) | (106,710) | (972,526) | (126,864) | (29,806) |
| Cash used in financing activities | (1,285) | (122,786) | (2,887) | — | (1,259) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | 11,683 | (214,917) | (1,088,467) | (53,519) | (7,837) |
| Cash, cash equivalents and restricted cash at beginning of year/period | 371,246 | 586,163 | 1,674,630 | 382,929 | 371,246 |
| Cash, cash equivalents and restricted cash at end of year/period | 382,929 | 371,246 | 586,163 | 329,410 | 363,409 |

*Operating Activities*

Studio City commenced operations on October 27, 2015. Operating cash flows are generally affected by changes in operating income and certain operating assets and liabilities, including the receivables related to the provision of gaming related services and hotel operations, as well as the non-gaming business, including food and beverage, entertainment, mall, retail and other, which are conducted primarily on a cash basis. There was no revenue and cash generated from our intended operations prior to the commencement of such operations. We recorded net cash provided by operating activities of US$73.3 million for the six months ended June 30, 2018, as

compared to net cash provided by operating activities of US$23.2 million for the six months ended June 30, 2017, primarily due to the higher contribution of cash generated from the improving operations of Studio City and decreased working capital required for operations. We recorded net cash provided by operating activities of US$68.3 million in 2017, as compared to net cash provided by operating activities of US$14.6 million in 2016, primarily due to the higher contribution of cash generated from the improving operations of Studio City, partially offset by increased working capital for operations. We recorded net cash provided by operating activities of US$14.6 million in 2016, as compared to net cash used in operating activities of US$113.1 million in 2015, primarily due to the contribution of cash generated from the full year operation of Studio City, partially offset by increased working capital for the operations.

*Investing Activities*

Net cash used in investing activities was US$126.9 million for the six months ended June 30, 2018, as compared to net cash used in investing activities of US$29.8 million for the six months ended June 30, 2017. Net cash used in investing activities was US$55.3 million in 2017, as compared to net cash used in investing activities of US$106.7 million in 2016. Net cash used in investing activities in 2015 was US$972.5 million.

Net cash used in investing activities amounted to US$126.9 million for the six months ended June 30, 2018, primarily attributable to (i) capital expenditure payments of US$108.1 million, (ii) net placement of bank deposits with original maturities over three months of US$15.1 million and (iii) funds to an affiliated company of US$4.9 million.

Net cash used in investing activities amounted to US$55.3 million in 2017, primarily attributable to (i) capital expenditure payments of US$42.4 million and (ii) the placement of bank deposits with original maturities over three months of US$9.9 million and (iii) funds to an affiliated company of US$2.8 million.

Net cash used in investing activities amounted to US$106.7 million in 2016, primarily attributable to (i) capital expenditure payments of US$111.4 million and (ii) funds to an affiliated company of US$8.5 million, partially offset by (iii) proceeds from sale of property and equipment and other long-term assets of US$13.5 million.

Net cash used in investing activities amounted to US$972.5 million in 2015, primarily attributable to (i) capital expenditure payments of US$827.8 million, (ii) payments for transfer of other long-term assets from an affiliated company of US$74.9 million, (iii) funds to an affiliated company of US$47.0 million, (iv) payment for land use right of US$24.4 million and (v) advance payments and deposits for acquisition of property and equipment of US$18.9 million. This was partially offset by (vi) proceeds from sale of property and equipment and other long-term assets of US$20.5 million.

*Financing Activities*

There was no cash used in/provided by any financing activity for the six months ended June 30, 2018, as compared to cash used in a financing activity of US$1.3 million for the six months ended June 30, 2017. Cash used in financing activities was US$1.3 million in 2017, as compared to US$122.8 million in 2016. Cash used in financing activities in 2015 was US$2.9 million.

Cash used in financing activities was US$1.3 million in 2017, attributable to the payment of debt issuance costs associated with the 2016 Notes and the 2016 Credit Facilities.

Cash used in financing activities was US$122.8 million in 2016, due to (i) the scheduled repayment in September 2016 and subsequently the early repayment in full of the 2013 Project Facility (other than HK$1.0 million rolled over into the term loan facility under the 2016 Credit Facility) of US$1,295.6 million net of proceeds of US$1,200.0 million from the issuance of the 2016 Notes, and (ii) the payments of debt issuance costs primarily associated with the 2016 Notes and the 2016 Credit Facility as well as payments of legal and professional fees for amending the 2013 Project Facility loan documentation of US$27.2 million.

Cash used in financing activities was US$2.9 million in 2015, due to the payments of legal and professional fees for amending the loan documentation for the 2013 Project Facility.

***Indebtedness and Capital Contributions***

We enter into loan facilities and issue notes through our subsidiaries. The following table sets forth our gross indebtedness, before the reduction of debt issuance costs, as of June 30, 2018:

| | Issuer | As of June 30, 2018 (US$ thousands) |
|---|---|---|
| 2012 Notes | Studio City Finance | 825,000 |
| 2016 Credit Facility | Studio City Company | 129 |
| 2016 5.875% Notes | Studio City Company | 350,000 |
| 2016 7.250% Notes | Studio City Company | 850,000 |
| Total | | 2,025,129 |

The revolving credit facility under the 2016 Credit Facility is available for future drawdown from January 1, 2017, subject to satisfaction of certain conditions precedent. For details and summary of terms of our indebtedness, see “Description of Indebtedness.”

Prior to the opening of Studio City, MCE Cotai and New Cotai, our shareholders, had made aggregate contributions in the amount of US$1,280 million, including US$1,250 million for Studio City and US$30 million for the initial design work for our remaining project in accordance with the relevant shareholders agreement. The relevant shareholders agreement does not require MCE Cotai or New Cotai to make any additional capital contributions to us.

***Capital Expenditures***

Our capital expenditures on an accrual basis amounted to US$23.6 million, US$35.7 million, US$59.3 million and US$936.3 million for the six months ended June 30, 2018 and for the years ended December 31, 2017, 2016 and 2015, respectively, primarily for the construction, development and enhancement of Studio City. We will continue to make capital expenditures to meet the expected growth of our business and expect that cash generated from our operating and financing activities will meet our capital expenditure needs in the foreseeable future.

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### Long-term Indebtedness and Contractual Obligations

Our total long-term indebtedness and other contractual obligations as of December 31, 2017 are summarized below. For details and summary of terms of our indebtedness, see "Description of Indebtedness."

| | Payments Due by Period | | | | |
|---|---|---|---|---|---|
| | Less than 1 Year | 1-3 Years | 3-5 Years | More than 5 Years | Total |
| | (US$ millions) | | | | |
| ***Long-term debt obligations:*** | | | | | |
| 2012 Notes | — | 825.0 | — | — | 825.0 |
| 2016 Credit Facility | — | — | 0.1 | — | 0.1 |
| 2016 5.875% Notes | — | 350.0 | — | — | 350.0 |
| 2016 7.250% Notes | — | — | 850.0 | — | 850.0 |
| Fixed interest payments | 152.3 | 276.5 | 56.5 | — | 485.3 |
| ***Construction costs and property and equipment retention payables*** | 16.1 | — | — | — | 16.1 |
| ***Other contractual commitments:*** | | | | | |
| Government annual land use fees(1) | 0.9 | 1.8 | 2.1 | 4.4 | 9.2 |
| Construction, plant and equipment acquisition commitments | 6.8 | 3.9 | — | — | 10.7 |
| Total contractual obligations | 176.1 | 1,457.2 | 908.7 | 4.4 | 2,546.4 |

(1) The Studio City site is located on the land parcel in which we have received a land concession from the Macau government for a 25-year term, renewable for further consecutive periods of ten years, subject to applicable legislation in Macau. See "Business—Land and Properties—Land Concession."

There were no material changes outside the ordinary course of business in contractual obligations during the six months ended June 30, 2018.

### Off-Balance Sheet Commitments and Arrangements

We have not entered into any material financial guarantees or other commitments to guarantee the payment obligations of any third parties. We have not entered into any derivative contracts that are indexed to our ordinary shares and classified as shareholder's equity, or that are not reflected in our consolidated financial statements.

Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing, hedging or research and development services with us.

### Holding Company Structure

Studio City International Holdings Limited is a holding company with no operations of its own. We conduct our operations through our subsidiaries. As a result, our ability to pay dividends depends upon dividends paid by our subsidiaries. Our subsidiaries have incurred debt on their own behalf and any of our newly formed subsidiaries may incur debt on their own behalf in the future and the instruments governing their debt have and may restrict their ability to pay dividends to us. See "—Liquidity and Capital Resources—Indebtedness and Capital Contributions."

In addition, our subsidiaries in Macau are required to set aside a minimum of 25% of the entity's profit after taxation to the legal reserve until the balance of the legal reserve reaches a level equivalent to 50% of the entity's

share capital in accordance with the provisions of the Macau Commercial Code. The legal reserve sets aside an amount from the subsidiaries' statements of operations and is not available for distribution to the shareholders of the subsidiaries.

**Critical Accounting Policies and Estimates**

We prepare our consolidated financial statements in conformity with U.S. GAAP, which requires us to make estimates and assumptions that affect our reporting of, among other things, assets and liabilities, contingent assets and liabilities and revenues and expenses. Certain of our accounting policies require that management apply significant judgment in defining the appropriate assumptions integral to financial estimates. On an ongoing basis, we regularly evaluate these estimates and assumptions based on the most recently available information, our own historical experiences, terms of existing contracts, industry trends and other factors that we believe to be relevant, reasonable and appropriate under the circumstances. Since our financial reporting process inherently relies on the use of estimates and assumptions, our actual results could differ from what we expect. This is especially true with some accounting policies that require higher degrees of judgment than others in their application. We consider the policies discussed below to be critical to an understanding of our consolidated financial statements because they involve the greatest reliance on our management's judgment.

***Allocations and Costs Recognized with the Services and Right to Use Arrangements and the Management and Shared Services Arrangements***

Under the Services and Right to Use Arrangements, the Gaming Operator deducts gaming tax and the costs of operation of Studio City Casino. We receive the residual gross gaming revenues and recognize these amounts as our revenues from provision of gaming related services.

Under the Management and Shared Services Arrangements, certain of our corporate and administrative functions as well as operational activities are administered by staff employed by certain subsidiaries of Melco Resorts, including senior management services, centralized corporate functions and operational and venue support services. Payment arrangements for the services are provided for in the individual work agreements and may vary depending on the services provided. Corporate services are charged at pre-negotiated rates, subject to a base fee and cap. Senior management service fees and staff costs on operational services are allocated to us based on percentages of efforts on the services provided to us. Other costs in relation to shared office equipment are allocated based on a percentage of usage.

We believe the costs incurred under the Services and Right to Use Arrangements and the allocation methods under the Management and Shared Services Arrangements are reasonable and the consolidated financial statements reflect our cost of doing business. However, such allocations may not be indicative of the actual expenses we would have incurred had we operated as an independent company for the periods presented. See a detailed discussion of services and related charges in Note 14 to our audited consolidated financial statements and Note 10 to our unaudited condensed consolidated financial statements included elsewhere in this prospectus.

***Property and Equipment and Other Long-lived Assets***

During the construction and development stage of Studio City, direct and incremental costs related to the design and construction, including costs under the construction contracts, duties and tariffs, equipment installation, shipping costs, payroll and payroll benefit related costs, applicable portions of interest and amortization of deferred financing costs, are capitalized in property and equipment. The capitalization of such costs begins when the construction and development of a project starts and ceases once the construction is substantially completed or development activity is suspended for more than a brief period. Pre-opening costs, consisting of marketing and other expenses related to our new or start-up operations are expensed as incurred.

We recognize depreciation and amortization expense related to capitalized construction costs and other property and equipment from the time each asset is placed in service. This may occur at different stages as Studio City's facilities are completed and opened.

Property and equipment are depreciated and amortized on a straight-line basis over the asset's estimated useful life. The estimated useful lives are based on factors including the nature of the assets, its relationship to other assets, our operating plans and anticipated use and other economic and legal factors that impose limits. We review periodically the remaining estimated useful lives of the property and equipment.

Our land use right in Macau under the land concession contract for Studio City is being amortized over the estimated term of the land use right on a straight-line basis. The amortization of land use right is recognized from the date construction commences. Each land concession contract in Macau has an initial term of 25 years and is renewable for further consecutive periods of 10 years, subject to applicable legislation in Macau. The land use right was originally amortized over the initial term of 25 years, in which the expiry date of the land use right of Studio City is October 2026. The estimated term of the land use right is periodically reviewed. For the review of such estimated term of the land use right under the land concession contract, we considered factors such as the business and operating environment of the gaming industry in Macau, laws and regulations in Macau, and our development plans. As a result, effective from October 1, 2015, the estimated term of the land use right under the land concession contract for Studio City, in accordance with the relevant accounting standards, has been extended to October 2055, which aligns with the estimated useful lives of certain buildings assets of 40 years. The change in estimated term of the land use right under the land concession contract has resulted in reduction in amortization of land use right and net loss of US$2.2 million and a reduction in basic and diluted loss per share of US$121 for the year ended December 31, 2015.

We charge costs of repairs and maintenance to expense when incurred. The cost and accumulated depreciation of property and equipment retired or otherwise disposed of are eliminated from the respective accounts and any resulting gain or loss is included in operating income or loss.

We also review our long-lived assets with finite lives to be held and used for impairment whenever indicators of impairment exist. If an indicator of impairment exists, we then compare the estimated future cash flows of the asset, on an undiscounted basis, to the carrying value of the asset. The undiscounted cash flows of such assets are measured by first grouping our long-lived assets into asset groups and, secondly, estimating the undiscounted future cash flows that are directly associated with and expected to arise from the use of and eventual disposition of such asset group. We define an asset group as the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities and estimate the undiscounted cash flows over the remaining useful life of the primary asset within the asset group. If the undiscounted cash flows exceed the carrying value, no impairment is indicated. If the undiscounted cash flows do not exceed the carrying value, we then record an impairment charge based on the fair value of the asset group, typically measured using a discounted cash flow model. If an asset is still under development, future cash flows include remaining construction costs. We record all recognized impairment losses, whether for assets to be disposed of or assets to be held and used as operating expenses.

We did not recognize any impairment loss during the six months ended June 30, 2018 and in 2016 and 2015. We recognized impairment loss of US$19.6 million mainly due to reconfigurations and renovations at Studio City in 2017.

***Revenue Recognition***

On January 1, 2018, we adopted the New Revenue Standard using the modified retrospective method applying to those contracts not yet completed as of January 1, 2018. The accounting policies for revenue recognition as a result of the New Revenue Standard are as follows.

Our revenue from contracts with customers consists of provision of gaming related services, sales of rooms, food and beverage, entertainment, retail and other goods and services.

Revenues from provision of gaming related services represent revenues arising from the provision of facilities for the operations of Studio City Casino and services related thereto pursuant to the Services and Right

to Use Arrangements, under which the Gaming Operator operates the Studio City Casino. The Gaming Operator deducts gaming tax and the costs incurred in connection with the operations of Studio City Casino pursuant to the Services and Right to Use Arrangements, including the standalone selling prices of complimentary services within Studio City provided to the Studio City gaming patrons, from the Studio City Casino gross gaming revenues. We recognize the residual amount as revenues from provision of gaming related services. We have concluded that we are not the controlling entity to the arrangements and recognize the revenues from provision of gaming related services on a net basis.

Non-gaming revenues include services provided for cash consideration and services provided on a complimentary basis to the gaming patrons at Studio City Casino. The transaction prices for rooms, food and beverage, entertainment, retail and other goods and services are the net amounts collected from the customers for such goods and services that are recorded as revenues when the goods are provided, services are performed or events are held. Service tax and other applicable taxes collected by us are excluded from revenues. We record advance deposits on rooms and advance ticket sales as customer deposits until services are provided to the customers. Revenues from contracts with multiple goods or services provided by us are allocated to each good or service based on its relative standalone selling price.

Minimum operating and right to use fees, represent lease revenues, adjusted for contractual base fees and operating fees escalations, are included in mall revenues and are recognized on a straight-line basis over the terms of the related agreements.

Upon the adoption of the New Revenue Standard, we recognized the cumulated effect of initially applying the New Revenue Standard as an adjustment to the opening balance of accumulated losses. Amounts for the periods beginning on or after January 1, 2018 are presented under the New Revenue Standard, while prior period amounts are not adjusted and continue to be reported in accordance with the previous basis. The major changes as a result of the adoption of the New Revenue Standard are as follows:

(1) Complimentary services provided to Studio City Casino's gaming patrons are deducted from the gross gaming revenues, measured based on stand-alone selling prices under the New Revenue Standard, replacing the previously used retail values, if different. The amounts of non-gaming revenues associated with the provision of these complimentary services by us are measured on the same basis. This change impacts the amount of revenues from the provision of gaming related services received by us with corresponding changes to the non-gaming revenues.

(2) The New Revenue Standard changes the measurement basis for the non-discretionary incentives (including the loyalty program) provided to Studio City Casino's gaming patrons, as administered by the Gaming Operator, from previously used estimated costs to standalone selling prices. Such amount of non-discretionary incentives is deducted from the gross gaming revenues by the Gaming Operator and impacts the amount of revenues from provision of gaming related services received by us. Similarly, upon redemptions of the non-discretionary incentives for non-gaming services provided by us, the associated non-gaming revenues are measured on the same basis. At the adoption date, we recognized an increase in opening balance of accumulated losses of US$3.3 million with a corresponding decrease in amounts due from affiliated companies.

There was no material impact on our financial position as of June 30, 2018 and our results of operations and cash flows for the six months ended June 30, 2018 as a result of the adoption of the New Revenue Standard.

***Income Tax***

We recognize deferred income taxes for all significant temporary differences between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Current income taxes are provided for in accordance with the laws

of the relevant taxing authorities. As of June 30, 2018 and December 31, 2017, 2016 and 2015, we recorded valuation allowances of US$69.7 million, US$59.5 million, US$42.3 million and US$24.9 million, respectively; as management does not believe that it is more likely than not that the deferred tax assets will be realized. Our assessment considers, among other matters, the nature, frequency and severity of current and cumulative losses, forecasts of future profitability, and the duration of statutory carry-forward periods. To the extent that the financial results of our operations improve and it becomes more likely than not that the deferred tax assets are realizable, the valuation allowances will be reduced.

**Taxation**

We are incorporated in the Cayman Islands and our primary business operations are conducted through our subsidiaries. Under the current laws of the Cayman Islands, we are not subject to tax on income or capital gains. In addition, dividend payments are not subject to withholding tax in the Cayman Islands.

***Hong Kong***

Our subsidiaries in Hong Kong are subject to Hong Kong profits tax on their estimated taxable income earned in or derived from Hong Kong at a uniform tax rate of 16.5%. No provision for Hong Kong profits tax has been made for the six months ended June 30, 2018 and for the years ended December 31, 2017, 2016 and 2015 as there was no taxable income during such periods. Payments of dividends by our subsidiaries to us are not subject to withholding tax in Hong Kong.

***Macau***

Our subsidiaries incorporated in Macau are subject to Macau complementary tax of 12% on taxable income, as defined in the relevant tax laws. Concessionaires and subconcessionaires are currently subject to a 35% special gaming tax as well as other levies of 4% under the relevant concession or subconcession and may benefit from a corporate tax holiday on profit from their gaming revenues. The Gaming Operator benefits from a corporate tax holiday on gaming generated income which expires at the end of 2021. No provision for Macau complementary tax on profits has been made for the six months ended June 30, 2018 and for the years ended December 31, 2017, 2016 and 2015 as there was no taxable income during such periods.

In addition, in January 2015, the Macau government approved the application by our subsidiary, Studio City Entertainment, for a Macau complementary tax exemption through December 2016 on profits generated from income received from the Gaming Operator, to the extent that such income results from gaming operations within Studio City Casino and has been subject to gaming tax. In January 2017, the Macau government granted an extension of this exemption for an additional five years from 2017 to 2021. Dividend distributions by Studio City Entertainment continue to be subject to Macau complementary tax. We remain subject to Macau complementary tax on our non-gaming related profits.

In September 2017, the Macau government granted Studio City Hotels Limited, or Studio City Hotels, the declaration of touristic utility purpose pursuant to which Studio City Hotels is entitled to a property tax holiday for a period of twelve years on the immovable property to which the touristic utility was granted, owned or operated by Studio City Hotels. Under such tax holiday, Studio City Hotels is allowed to double the maximum rates applicable to depreciation and reintegration for the purposes of assessment of the Macau complementary tax. Although the Studio City property is owned by Studio City Developments Limited, or Studio City Developments, we believe Studio City Hotels is entitled to such property tax holiday; however, there is no assurance that the Macau government will extend such benefit to Studio City Hotels.

**Distribution of Profits**

All subsidiaries of our company incorporated in Macau are required to set aside a minimum of 25% of the entity's profit after taxation to the legal reserve until the balance of the legal reserve reaches a level equivalent to

50% of the entity's share capital in accordance with the provisions of the Macau Commercial Code. The legal reserve sets aside an amount from the subsidiaries' statements of operations and is not available for distribution to the shareholders of the subsidiaries. The appropriation of legal reserve is recorded in the subsidiaries' financial statements in the year in which it is approved by the directors of the relevant subsidiaries. As of June 30, 2018 and December 31, 2017, 2016 and 2015, the legal reserve was US$6,000, US$6,000, nil and nil, respectively.

**Restrictions on Distributions**

The respective indentures governing the 2012 Notes and the 2016 Notes and the agreement for the 2016 Credit Facility contain certain covenants that, subject to certain exceptions and conditions, restrict the payment of dividends by (in respect of the 2012 Notes) Studio City Finance and its subsidiaries, and (in respect of the 2016 Notes and the agreement for the 2016 Credit Facility) Studio City Investments and its subsidiaries.

**Quantitative and Qualitative Disclosure about Market Risks**

***Foreign Exchange Risk***

Our exposure to foreign exchange rate risk is associated with the currency of our operations and the presentation of our consolidated financial statements in U.S. Dollars. The majority of our revenues are denominated in Hong Kong Dollars, since the Hong Kong Dollar is the predominant currency used in Macau and is often used interchangeably with the Macau Pataca in Macau, while our expenses are denominated predominantly in Macau Patacas and Hong Kong Dollars. A significant portion of our indebtedness, as a result of the 2012 Notes, 2016 Notes, and the costs associated with servicing and repaying such debts are denominated in U.S. Dollars. In addition, the 2016 Credit Facility and the costs associated with servicing and repaying such debt are denominated in Hong Kong Dollars. The Hong Kong Dollar is pegged to the U.S. Dollar within a narrow range and the Macau Pataca is in turn pegged to the Hong Kong Dollar, and the exchange rates between these currencies have remained relatively stable over the past several years. However, we cannot assure you that the current peg or linkages between the U.S. Dollar, Hong Kong Dollar and Macau Pataca will not be de-pegged, de-linked or modified and subjected to fluctuation as such exchange rates may be affected by, among other things, changes in political and economic conditions.

Major currencies in which our cash and bank balances (including restricted cash and bank deposits with original maturities over three months) were held as of June 30, 2018 included U.S. Dollars, Hong Kong Dollars and the Macau Patacas. Based on the cash and bank balances as of June 30, 2018, an assumed 1% change in the exchange rates between currencies other than U.S. Dollars against the U.S. Dollar would cause a maximum foreign transaction gain or loss of approximately US$2.3 million for the six months ended June 30, 2018.

To date, we have not entered into any hedging transactions in an effort to reduce our exposure to foreign currency exchange risk.

***Inflation Risk***

The majority of our revenues were generated in Macau in the six months ended June 30, 2018 and in 2017, 2016 and 2015. Inflation did not have a material impact on our results of operations. According to the Statistics and Census Services of the Macau government, inflation as measured by the consumer price index in Macau was 1.23%, 2.37% and 4.56% in 2017, 2016 and 2015, respectively. Although we have not been materially affected by inflation since our inception, we can provide no assurance that we will not be affected in the future by higher rates of inflation in Macau.

**Recent Accounting Pronouncements**

Please see a detailed discussion in Note 2 to our consolidated financial statements included elsewhere in this prospectus.

**Changes in Registrant's Certifying Accountant**

On July 17, 2017, the board of directors of Melco Resorts approved the appointment of Ernst & Young and dismissed Deloitte Touche Tohmatsu ("Deloitte") as the independent registered public accounting firm of Melco Resorts and certain of its subsidiaries, including Studio City International Holdings Limited, effective July 17, 2017. The change of the independent registered public accounting firm was recommended by the audit and risk committee of the board of directors of Melco Resorts, or the Audit Committee, and made after the completion of a periodic tendering process conducted in accordance with the charter of the Audit Committee. The decision was not made due to any disagreements with Deloitte.

Deloitte's audit reports on our consolidated financial statements as of December 31, 2016 and 2015 and for each of the years ended December 31, 2016, 2015 and 2014 did not contain an adverse opinion or a disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principles.

During each of the years ended December 31, 2016, 2015 and 2014 and the subsequent interim period through July 17, 2017, there were (i) no "disagreements" (as such term is defined in Item 16F of Form 20-F) between Deloitte and us on any matters of accounting principles or practices, financial statement disclosure or auditing scope or procedures, any of which, if not resolved to Deloitte's satisfaction, would have caused Deloitte to make reference thereto in their reports and (ii) no "reportable events" (as such term is defined in Item 16F of Form 20-F).

We have provided a copy of the above statements to Deloitte and requested that it furnish us with a letter addressed to the SEC stating whether or not they agree with the above disclosure. A copy of that letter is filed as exhibit 99.2 to the registration statement of which this prospectus is a part.

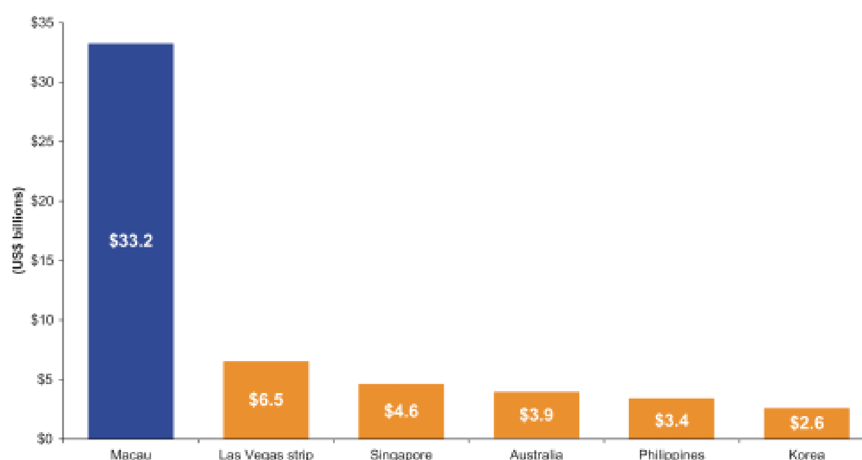
During each of the years ended December 31, 2016, 2015 and 2014 and the subsequent interim period through July 16, 2017, neither we nor anyone on our behalf has consulted with Ernst & Young regarding (i) the application of accounting principles to a specific transaction, either completed or proposed, or the type of audit opinion that might be rendered on our consolidated financial statements, and neither a written report nor oral advice was provided to us or anyone on our behalf that Ernst & Young concluded was an important factor considered by us in reaching a decision as to any accounting, auditing, or financial reporting issues or (ii) any matter that was the subject of a "disagreement" or a "reportable event" (as each of such terms is defined in Item 16F of Form 20-F).

# INDUSTRY

## Macau Gaming Market Overview

Macau has been the world's largest gaming destination in terms of gross gaming revenues since 2006. Macau's gross gaming revenues amounted to US$33.2 billion in 2017, which is approximately 5.1 times that of the Las Vegas Strip and approximately 7.2 times that of Singapore.

Gross Gaming Revenues of Selected Markets(1)




(1) The gross gaming revenues of the above selected markets are sourced from the latest available data from the sources as set out below. Australia data is for the 12 months ended June 30, 2016; and the remaining data is for the 12 months ended December 31, 2017.

The translation of Australian Dollars into U.S. Dollars has been made at the noon buying rate on June 30, 2016 in The City of New York for cable transfers as certified for customs purposes by the Federal Reserve Bank of New York set forth in the H.10 statistical release of the U.S. Federal Reserve Board, which was AU$1.3455 to US$1.00. The translation of Philippine Pesos into U.S. Dollars was based on the volume weighted average exchange rate quoted through the Philippine Dealing System, which was PHP49.958 to US$1.00 on December 29, 2017. The translation of South Korean Won into U.S. Dollars has been made at the noon buying rate on December 29, 2017 in The City of New York for cable transfers as certified for customs purposes by the Federal Reserve Bank of New York set forth in the H.10 statistical release of the U.S. Federal Reserve Board, which was KRW1,067.4200 to US$1.00.

*Source:* DICJ, Nevada Gaming Control Board, Bloomberg Intelligence, Queensland Government Statisticians Office, Nikkei Asian Review, Korea National Gambling Control Commission

Macau is well-positioned and strategically important in the overall gaming market across the Asia Pacific region. The success of Macau as a gaming and entertainment destination has led to the legalization, regulation and proliferation of gaming across the Asia Pacific region, and supported local economies within the broader pan-Asian region through enhanced tourism, job creation, tax revenues and the influx of domestic and foreign capital and other resources. The expansion of the gaming industry has also spurred investment and employment activities in related non-gaming industries, including retail, dining, entertainment, conference and convention sectors. The gaming industry's growth and success in Macau have largely been driven by gaming's particular appeal in Asian culture, the relatively low penetration in supply, an enormous population base, a fast urbanization rate and the emergence of an affluent, middle-class population with a proclivity towards leisure and entertainment.

## Geography of Macau

Macau is a Special Administrative Region of the People's Republic of China located on the Pearl River Delta, and remains the closest place for the increasingly-affluent Chinese population to engage in gaming related

activities near mainland China. It is located adjacent to the southern coastline of Guangdong Province, one of China's wealthiest and most urbanized provinces. It is an hour away via high-speed ferry from Hong Kong, an international tourism hub in the region and home to Greater China's only approved casino gaming region. Macau attracts visitors from Guangdong Province, which had a population of approximately 112 million as of December 31, 2017 according to the Statistics Bureau of Guangdong Province, and from the rest of China, Hong Kong, Taiwan, Japan, South Korea, Thailand, Vietnam, Malaysia, Singapore, Indonesia, India and the Philippines, which are all within approximately five hours away by flight from Macau and together had a total population of approximately 3.5 billion in 2017, according to the International Monetary Fund.

The majority of the visitations to Macau are from mainland China and Hong Kong, accounting for 68.1% and 18.9%, respectively, of visitations in 2017. Driven by the continued development and prosperity of mainland China, total and overnight visitations to Macau from mainland China grew at a compound annual growth rate, or CAGR, of 7.7% and 9.5%, respectively, from 2010 to 2017. For 2017, total and overnight visitations from China continued to stay robust, growing by 8.5% and 16.4% year-on-year, respectively, according to Statistics and Census Service Macau SAR, or DSEC. The visitation mix from China has also improved, with a growing share of overnight versus same-day visitations as well as higher Individual Visit Scheme (IVS) / Non-package tour visitations. 2016 marked the first year in a decade with overnight visits exceeding day-visits, supported by increasing hotel capacity, and this trend has continued into the first half of 2018.

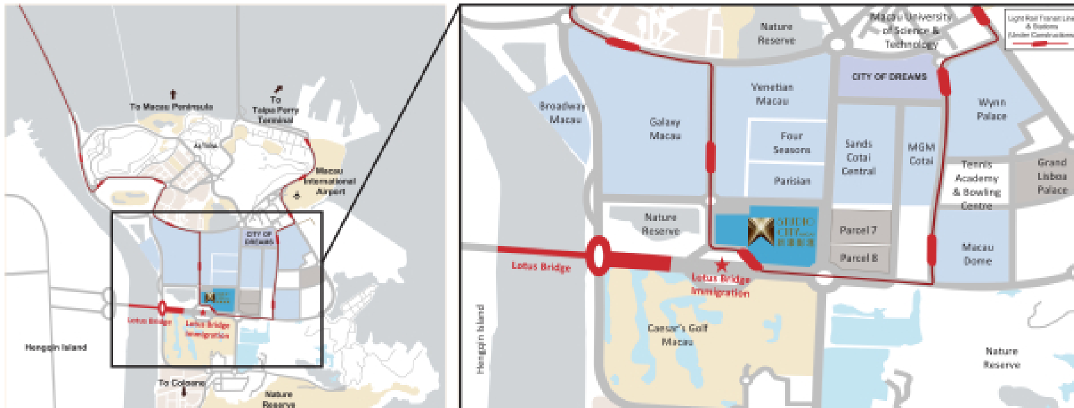
**Trends and Development of the Macau Gaming Market**

The Macau government initiated a bidding process to grant three new gaming concessions in late 2001 with the goal of improving the size, scope and quality of Macau's casinos and reinforcing its position as a gaming center. In 2002, SJM was awarded the first gaming concession, followed by Wynn Resorts Macau and Galaxy. A subsequent process allowed each concessionaire to grant one subconcession, and as a result, there are now six companies licensed to operate casinos in Macau. SJM, Wynn Resorts Macau and Galaxy entered into subconcession contracts with MGM Grand, Melco Resorts Macau and Venetian Macau, respectively. The increase in the number of full-service casino resorts has not only contributed to a more than five-fold increase in gross gaming revenues from 2005 through 2017, but has also helped broaden Macau's appeal to a larger audience by delivering a diverse range of non-gaming entertainment offerings, which were previously limited. The developers and operators of integrated resorts, which are able to attract new, premium-focused customers through premier gaming experiences and high-end retail, entertainment and leisure offerings, are expected to be the prime beneficiaries and are expected to experience significant growth during the evolution of the Macau gaming market.

The Macau gaming market is geographically segregated into two main regions, the Macau Peninsula and Cotai. The Macau Peninsula spreads across 9.3 square kilometers and is geographically connected to Zhuhai, China. The casino operations in Macau are primarily concentrated on the Macau Peninsula along the belt

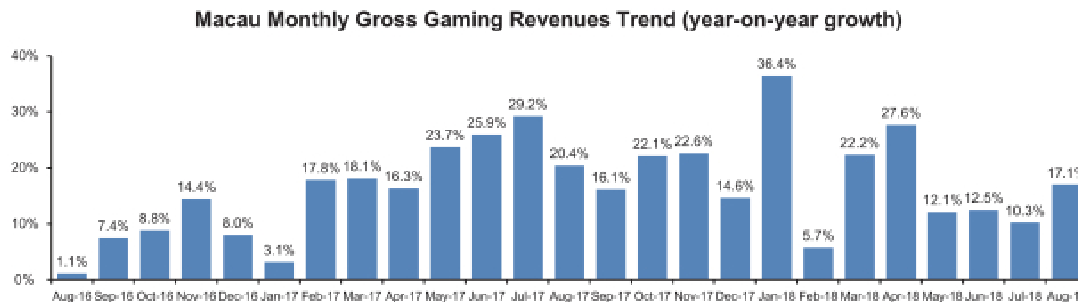
between the Macau-Hong Kong Ferry Terminal and the Governador Nobre de Carvalho Bridge. Cotai is a 6.0 square kilometers area of reclaimed land between the islands of Taipa and Coloane, connected to Zhuhai through the Lotus Bridge. Taipa is directly connected to the Macau Peninsula by three bridges.

With the Macau government's support and growing popularity of gaming, the number of casinos and hotels in Macau has increased and developments in Cotai have grown to critical mass. Cotai has emerged as one of the prime locations for further growth and development in Macau as a result of its integrated resort offerings that appeal to both VIP rolling chip players and mass market players.




The entry of international gaming operators, supported by favorable regional economic trends, has led to strong growth in the overall gaming market. We expect the Macau product offerings to continue to develop as a result of capital investments in new casino resorts as well as expansion of existing resorts such as Studio City and enhancements in infrastructure.

Gross gaming revenues in Macau peaked in 2013 at US$45.0 billion. After a decline in performance, Macau gross gaming revenues have shown consistent improvement with 25 consecutive months of year-on-year growth between August 2016 and August 2018. Gross gaming revenues in Macau reached US$33.2 billion in 2017 and the growth momentum has been robust in 2018 to date, with gross gaming revenues of US$25.2 billion recorded over the first eight months of 2018, reflecting a year-on-year growth of 17.5%.




*Source:* DICJ

The Macau gaming market consists of two primary segments: the mass market and the VIP rolling chip segments.

***Mass Market Segment***

The mass market segment consists of both mass market table games and gaming machines for primarily cash stakes. The mass market players are further classified into mainstream mass market players and premium mass market players. The premium mass market offers gaming players a variety of premium mass market amenities within private gaming areas that are not generally available to the mainstream mass market players. The mass market segment is generally considered to be a higher-margin gaming segment relative to the VIP rolling chip segment, the margins of which are typically impacted by junket operator commissions and higher player concessions. Mass market gaming revenues have grown significantly in recent years and according to the DICJ, mass market table and gaming machine operations revenues grew at a CAGR of 12.7% and 6.2% from 2010 to 2017, respectively. Mass market table and gaming machine operations revenues accounted for approximately 38.3% and 5.0%, respectively, of total gross gaming revenues in Macau for 2017, compared to 23.4% and 4.6% in 2010, respectively.

***VIP Rolling Chip Segment***

VIP rolling chip players in Macau typically play mostly in dedicated VIP rolling chip rooms for higher stakes. VIP rolling chip players are sourced either by gaming promoters or through direct relationships between the casinos and the players such as members of loyalty programs.

- In accordance with general industry practice, gaming promoters typically commit to certain casino-specified minimum VIP rolling chip purchases per VIP rolling chip room per month. In return for their services, the gaming promoter is typically paid a commission by the gaming operator, based on either gaming win or the VIP rolling chip volume generated, of which a significant proportion is paid to the player in the form of a rebate. Hence, although the VIP rolling chip segment accounts for a large portion of total gross gaming revenues, margins from the VIP rolling chip segment are less favorable than those from the mass market segment. In addition, VIP rolling chip players typically receive various forms of complimentary services, including transportation, accommodation and food and beverage services from the gaming promoters or concessionaires or subconcessionaires. These complimentary services also affect the margins associated with the VIP rolling chip segment of the business.

- Direct VIP rolling chip players are brought in through direct relationships between players and gaming operators or players' preference for a particular gaming operator or property. Due to savings from commissions paid to gaming promoters, gaming revenues generated from direct VIP rolling chip players generally have higher margins compared to those generated from VIP rolling chip players sourced through gaming promoters.

- In 2017, approximate gross win per table per day for the VIP rolling chip operations of Wynn Macau, Limited, Studio City Casino, Melco Resorts (including only its properties in Macau, Studio City Casino, City of Dreams and Altira Macau), SJM Holdings Limited and MGM China Holdings Limited were US$47,000, US$40,000, US$27,000, US$24,000 and US$21,000, respectively, according to publicly available information.

The following table shows certain information about Macau's gaming market and gross gaming revenues by segment from 2010 to 2017 and the six months ended June 30, 2017 and 2018. It is anticipated that the diversified range in gaming segments in the Macau gaming market will continue to be the key driver of growth in the near future.

| (All revenues in US$ billions) | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 1H 2017 | 1H 2018 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total gross gaming revenues | 23.5 | 33.4 | 38.0 | 45.0 | 43.9 | 28.8 | 27.9 | 33.2 | 15.8 | 18.7 |
| VIP rolling chip gross gaming revenues | 16.9 | 24.5 | 26.3 | 29.8 | 26.5 | 16.0 | 14.8 | 18.8 | 8.9 | 10.5 |
| Mass market gross gaming revenues(1) | 6.6 | 9.0 | 11.6 | 15.3 | 17.3 | 12.9 | 13.0 | 14.4 | 6.9 | 8.3 |
| —Mass market table gross revenues | 5.5 | 7.5 | 10.0 | 13.5 | 15.5 | 11.4 | 11.6 | 12.7 | 6.1 | 7.3 |
| —Gaming machine gaming revenues | 1.1 | 1.4 | 1.7 | 1.8 | 1.8 | 1.5 | 1.4 | 1.6 | 0.8 | 1.0 |
| Number of gaming tables(2) | 4,791 | 5,302 | 5,485 | 5,750 | 5,711 | 5,957 | 6,287 | 6,419 | 6,413 | 6,588 |
| Number of gaming machines(2) | 14,050 | 16,056 | 16,585 | 13,106 | 13,018 | 14,578 | 13,826 | 15,622 | 16,204 | 17,296 |

Note: Mass market table gross gaming revenues and VIP rolling chip gross gaming revenues are calculated from original source data from DICJ
(1) Includes mass market table and gaming machine gross gaming revenues.
(2) As of December 31 or June 30 as applicable
*Source:* DICJ

### Key Drivers for the Macau Gaming Market

We believe the development of the Macau gaming market has been driven by and will continue to be driven by a combination of factors, including:

- Close proximity to approximately 3.5 billion people in nearby regions in Asia and expansion of mainland China out-bound tourism to Macau;
- Continuing economic development and emergence of a wealthier demographic in China;
- Diversified range of gaming segments;
- Increased diversification in non-gaming offerings further enhancing visitation and game play;
- Further improvement of transportation and infrastructure driving visitation; and
- Hengqin Island development initiatives.

Details of these market drivers and initiatives are set out as follows:

#### *Close Proximity to Approximately 3.5 Billion People in Nearby Regions in Asia and Expansion of Mainland China Out-bound Tourism to Macau*

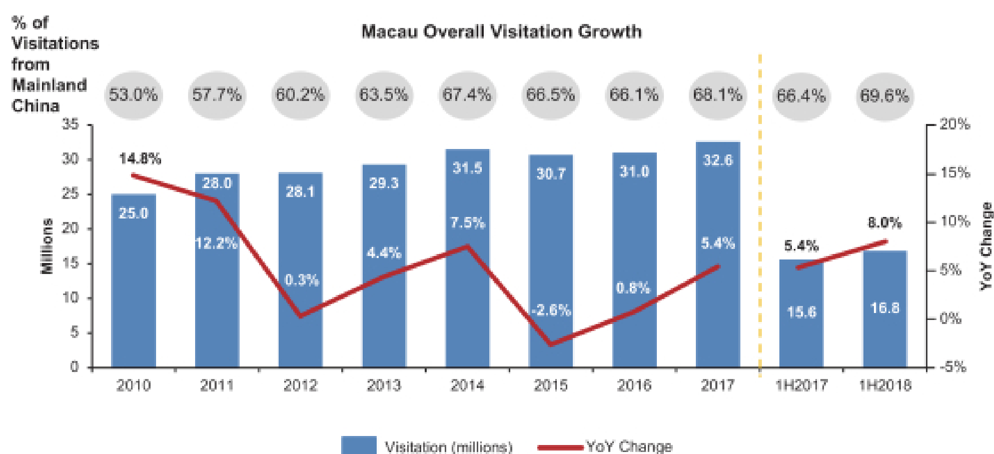
Macau shares a border with China's populous and wealthy Guangdong Province and is approximately one hour from Hong Kong via high-speed ferry. Approximately 3.5 billion people live within a five-hour flight of Macau. The relatively easy access from major population centers in Asia facilitates Macau's development as a popular gaming destination in the region. Demand for non-gaming services, including retail, leisure and entertainment services is also supported by the growth of personal disposable income and the growth of the middle class in China.

The following table shows the population of, and visitations to Macau from, countries and regions within a five-hour flight of Macau in 2017. According to the DSEC, Macau had 32.6 million visitations in 2017.

Visitations from China grew at a CAGR of 7.7% from 2010 to 2017 and accounted for approximately 68.1% of the visitations to Macau in 2017.

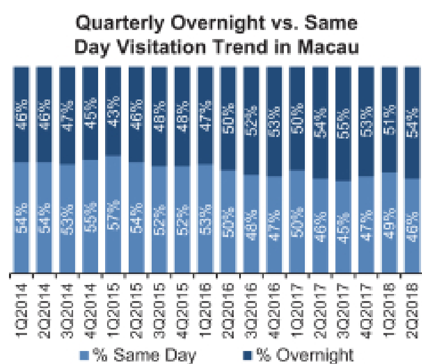
| | 2017 Visitations to Macau (millions) (A) | 2017 Population (millions) (B) | Visitations as a % of Population (A÷B) |
|---|---|---|---|
| China | 22.2 | 1,390.1 | 1.6% |
| Hong Kong | 6.2 | 7.4 | 83.2% |
| Taiwan | 1.1 | 23.6 | 4.5% |
| South Korea | 0.9 | 51.5 | 1.7% |
| Japan | 0.3 | 126.7 | 0.3% |
| Philippines | 0.3 | 105.3 | 0.3% |
| Thailand | 0.2 | 69.1 | 0.3% |
| Malaysia | 0.2 | 32.1 | 0.7% |
| Indonesia | 0.2 | 262.0 | 0.08% |
| India | 0.1 | 1,316.9 | 0.01% |
| Singapore | 0.1 | 5.6 | 2.5% |
| Vietnam | 0.01 | 93.6 | 0.01% |

*Source:* 2017 visitation figures from DSEC; 2017 population data from International Monetary Fund World Economic Outlook Database, April 2018.

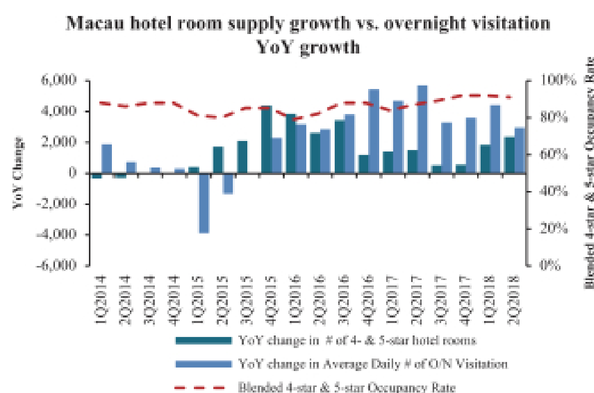



*Source:* DSEC

In terms of same-day and overnight visitation, 2016 marked the first time in a decade with aggregate overnight visitation exceeding same-day visitation, and this trend has continued into the first half of 2018. Occupancy rates at 4-star and 5-star hotel rooms were at 89% and 88%, respectively, on average during 2017 despite the new hotel capacity that came onto the market.




*Source:* DSEC




*Source:* DSEC

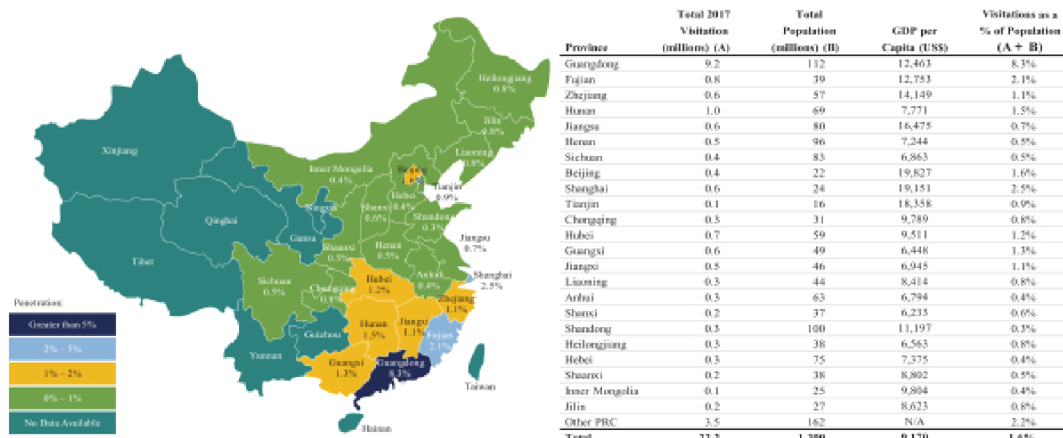
Visitation growth from mainland China has been supported by the implementation of the IVS. Following its implementation in 2003, mainland Chinese citizens from selected large urban centers and economically developed regions were able to obtain permits to travel to Macau on their own without having to be part of a tour. The IVS covers 49 cities and over 300 million mainland Chinese citizens. However, it is estimated that less than 3.6% of the eligible citizens, or approximately 10.6 million, were IVS travelers in 2017, indicating room for increased growth.

The Chinese government has indicated its intention to maintain tourism development by opening the IVS to more mainland Chinese citizens to visit Macau. In March 2016, the Ministry of Public Security of China announced a new practice to make it easier for some mainland Chinese citizens to apply for the IVS visa. In 2017, mainland Chinese non-package tour visitors accounted for 68.8% of total visitations from China, according to DSEC. Non-package tour visitors are generally considered more valuable to gaming operators due to higher spending propensity as compared with package tour visitors.

The majority of visitations from mainland China are from nearby areas. In recent years, approximately 40-50% of the mainland Chinese visitations are from Guangdong province.

With continued economic growth and favorable visa policies, further penetration of tourism by mainland Chinese residents is expected to increase growth opportunities for the Macau gaming market.

**Macau Visitation by Province**




| Province | Total 2017 Visitation (millions) (A) | Total Population (millions) (B) | GDP per Capita (US$) | Visitations as a % of Population (A ÷ B) |
|---|---|---|---|---|
| Guangdong | 9.2 | 112 | 12,463 | 8.3% |
| Fujian | 0.8 | 39 | 12,753 | 2.1% |
| Zhejiang | 0.6 | 57 | 14,149 | 1.1% |
| Hunan | 1.0 | 69 | 7,771 | 1.5% |
| Jiangsu | 0.6 | 80 | 16,475 | 0.7% |
| Henan | 0.5 | 96 | 7,244 | 0.5% |
| Sichuan | 0.4 | 83 | 6,863 | 0.5% |
| Beijing | 0.4 | 22 | 19,827 | 1.6% |
| Shanghai | 0.6 | 24 | 19,151 | 2.5% |
| Tianjin | 0.1 | 16 | 18,358 | 0.9% |
| Chongqing | 0.3 | 31 | 9,789 | 0.8% |
| Hubei | 0.7 | 59 | 9,511 | 1.2% |
| Guangxi | 0.6 | 49 | 6,448 | 1.3% |
| Jiangxi | 0.5 | 46 | 6,945 | 1.1% |
| Liaoning | 0.3 | 44 | 8,414 | 0.8% |
| Anhui | 0.3 | 63 | 6,794 | 0.4% |
| Shanxi | 0.2 | 37 | 6,233 | 0.6% |
| Shandong | 0.3 | 100 | 11,197 | 0.3% |
| Heilongjiang | 0.3 | 38 | 6,563 | 0.8% |
| Hebei | 0.3 | 75 | 7,375 | 0.4% |
| Shaanxi | 0.2 | 38 | 8,802 | 0.5% |
| Inner Mongolia | 0.1 | 25 | 9,804 | 0.4% |
| Jilin | 0.2 | 27 | 8,623 | 0.8% |
| Other PRC | 3.5 | 162 | N/A | 2.2% |
| **Total** | **22.2** | **1,390** | **9,170** | **1.6%** |

(1) Visitations from China to Macau for which no province could be identified are designated under the Province category of "Other PRC."
*Source:* 2017 visitation figures from DSEC; 2017 population and GDP per capita figures from statistics bureaus of each respective province

### *Continuing Economic Development and Emergence of a Wealthier Demographic in China*

It is anticipated that Macau will directly benefit from China's expanding economy. According to the National Bureau of Statistics of China, China's GDP grew at a CAGR of 10.4% over the past seven years, and China is currently the second largest economy in the world by GDP. According to The International Monetary Fund's World Economic Outlook (April 2018), China's real GDP growth is forecasted to reach approximately 6.6% for 2018. Long-term economic growth in China is expected to help sustain and fuel the development of Macau, which is the mass entertainment and leisure hub in the Pearl River Delta region.

The promotion of domestic demand is critical in sustaining long-term economic growth in China. The impact of the global recession on China's economic growth has provided an impetus for China's shift to increase domestic consumption in order to reduce dependence on exports and foreign investments. In order to strengthen domestic spending and consumption, the Chinese government is accelerating urbanization and providing an impetus for better education and jobs. At the end of 2017, approximately 58.5% of China's 1.39 billion population lived in urban areas. Rapid urbanization has historically spurred greater consumption and shifted the composition of retail spending in China from a heavy weighting towards food to a more balanced consumption model.

The following table sets out the growth of retail sales in China from 2010 to 2017 and the six months ended June 30, 2017 and 2018, and the growth in per capita disposable income of urban households in China from 2010 to 2017 and the six months ended June 30, 2017 and 2018:

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 1H17 | 1H18 | 2010-2017 CAGR |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Retail sales in China (US$ billions) | 2,413 | 2,877 | 3,296 | 3,732 | 4,179 | 4,625 | 5,108 | 5,629 | 2,649 | 2,767 | 12.9% |
| Urban household per capita disposable income (US$) | 2,937 | 3,352 | 3,776 | 4,068 | 4,433 | 4,795 | 5,167 | 5,594 | 2,816 | 3,039 | 9.6% |

*Source:* National Bureau of Statistics of China

The outbound tourism industry in China is also becoming more sophisticated. According to the China National Tourism Administration, visits by Chinese out-bound tourists are estimated to reach 150 million in 2020 from 117 million in 2015.

The shift in China's consumption patterns towards more discretionary spending is expected to continue as incomes continue to increase. Given the higher propensity for gaming in this demographic, increasing spending patterns are expected to further support growth in Macau's gaming market.

***Increased Diversification in Non-gaming Offerings Further Enhancing Visitation and Game Play***

Macau also provides non-gaming amenities in the form of retail, hotel, conference and entertainment amenities, which are supported by the Macau government's infrastructure initiatives.

Although non-gaming revenues currently represent a small portion of total revenues in the Macau gaming market, the development of non-gaming attractions positions Macau as a comprehensive entertainment destination. As casino operators utilize their expertise to incorporate retail, food and beverage outlets and entertainment into their properties to offer an integrated resort experience, visitation to Macau, duration of stay and spending of visitors (excluding gaming expense and donations) have all increased.

*Retail*

In the past five years, casino operators have expanded retail space on the Macau Peninsula and in Cotai for upscale shopping. Retail sales in Macau grew at a CAGR of 11.6% from 2010 to 2017. As mainland Chinese citizens constitute a majority of visitations to Macau, retail plays an important role in attracting Chinese customers to the region to purchase premium brands without paying a luxury goods tax which may be levied if the purchases were made in mainland China. During 2017, mainland Chinese visitors spent an average of US$144 per person on shopping, higher than visitors from any other region, according to DSEC. The upcoming supply of retail space offered by entertainment resorts is expected to help further propel visitation and business to the casinos.

*Entertainment*

The newly integrated gaming resorts support the development of Macau's entertainment offerings to emulate Las Vegas' breadth of entertainment attractions. The new resorts offer a variety of leisure and entertainment attractions to help draw in a more diverse array of visitors.

*Lodging*

As at June 30, 2018, according to figures released by the DSEC, Macau had 38,702 hotel rooms. By comparison, the Las Vegas Strip had 147,689 hotel rooms as of the same date. According to the Five-Year Development Plan of the Macao Special Administrative Region (2016-2020), from 2016 to 2020, the number of hotel rooms is expected to increase by 12,000, along with an increase of at least 14,400 job vacancies. It is anticipated that the introduction of additional high quality hotels, in combination with increasing retail and entertainment facilities and MICE space, will continue to enhance Macau's reputation as a world-class tourist and business destination and, ultimately, to contribute to increases in both visitation and the average length of stay in Macau.

The following table shows the timing and supply of major new hotel room additions.

| Property | | Hotel Rooms |
|---|---|---|
| Wynn Palace | Opened | 1,700 |
| Parisian Macao | Opened | 3,000 |
| MGM Cotai | Opened | 1,400 |
| City of Dreams Phase 3(1) | Opened | 770 |
| SJM Cotai | 2019 | 2,000 |

(1) Includes Morpheus Tower

We believe there is significant long-term growth potential for Macau's non-gaming segment given the ongoing development of world class facilities and Macau's proximity to the growing MICE market in China. Macau visitors currently spend only a fraction of what their U.S. counterparts spend on non-casino activities. According to the DSEC, there were 1,381 MICE events held in various venues in Macau during 2017 with an average duration of 1.7 days, attracting approximately 1.9 million participants and attendees, significantly lower than its Las Vegas counterparts which, according to Las Vegas Convention and Visitors Authority, had 19,767 events and 6.6 million attendees over the same period. According to the Five-Year Development Plan of the Macao Special Administrative Region (2016-2020), one of Macau's major targets is to increase the percentage of non-gaming revenue compared to total gaming revenue from 6.6% in 2014 to over 9% in 2020.

***Further Improvement of Transportation and Infrastructure Driving Visitation***

Macau is accessible by land, air and sea. During 2017, approximately 57.1% of visitations arrived in Macau via the Zhuhai border gate, Lotus Checkpoint and Checkpoint of Trans-border Industrial Park, approximately 34.5% arrived via ferry from Hong Kong and nearby cities in China and approximately 8.4% arrived via the Macau International Airport and heliport. Specifically, in-bound visitations into Cotai have been consistently increasing as a percentage of total visitation over the last few years.

| | In-bound visitations as % of total visitations | | | | | | | | | | CAGR of In-bound visitations |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 1H17 | 1H18 | '14-'17 |
| In-bound visitations through Lotus Bridge, Cotai(1) | N/A | N/A | N/A | N/A | 5.6% | 6.5% | 7.3% | 7.7% | 7.9% | 8.2% | 12.3% |
| In-bound visitations through Cotai(2) | 24.5% | 22.2% | 24.5% | 25.4% | 25.5% | 26.6% | 28.7% | 29.4% | 29.2% | 30.9% | 6.0% |
| In-bound visitations *not through* Cotai | 75.5% | 77.8% | 75.5% | 74.6% | 74.5% | 73.4% | 71.3% | 70.6% | 70.8% | 69.1% | (0.7%) |

*Source*: DSEC
(1) Refers to visitations through the Lotus Checkpoint.
(2) Includes visitations through the Taipa Ferry Terminal, Macau International Airport, Lotus Checkpoint and Checkpoint of Trans-border Industrial Park for the period from 2010 to 2013 due to a lack of further breakdown between Lotus Checkpoint and Checkpoint of Trans-border Industrial Park. Includes visitations through the Taipa Ferry Terminal, Macau International Airport, and Lotus Checkpoint for 2014 and onwards.

Several airlines currently fly directly to Macau International Airport, operating direct routes to Macau from China and countries such as South Korea, Japan, Thailand, Malaysia, Singapore and the Philippines.

A number of infrastructure projects to facilitate travel have been recently completed or are in various stages of planning or development, most of which are expected to be completed before end of 2018 and contribute to growth in visitation and an increase in gaming patrons:

- *New Taipa Ferry Terminal.* The Pac On Ferry Terminal, a MOP3.8 billion project, opened on June 1, 2017, with a capacity to accommodate 30 million passengers annually. The new five-floor terminal is

approximately 200,000 square meters, quadruple the size of the temporary Taipa ferry terminal. The new terminal is able to accommodate three ferry operators across its 19 berths.

- *Hong Kong-Zhuhai-Macau Bridge*. The bridge linking the three areas will include a bridge with total length of approximately 30 kilometers, boundary crossing facilities, access roads and associated works. In January 2007, the local governments of Hong Kong, Zhuhai and Macau established the Hong Kong-Zhuhai-Macau Bridge Task Force to implement the project, and the main project was completed in February 2018. It is expected to contribute to a significant reduction in travel time from Hong Kong as well as throughout China to Macau.

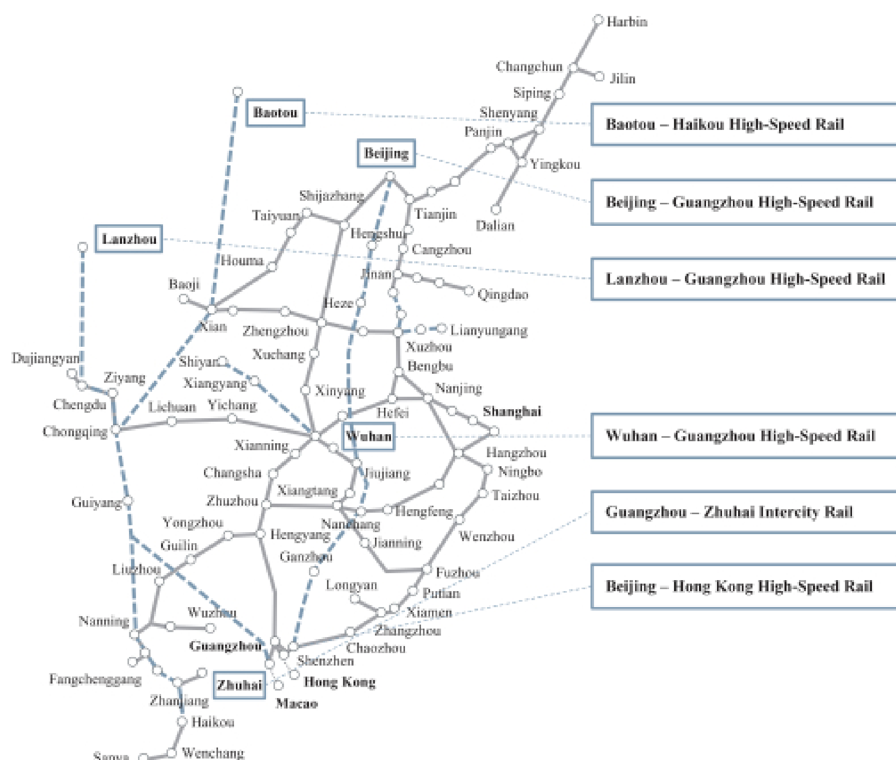
- *Gongbei-Zhuhai Airport Railroad Transit and Guangzhou-Zhuhai Intercity Mass Rapid Transit.* The Gongbei-Zhuhai Airport rail road transit project commenced in 2014 and Phase 1, connecting Gongbei and Hengqin Island, is expected to be completed by the end of 2018. Phase 1 of the project is the extension rail of the Guangzhou-Zhuhai Intercity Mass Rapid Transit, which will include direct connection facilities to the Macau Light Rapid Transit Line and will link the Pearl River Delta and mainland China with Macau. Phase 2 of the project, which connects Hengqin Island to Zhuhai Airport, has commenced construction and is expected to commence operation in 2023. The total length is expected to be approximately 39 kilometers and the top speed is expected to reach 160 kilometers per hour. When the project is completed and in operation, it is anticipated that it will only take half an hour to go from Gongbei to Zhuhai Airport, approximately half an hour less than the time currently needed.

- *Airport Capacity Upgrade.* The north extension of the passenger terminal building of the Macau International Airport, with a total area of 14,000 sq.m., was opened in February 2018, and is expected to enable the airport to receive up to 7.8 million passengers per year. The south extension project is currently under planning and is expected to increase the airport's receiving capacity to 10 million passengers per year when completed. The airport served approximately 8.4% of the annual incoming visitation traffic to Macau in 2017.

- *Macau Light Rapid Transit Line.* The Taipa route of the Macau Light Rapid Transit Line has been substantially completed in 2016, and is expected to commence operation in 2019. The light rail system will service the Macau Peninsula, Taipa and Cotai areas, and will have stations at major checkpoints such as the Macau International Airport, Outer Harbour Ferry Terminal, Taipa Ferry Terminal and the Lotus Checkpoint.

Upon completion of the above initiatives, it is expected that the improved transportation to and within Macau will contribute to growth in visitation.

In recent years, the rapid development of the high-speed rail network in mainland China has made Macau an easier destination to reach from inner cities in mainland China. Currently, the high speed rail connects Macau well with cities in central China, northern China, as well as various coastal cities. With the completion of the high-speed rail routes, it is expected to take approximately seven hours from Beijing to Hong Kong by train. The following is a map of various current as well as planned high-speed rail routes that make traveling to Macau easier from cities in mainland China(1):




(1): The Baotou—Haikou, Lanzhou—Guangzhou, and Beijing—Hong Kong high-speed lines are proposed lines, and are shown with dotted lines
*Source:* National Development and Reform Commission, China Railway Corporation

Macau is also participating in the One Belt One Road initiative which has been incorporated into the Five-Year Development Plan of the Macao Special Administrative Region (2016-2020) and is expected to be a new driver for boosting socio-economic development and social well-being in Macau.

### *Hengqin Island Development Initiatives*

Hengqin Island, Zhuhai, China is a 106.5 square kilometer piece of land connected to Cotai via Macau's Lotus Bridge. This island was designated as a special economic zone under China's 12th "Five Year Plan." Hengqin Island's development is focused on the following industries: business services, financial services, cultural innovation, tourism, scientific research, hi-tech industries, traditional Chinese medicine and healthcare. Qualifying companies and imported goods on the island will benefit from preferential tax rates and import duties. Approximately US$6 billion of planned investments focusing on medicine, technology and financial services were announced in 2016 for Hengqin Island.

Major developments on Hengqin Island include:

- *Commercial Hub, Branded as the Shizimen Central Business District*. The first phase of this new urban center and commercial hub comprises of office, hotel, residential and convention and exhibition space. The new Zhuhai International Convention and Exhibition Centre, which is the first phase of the Shizimen Central Business District, opened in October 2014. Under current plans, these public and civic functions will be complemented by retail, serviced apartments, grade A office spaces and international hotels.
- *Chimelong International Ocean Resort*. The Chimelong International Ocean Resort opened in January 2014 and according to the Hengqin government website, is expected to generate 50 million visits per year after completion of all phases. In December 2015, the Zhuhai municipal government and Chimelong Group signed a new investment agreement with a total investment of RMB50 billion.
- *University of Macau*. The University of Macau built a MOP9.8 billion campus on Hengqin Island, with an aim to promote exchange and cooperation with other universities in Macau and the rest of China in the research and development of new technologies. The 1.09 square kilometer campus opened in 2014.

Continued developments on the island are expected to increase entry into Macau via the Lotus Bridge and facilitate Macau's growth as a tourism hub in Asia through increased visitor traffic and extended length of stays.

# BUSINESS

## Overview

Studio City is a world-class gaming, retail and entertainment resort located in Cotai, Macau. Studio City Casino has 250 mass market gaming tables and approximately 970 gaming machines, which we believe provide higher margins and attractive long-term growth opportunities. The mass market focus of Studio City Casino is complemented with junket and premium direct VIP rolling chip operations, which include 45 VIP rolling chip tables. Our cinematically-themed integrated resort is designed to attract a wide range of customers by providing highly differentiated non-gaming attractions, including the world's first figure-8 Ferris wheel, a Warner Bros.-themed family entertainment center, a 4-D Batman flight simulator, an exclusive night club and a 5,000-seat live performance arena. Studio City features approximately 1,600 luxury hotel rooms, diverse food and beverage establishments and approximately 35,000 square meters of complementary retail space. Studio City was named *Casino/Integrated Resort of the Year* in 2016 by the International Gaming Awards.

Macau is the world's largest gaming market, with gross gaming revenue in 2017 approximately 5.1 times that of the Las Vegas Strip and approximately 7.2 times that of Singapore, according to the DICJ, the Nevada Gaming Control Board and Bloomberg Intelligence. The recent growth of the Macau gaming market has been robust, with gross gaming revenue increasing by 17.5% compared to the prior year period for the first eight months of 2018 to US$25.2 billion, and monthly gross gaming revenue growing for each of the 25 months from August 2016 to August 2018 on a year-on-year basis, according to the DICJ. Macau is also a limited gaming concession market, with only six gaming concessions and subconcessions currently granted by the local government. We believe we are well-positioned to take advantage of this large and growing, supply-constrained market.

Studio City is strategically located in Cotai, as the only property directly adjacent to the Lotus Bridge immigration checkpoint and to one of the few dedicated Cotai hotel-casino resort stops planned on the Macau Light Rapid Transit Line. The Lotus Bridge connects Cotai with Hengqin Island in Zhuhai, China, a designated special economic district in China undergoing significant business and infrastructure development.

Studio City is rapidly ramping up since commencing operations in October 2015. We have grown total revenues from US$69.3 million in 2015 to US$424.5 million in 2016 and further to US$539.8 million in 2017, and generated net losses of US$232.6 million, US$242.8 million and US$76.4 million, respectively, for these periods. We increased our adjusted EBITDA from US$6.3 million in 2015 to US$123.0 million in 2016 and further to US$279.1 million in 2017, and expanded our adjusted EBITDA margin from 9.1% to 29.0% and further to 51.7%, respectively, for these periods. Our total revenues increased from US$253.9 million in the six months ended June 30, 2017 to US$282.2 million in the six months ended June 30, 2018 and our net loss decreased from US$47.0 million in the six months ended June 30, 2017 to US$14.8 million in the six months ended June 30, 2018. Our adjusted EBITDA increased from US$124.1 million in the six months ended June 30, 2017 to US$153.7 million in the six months ended June 30, 2018 and our adjusted EBITDA margin expanded from 48.9% to 54.5% in these periods, respectively.

Studio City Casino is operated by the Gaming Operator, one of the subsidiaries of Melco Resorts and a holder of a gaming subconcession, and we operate the non-gaming businesses of Studio City.

**Competitive Strengths**

***Fully Integrated Destination Resort Focused on the Attractive Mass Market Segment***

Studio City resort focuses on the mass market segment. We believe this segment provides attractive long-term growth opportunities and the mass market gaming segment has relatively higher margins than the VIP gaming segment. According to the DICJ, aggregate annual mass market gaming revenues increased at a CAGR of 11.8% from 2010 to 2017, and we believe the projected economic growth in Asia will drive significant further growth in the mass market gaming segment. Mass market gaming has higher margins due to its lower cost structure than the VIP segment, which is impacted by junket operator commissions and higher player concessions.

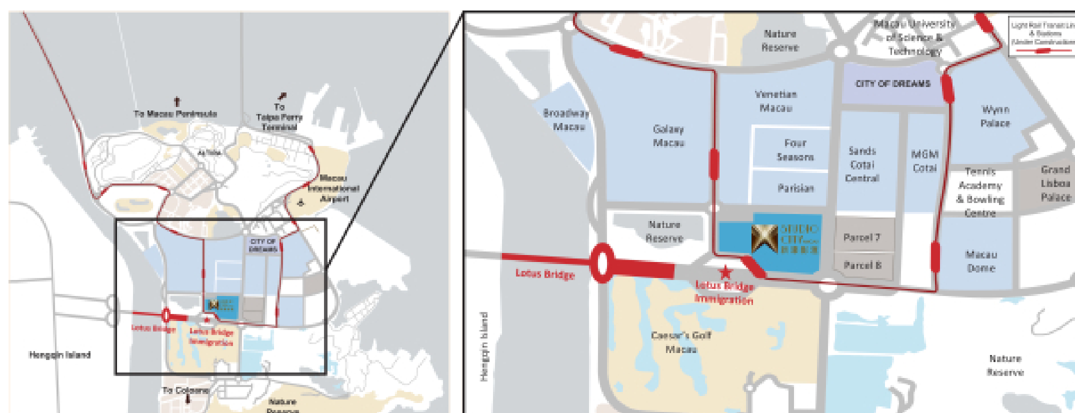
Studio City is a large-scale cinematically-themed integrated resort that was designed to drive mass market gaming at Studio City Casino. Studio City's extensive range of non-gaming entertainment offerings include:

- *The "Golden Reel."* The world's first figure-8, and Asia's highest, Ferris wheel built into the facade of the resort that stands out to visitors entering Cotai via the Macau Light Rapid Transit Line or the Lotus Bridge immigration checkpoint.
- *An Extensive Family Entertainment Center*. A 32,000 square foot indoor play center with rides and interactive fun built around the iconic Warner Bros., Hanna-Barbera and Looney Tunes entertainment franchises.
- *Batman Dark Flight Simulator*. A 4-dimensional flight simulation thrill ride that is fun for the whole family.
- *Events Arena*. A 5,000-seat, multi-purpose live performance arena with 16 private VIP suites, more than 240 luxury club seats and a deluxe club lounge.

Studio City also features approximately 1,600 luxury hotel rooms, consisting of the Star Tower with approximately 600 high-end suites, personalized services and a private health club and spa, and the Celebrity Tower with nearly 1,000 luxurious and well-appointed hotel rooms. Studio City's dining and beverage options are also geared toward the mass market crowd and include a broad range of international restaurants, cafes, bars and lounges. Its signature Cantonese restaurant, *Pearl Dragon*, earned a one-Michelin-star rank for the second consecutive year by the Michelin Guide Hong Kong Macau in 2018. Its Chinese restaurant, *Bi Ying*, was included in Hong Kong Tatler's Best Restaurants guide in 2017. Finally, the Boulevard at Studio City offers an immersive retail environment in a streetscape surrounding inspired by iconic shopping and entertainment locations from around the world, including New York's Times Square and Beverly Hills' Rodeo Drive.

### *Strategic Location with Strong and Improving Accessibility*

Studio City is strategically located in Cotai, as the only property directly adjacent to the Lotus Bridge immigration checkpoint and one of the few dedicated Cotai hotel-casino resort stops planned on the Macau Light Rapid Transit Line, which is expected to commence operations in 2019. Macau visitation through the Lotus Bridge as a percentage of total visitations increased from 6.5% in 2015 to 7.3% and 7.7% in 2016 and 2017, respectively, and further to 8.2% in the six months ended June 30, 2018, according to the DSEC. In addition, construction of an access way to level two of Studio City from the Lotus Bridge is expected to be completed in 2018. We also expect a significant increase in traffic flow over time from the development initiatives on Hengqin Island in Zhuhai, China, which adjoins Cotai via the Lotus Bridge, as a result of Hengqin Island's designation as a special economic zone under China's 12th "Five Year Plan." We expect to be a natural and popular first stop for a large number of visitors from mainland China due to our close proximity to these key entry points and development areas. The following map illustrates the centralized location of Studio City in Cotai, Macau:




We believe we can also leverage the traffic flow from nearby resorts and casinos, including the Parisian Macao, which opened in September 2016, primarily due to our differentiated non-gaming attractions. We recently completed the expansion of the northeast entrance of Studio City adjacent to the Parisian Macao to enhance foot traffic into Studio City from this entry point. In addition, our close proximity to City of Dreams, which is also under the ownership of our controlling shareholder and with its casino operated by the Gaming Operator, enables innovative cross-marketing initiatives and promotions that drive traffic to our resort.

### *Well-Positioned to Capitalize on an Improving Market Environment*

We have achieved significant growth since Studio City commenced operations in October 2015. In our first full year of operations in 2016, we generated US$424.5 million of total revenues and an adjusted EBITDA margin of 29.0%. For the year ended December 31, 2017, we generated total revenues of US$539.8 million and an adjusted EBITDA margin of 51.7%. In the six months ended June 30, 2018, we generated total revenues of US$282.2 million and an adjusted EBITDA margin of 54.5%. More recently, Macau gross gaming revenues have consistently improved with 25 consecutive months of year-on-year growth between August 2016 and August 2018, according to the DICJ. Our targeted mass market segment also benefits from the recent trend toward increasing visitation to Macau, which grew by 8.0% to 16.8 million visitors for the six months ended June 30, 2018, compared to the six months ended June 30, 2017, according to the DSEC. We believe the development of the Macau gaming market will continue to be driven by a combination of factors, including its close proximity to approximately 3.5 billion people in nearby Asia regions, increasing tourism from mainland China due to the continuing economic development and emergence of a wealthier demographic in China, further improvement of transportation and infrastructure, as well as the significant Hengqin Island economic development initiatives. We believe Studio City is well-positioned to capitalize on the improved market conditions and growth opportunities due to its focus on mass market and its integrated and differentiated non-gaming offerings.

***Experienced and Dedicated Management Team***

Our management team has extensive experience in the gaming and hospitality industries. Management team members have prior tenures at other Macau large-scale integrated resorts, such as Wynn Macau, Sands Macau and Venetian Macau. Our property president, Geoffry Philip Andres, and property chief financial officer, Timothy Green Nauss, have an average of more than 20 years of experience in the gaming and hospitality industries. In addition, there are 4,400 staff who are solely dedicated to the operations of Studio City to ensure exceptional customer experiences. We also receive certain centralized corporate and management services from the senior management and other shared service staff of other subsidiaries of Melco Resorts who devote a portion of their time to our operations. We intend to continue to capitalize on the deep industry expertise, management skills and strong execution capabilities of our management team to successfully formulate and implement our strategies, and continue to streamline our operations by utilizing the services provided by our affiliates.

***Significant Operational Experience and Extensive Network of Our Controlling Shareholder***

Our controlling shareholder, Melco Resorts entered the Macau gaming market in 2006 and has a successful track record in launching and operating integrated gaming resorts such as Altira Macau and City of Dreams. Melco Resorts has significant operational knowledge and experience in the gaming market in Macau. The deep understanding of our controlling shareholder of the Macau gaming industry, customer needs and preferences, regulatory processes, and the evolving competitive landscape offers us a significant competitive advantage over our competitors. After this offering, we will continue to benefit from our relationship with Melco Resorts through economies of scale resulting in cost-savings, including the centralization of shared services and support functions such as legal, information technology, human resources, supply chain logistics, warehousing, strategic sourcing and transportation. We will also continue to benefit from Melco Resorts' extensive customer and sales network in Asia, as well as its well-developed and recognized customer loyalty programs, which we will continue to leverage to further drive visitation.

**Business and Growth Strategies**

***Continue to Focus on the Mass Market Segment***

We intend for Studio City Casino to continue to focus on mass market gaming due to its attractive growth opportunities and higher margin profile. We designed our non-gaming attractions to complement the mass market focus of Studio City Casino by delivering experiences that specifically appeal to mass market players. We aim to leverage our differentiated entertainment, retail, food and beverage and hotel amenities to drive visitation, longer stays and greater spending by our patrons. Under our current plan for the remaining project, the remaining project is expected to consist of two hotel towers with a total of approximately 940 rooms and a gaming area of approximately 2,000 square meters. In addition, we currently envision the remaining project to also contain a waterpark with approximately 10,000 square meters indoors and approximately 2,000 square meters outdoors. Other non-gaming attractions expected to be part of the remaining project include MICE space, retail and food and beverage outlets and a cineplex. We expect our current plan for the remaining project to further diversify our offerings and create long term shareholder value.

***Complement the Mass Market Business of Studio City Casino with VIP Rolling Chip Operations***

Studio City Casino introduced both junket and premium direct VIP offerings at Studio City in November 2016 to complement our mass market business. The VIP rolling area at Studio City Casino currently includes 45 VIP rolling chip tables. The VIP rolling chip operations expand the gaming operations at Studio City Casino and diversify our revenue base by leveraging our existing infrastructure, without any substantial additional capital investment. VIP gaming also increases demand for our premium restaurant selections and foot-traffic for our retail outlets. We intend to continue to complement the mass market focus with an attractive VIP offering to enhance our growth.

***Continue to Drive Visitation and Revenue Growth through Innovative Non-gaming Attractions***

We intend to continue to enhance and diversify our differentiated non-gaming amenities and service offerings with the goal to drive further visitation to Studio City, and deliver long-term growth and higher margins. We differentiate our resort from the existing resorts in Macau by focusing on innovative and interactive

entertainment attractions to drive gaming revenues. We intend to leverage our existing attractions to provide superior entertainment experiences. For example, we intend to host more premier concerts and events in our arena over time to increase our brand recognition. We also intend to enhance our existing attractions and update them over time, and to optimize our mix of our retail and food and beverage offerings that appeal to our target customers.

***Continue to Pursue Strategic Marketing Initiatives and Differentiate the "Studio City" Brand***

We plan to continue to build the "Studio City" brand to increase awareness among potential customers. We intend to continue to pursue innovative promotions, including engaging celebrities to promote the resort's cinematic themes and entertainment facilities, and to host special events at Studio City. We also plan to enhance our advertising activities, including through a variety of social media, print, television, online, outdoor, onsite and other means. In addition, we intend to leverage our relationship with our controlling shareholder, Melco Resorts, to promote our resort through complementary and cost-effective cross-marketing and sales campaigns.

***Prudently Manage Our Capital Structure***

We commenced operations in October 2015, and we have evolved our capital structure to match and support the on-going ramp-up of our operations. In November 2016, we refinanced our 2013 Project Facility with diverse sources of operating capital, including a secured credit facility and bond issuance. We intend to strengthen our balance sheet by focusing on optimizing our leverage, maintaining a competitive cost of capital and improving balance sheet flexibility. We expect to use the net proceeds from this offering to repay US$ million of our outstanding indebtedness. Pro forma for this offering, assuming the midpoint of the range on the cover of this prospectus, our net debt will be approximately US$ million. We intend to prudently manage our capital structure as we continue to grow our operations.

**Our Relationship with Melco Resorts**

We benefit from the significant experience and knowledge in the Macau gaming market of our controlling shareholder, Melco Resorts. The Studio City Casino is operated by the Gaming Operator, which is a holder of a gaming subconcession in Macau, under the Services and Right to Use Arrangements. In addition, we also entered into the Management and Shared Services Arrangements with the Master Service Providers, which are subsidiaries of Melco Resorts, with the aim to leverage our relationship with Melco Resorts to achieve economies of scale through cost-saving arrangements, including centralization of shared services and support functions. We believe such arrangements with Melco Resorts allow us to streamline our operations with greater administrative flexibility and efficiency.

***Services and Right to Use Arrangements with the Gaming Operator***

In May 2007, we entered into a services and right to use agreement with the Gaming Operator, pursuant to which the Gaming Operator agrees to operate Studio City Casino (as amended on June 15, 2012, the "Services and Right to Use Agreement" and together with the reimbursement agreement of the same date and other agreements or arrangements entered into from time to time regarding the operation of Studio City Casino, the "Services and Right to Use Arrangements"). Under the Services and Right to Use Arrangements, the Gaming Operator manages all day-to-day operations, and maintains security and internal control systems to Studio City Casino. The Gaming Operator also recruits all casino staff, including dealers, cashiers, security and surveillance personnel and managers. The Gaming Operator deducts gaming tax and the costs incurred in connection with its operation, including retail value of the complimentary services within Studio City provided to the casino patrons, gaming staff costs and other gaming related costs from the gross gaming revenues. We receive the residual gross gaming revenues and recognize these amounts as revenues from provision of gaming related services. For details of the terms of the Services and Right to Use Arrangements, see "Related Party Transactions—Material Contracts with Affiliated Companies."

Since its opening, Studio City Casino generated gross gaming revenues of US$1,438.1 million, US$706.2 million and US$94.7 million in 2017, 2016 and 2015, respectively, and US$806.6 million and US$627.2 million in the six months ended June 30, 2018 and 2017, respectively. After the Gaming Operator deducted gaming tax and the costs incurred in connection with its operation of Studio City Casino pursuant to the Services and Right to Use Arrangements, we recognized US$295.6 million, US$151.6 million and US$21.4 million as revenues from the provision of gaming related services provided at the property in 2017, 2016 and 2015, respectively, and US$168.6 million and US$133.4 million in the six months ended June 30, 2018 and 2017, respectively.

***Management and Shared Services Arrangements with Melco Resorts***

In December 2015, we entered into a master service agreement (the "Master Service Agreement") and a series of work agreements (together with the Master Service Agreement, the "Management and Shared Services Arrangements") with respect to the non-gaming services with the Master Service Providers. Under the Management and Shared Services Arrangements, the Master Service Providers recruit, allocate, train, manage and supervise a majority of the staff who are all solely dedicated to our property to perform our corporate and administrative functions and carry out other non-gaming activities, including food and beverage management, retail management, hotel management, entertainment projects, mall development and sales and marketing activities. In addition, leveraging the resources and platform of Melco Resorts, we receive services from the Master Service Providers, including operational management services and general corporate services, such as payroll, human resources, information technology, marketing, accounting and legal services. We believe the Management and Shared Services Arrangements increase our competitive advantage and contributes to the success of our business. See "Related Party Transactions—Material Contracts with Affiliated Companies—Management and Shared Services Arrangements."

**Studio City**

Studio City is a large-scale cinematically-themed and integrated entertainment, retail and gaming resort with a luxury hotel, iconic attractions, award-winning restaurants and chefs, shopping areas and a casino. The integrated nature of Studio City allows for easy access to various entertainment, high-end lodging and dining attractions and provides a synergy that allows customers to seamlessly experience gourmet dining, engage in high-end retail shopping, participate in immersive entertainment events and nightlife, enjoy luxurious hotel accommodations and attend corporate meetings or conferences all at one convenient location.

Studio City commenced its operations in October 2015. Studio City Casino is operated by the Gaming Operator while we operate the non-gaming business. Although Studio City Casino primarily focuses on the mass market segment for gaming, targeting all ranges of mass market players, in early November 2016, Studio City Casino introduced VIP rolling chip operations, including both junket and premium direct VIP offerings. Studio City also offers premier entertainment venues that include the world's first figure-8 Ferris wheel, a high-end shopping complex, spa and beauty salon facilities, award winning restaurants and bars and family-themed play areas for children to attract a diverse range of customers.

Studio City is located in the fast growing Cotai area of Macau, on a site immediately adjacent to the Lotus Bridge immigration checkpoint and a proposed light rail station, which we believe offers us an advantage in attracting mass market gaming and non-gaming patrons to our property. In order to drive more visitation to Studio City, we arrange complimentary shuttle bus pick-up services for our gaming and non-gaming patrons from various high-traffic locations throughout Macau, including the Border Gate, Macau Ferry Terminal, Taipa Ferry Terminal, Macau International Airport and Macau Tower. Studio City is located in close proximity to the new Taipa Ferry Terminal which opened on June 1, 2017 and has a capacity to accommodate 30 million passengers annually. The new five floor-terminal is approximately 200,000 square meters, quadrupling the size of the temporary Taipa ferry terminal. The terminal is expected to accommodate three ferry operators across its 19 berths. For the six months ended June 30, 2018 and the years ended December 31, 2017, 2016 and 2015, we

generated total revenues of US$282.2 million, US$539.8 million, US$424.5 million, and US$69.3 million, respectively.

***Gaming***

Studio City Casino consists of a mass market table gaming area, a gaming machine area and a VIP gaming area, with a total gross floor area of 23,745 square meters, located on the first two floors of Studio City. Our gaming customers include mass market and VIP rolling chip players. Studio City Casino catered exclusively to mass market players until it launched its VIP rolling chip operations in November 2016, including both junket and premium direct VIP offerings. For the six months ended June 30, 2018 and the years ended December 31, 2017, 2016 and 2015, Studio City Casino's gross gaming revenues was US$806.6 million, US$1,438.1 million, US$706.2 million and US$94.7 million, respectively.

Studio City Casino currently has 250 mass market gaming tables, approximately 970 gaming machines and 45 VIP rolling chip tables. These gaming tables offer gaming patrons a variety of options including baccarat, three card baccarat, fortune baccarat, blackjack, craps, Caribbean stud poker, roulette, sic bo, fortune 3 card poker and other games.

*Mass Market Segment*

The mass market gaming area caters to mass market gaming patrons and offers a full range of games, 24 hours daily. The layout of the gaming floor is organized using the different market segments that Studio City Casino targets, namely the mainstream mass market and the premium mass market. The premium mass market gaming area has decorations and features distinctive from the mainstream mass market gaming area.

Studio City Casino's mass market table games drop and hold percentage were US$2,913.0 million and 26.1% in 2017, respectively, US$2,480.0 million and 24.7% in 2016, respectively, and US$365.3 million and 22.4% in 2015, respectively. As a result, Studio City Casino had gross gaming revenue from mass market table games of US$759.1 million, US$611.6 million and US$81.8 million in 2017, 2016 and 2015, respectively. Studio City Casino's gaming machine handle and gaming machine win rate were US$2,120.5 million and 3.7% in 2017, respectively, US$2,002.3 million and 3.8% in 2016, respectively, and US$264.9 million and 4.9% in 2015, respectively. As a result, Studio City Casino had gross gaming revenue from gaming machine of US$78.2 million, US$76.0 million and US$12.9 million in 2017, 2016 and 2015, respectively. Average net win per gaming machine per day in 2017, 2016 and 2015 was US$225, US$189 and US$168, respectively.

Studio City Casino's mass market table games drop and hold percentage in the six months ended June 30, 2018 was US$1,639.5 million and 26.0%, respectively. As a result, Studio City Casino had gross gaming revenue from mass market table games of US$425.6 million in the six months ended June 30, 2018. Studio City Casino's gaming machine handle and gaming machine win rate was US$1,196.6 million and 3.5%, respectively, in the six months ended June 30, 2018. As a result, Studio City Casino had gross gaming revenue from gaming machine of US$42.0 million in the six months ended June 30, 2018. Average net win per gaming machine per day was US$244 in the six months ended June 30, 2018.

Going forward, Studio City Casino will continue to re-examine the mass market gaming areas to maximize table utilization, to innovate gaming products and to invest in technologies and analytical capability to enhance table productivity and customer retention.

*VIP Rolling Chip Segment*

In November 2016, Studio City Casino introduced VIP rolling chip operations, including both junket and premium direct VIP offerings, and currently has 45 VIP rolling chip tables in operation. The VIP rolling chip area is comprised of private gaming salons or areas that have restricted access to rolling chip patrons and offer

more personalized and ultra-premium services than the mainstream and premium mass market gaming areas. It is also situated at a higher level than the mass market gaming areas with generally higher-end dining and beverage options and special decorations. Studio City Casino's VIP rolling chip volume, VIP rolling chip win rate and VIP rolling chip gross gaming revenue were US$12,682.8 million, 2.67% and US$339.0 million, respectively, in the six months ended June 30, 2018, US$19,003.9 million, 3.16% and US$600.8 million, respectively, in 2017 and US$1,343.6 million, 1.39% and US$18.6 million, respectively, in 2016.

***Hotel***

Studio City includes self-managed luxury hotel facilities with approximately 1,600 hotel rooms, all elegantly furnished and complete with services and amenities to match. The hotel facilities include indoor and outdoor swimming pools, beauty salon, spa, fitness centers and other amenities. The Studio City hotel features two distinct towers, enabling it to provide a variety of accommodation selections to visitors. The premium all-suite Star Tower offers approximately 600 suites complete with lavish facilities and dedicated services for a luxury retreat. There are five types of suites which range in size from the Star Premier King Suite at 62 square meters to the Star Grand Suite at 185 square meters which includes a living room, dining room and a separate bedroom. Personalized check-in, private indoor heated pool and health club can be enjoyed by all Star Tower guests. The Celebrity Tower with approximately 1,000 rooms brings a deluxe hotel experience to a board range of travelers, which includes access to all of the entertainment facilities offered by Studio City. It offers seven different room packages ranging from the Celebrity King at 42 square meters to the Celebrity Suite at 85 square meters. The following table sets forth certain data with respect to our hotel for the specified periods:

| | For the Year Ended December 31, | | | For the Six Months Ended June 30, | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2018 | 2017 |
| Average daily rate (US$) | 140 | 136 | 136 | 137 | 137 |
| REVPAR (US$) | 138 | 133 | 133 | 137 | 135 |
| Occupancy rate | 99% | 98% | 98% | 100% | 99% |

***Dining***

We believe that our selection of dining options that include restaurants, bars and lounges offering a diverse selection of local, regional and international cuisine attracts more visitors to Studio City. Studio City offers both high-end and casual dining restaurants, cafes, bars and lounges to cater to the tastes and preferences of our patrons. Over 20 food and beverage outlets are located throughout Studio City, including traditional Cantonese, Shanghainese, northern Chinese, South East Asian, Japanese, Italian and other western and international cuisines as well as local Macau cuisine. Studio City offers gourmet dining with a range of signature restaurants including one Michelin-starred *Pearl Dragon*. We also offer a casual food area within our Warner Bros. Fun Zone, a 32,000 square foot playground replete with all the popular Warner Bros., DC Comics and Hanna-Barbera characters.

***Retail***

Studio City has approximately 35,000 square meters of themed and innovative retail space at the lower levels of the property. It has a net leasable area of approximately 28,000 square meters. The retail mall showcases a variety of shops and food and beverage offerings including a small portion of our self-operated retail outlets.

The Boulevard at Studio City provides a unique retail experience to visitors. The immersive retail entertainment environment at Studio City enables visitors to shop in a streetscape environment with featured streets and squares inspired by iconic shopping and entertainment locations, including New York's Times Square and Beverly Hills' Rodeo Drive. Studio City's retail space offers a mix of fashion-forward labels and

internationally-renowned luxury brands, such as Aeronautica Militare, Balmain, Bottega Veneta, Bvlgari, Calvin Klein Platinum, Coach, Emporio Armani, Fendi, Givenchy, Graff, Gucci, Hublot, IWC, Jaeger-LeCoultre, Jaquet Droz, Longines, Prada, Tiffany & Co., Vacheron Constantin and Versace Collection as well as personal shopper services. At the connection between the two themed retail streets lies Times Square Macau, which features an array of futuristic technologies, including holographic projections that showcase a variety of entertainment content from both real and virtual musicians and entertainers.

***Entertainment***

Macau is an increasingly popular tourist destination and in order to attract more tourists and locals, Studio City incorporated many entertainment themes and elements which appeal to the mainstream mass consumer. Our diverse, immersive and entertainment-driven experiences and innovative venues cater to a wide range of demographic groups, including young professionals and families with children. As a major tourist attraction in Macau, Studio City's premier entertainment offerings help to drive visitation to our property. Studio City's entertainment offerings include:

- *Golden Reel*—an iconic landmark of Macau, it is the world's first figure-8 and Asia's highest Ferris wheel. The Golden Reel rises approximately 130 meters high between Studio City's Art Deco-inspired twin hotel towers. The iconic landmark features 17 spacious Steampunk-themed cabins that can each accommodate up to ten passengers. During 2017, the Golden Reel attracted over 700,000 visitors.

- *Batman Dark Flight*—the world's first flight simulation ride based on the "Batman" franchise. Enhanced with the latest in flight simulation technology and the very best in audio design and visual graphics, this immersive flying theater 4D motion ride provides thrill-seekers with a dynamic flying experience based on a multi-sensory, action-packed, digitally-animated Batman storyline with Batman's heart-stopping encounters. Our Batman Dark Flight ride attracted over 300,000 visitors in 2017.
- *Warner Bros. Fun Zone*—a 32,000-square-foot indoor play center packed with rides and interactive fun zones themed around popular characters from Warner Bros.' DC Comics, Hanna-Barbera Productions and Looney Tunes entertainment franchises in a secure environment, complete with on-site child concierge services. The Warner Bros. Fun Zone targets kids of all ages, where kids can enjoy an immersive play experience with characters including Bugs Bunny, Tweety Pie, Sylvester, Taz and

Daffy Duck. A range of shops and restaurants, a cartoon cinema and a designated birthday venue with different customizable rooms are also featured at the venue, providing families with children with memorable opportunities to interact and meet with iconic cartoon characters.

- *Studio 8*—the only TV studio facility in Macau to provide open access to “plug-in and play” facilities to create a fully operational television recording and broadcast studio. Studio 8 is a state-of-the-art studio facility with all the best-in-class infrastructure to support portable specialist equipment required for world-class TV production.
- *Studio City Entertainment Center*—a 5,000-seat multi-purpose arena representing the centerpiece of Studio City’s live entertainment offerings. The complex has a first-class premium seating level offering 16 private VIP suites, in addition to approximately 242 luxury club seats and a deluxe club lounge. Each VIP suite is spacious and elegantly designed, coming fully equipped with stylish furnishings and a flat-screen TV. Playing host to concerts, theatrical shows, sporting events, family shows, award ceremonies and more, the Studio City Entertainment Center is the next generation in versatile, innovative, premier and live entertainment venues.
- *RiverScape*—a jungle river-themed water ride that caters to families and is over 450 meters long, offers three routes of differing lengths and a children’s pool with two slides that lead to separate splash pools.
- *Macau EStadium*—a high-performance e-Sports venue that can seat approximately 270 guests. Macau EStadium is equipped with virtual non-casino gaming facilities and cutting-edge technology capable of hosting an array of e-Sports events, including top multiplayer gaming tournaments and live-streaming of e-Sports events from other parts of the world.

***Meetings, Incentives, Conventions and Exhibitions***

Studio City offers over 4,000 square meters of indoor event space with flexible configurations and customization options, which can accommodate a variety of events from an exclusive banquet to an international conference. The Grand Ballroom space of 1,820 square meters can be configured into three separate ballrooms with a banquet capacity of 1,200 seats or a cocktail reception for 1,500 people. Eight individual salons, together with the Grand Ballroom, provide a banquet seating capacity of up to 1,300 seats or meeting and break-out spaces with extensive pre-function areas for up to 1,800 people. Many of the salons offer views of the pool deck and have private outdoor terraces for coffee and lunch breaks.

MICE events typically take place on weekdays, thereby drawing traffic during the portion of the week when hotels and casinos in Macau normally experience lower demand relative to weekends and holidays when occupancy and room rates are typically at their peak due to leisure travel. Since its opening, events held at Studio City included live concerts from headline acts such as Madonna, four time Grammy Awards nominee FLO RIDA, Han Hong ( 韩红 ), Kenny G, A-mei ( 张惠妹 ) and Jam Hsiao ( 萧敬腾 ) as well as themed events such as a three-day Wedding Showcase (featuring dream wedding venue set-ups, tableware demonstrations, wedding gown catwalk shows and instrumental performances), a Chinese New Year’s Promo, Shakemas Campaign for Christmas, Michelin Guide Street Food Festival and The Super 8 basketball tournament.

**Customers**

We seek to cater to a broad range of customers with a focus on mass market players through the diverse gaming and non-gaming facilities and amenities at Studio City. The loyalty program at Studio City ensures that each customer segment is specifically recognized and incentivized in accordance with their revenue contribution. The loyalty program is segmented into several tiers. Members earn points for their gaming spending which may be redeemed for a range of retail gifts and complimentary vouchers to be used in our restaurants, bars, shows, hotel and Studio City Casino. Members also receive other benefits such as discounts, parking entitlement and invitations to member-only promotional events. Dedicated customer hosting programs provide personalized service to our most valuable customers and these customers enjoy exclusive access to private luxury gaming

salons. In addition, we utilize sophisticated analytical programs and capabilities to track the behavior and spending patterns of our patrons. We believe these tools will help deepen our understanding of our customers to optimize yield and make continued improvements to our Studio City property.

***Gaming Patrons***

Gaming patrons include mass market players and VIP rolling chip players.

Mass market players are non-VIP rolling chip players that come to Studio City Casino for a variety of reasons, including our brand, the quality and comfort of the mass market gaming floors and our non-gaming offerings. Mass market players are further classified as mainstream mass market and premium mass market players. Our premium mass market players generally do not take advantage of our luxury amenities to the same degree as VIP rolling chip players, but they are offered a variety of premium mass market amenities and loyalty programs, such as reserved space on the regular gaming floor and various other services, that are generally unavailable to mainstream mass market players. Mass market players play table games and gaming machines for cash stakes that are typically lower than those of VIP rolling chip players.

VIP rolling chip players are patrons who participate in Studio City Casino's in-house rolling chip programs or in the rolling chip programs of the gaming promoters at the dedicated VIP gaming areas. These patrons include premium direct players sourced through the direct marketing efforts and relationships of the Gaming Operator, and junket players sourced by the gaming promoters. VIP rolling chip players can earn a variety of gaming related cash commissions and complimentary products and services, such as rooms, food and beverage and retail products provided by the Gaming Operator. The gaming promoters typically offer similar complimentary products or services and will extend credit to the junket players sourced by them.

***Non-Gaming Patrons***

We provide non-gaming patrons with a broad array of accommodations and leisure and entertainment offerings featured at Studio City, including interactive attractions, rides and attractive retail offerings and food and beverage selections.

We assess and evaluate our focus on different market segments from time to time and adjust our operations accordingly.

**Gaming Promoters**

Gaming promoters in Macau are independent third parties that include both individuals and corporate entities and are officially licensed by the DICJ and source junket players. VIP rolling chip players sourced by gaming promoters do not earn direct gaming related rebates from the Gaming Operator. The Gaming Operator pays a commission and provides other complimentary services to the gaming promoter. Gaming promoters also extend credit to their junket players and are responsible for collecting such credit from them.

The Gaming Operator has procedures to screen prospective gaming promoters prior to their engagement and conduct periodic checks that are designed to ensure that the gaming promoters with whom the Gaming Operator associates meet suitability standards. The Gaming Operator typically enters into gaming promoter agreements for a one-year term that are automatically renewed for periods of up to one year unless otherwise terminated. The gaming promoters are compensated through commission arrangements that are calculated on a monthly or a per trip basis. Commission is calculated either by reference to revenue share or monthly rolling chip volume. The gaming promoters may receive complimentary allowances for food and beverage, hotel accommodation and transportation.

### Advertising and Marketing

In order to be competitive in the Macau gaming environment, the Gaming Operator holds various promotions and special events at Studio City Casino and operates a loyalty program for gaming patrons. In addition, Studio City Casino participates in cross marketing and sales campaigns developed by the Gaming Operator. We believe this arrangement helps reduce Studio City's ramp-up period, reduces marketing costs through scale synergies and enhances cross-revenue opportunities.

Moreover, we seek to attract non-gaming customers to Studio City and to grow our customer base over time by undertaking a variety of advertising and marketing activities.

There is a public relations and advertising team dedicated to Studio City that cultivates media relationships, promotes Studio City's brands and directly liaises with customers within target Asian countries in order to explore media opportunities in various markets. Advertising activities at Studio City are rolled out through a variety of local and regional media platforms, including digital, social media, print, television, online, outdoor, on property (as permitted by Macau, PRC and any other applicable regional laws) as well as collateral and direct mail pieces. We also engage celebrities for marketing activities. We believe that these marketing and incentive programs will increase our brand awareness and drive further visitation to Studio City.

### Awards

In recognition of Studio City's facilities, games, customer service, atmosphere, style and design, Studio City was awarded the International Five Star Standard, Best Large Hotel Macau, Best City Hotel Macau, Best Resort Hotel Macau and Best Convention Hotel Macau in the International Hotel Awards 2017-18. Studio City was the Global Winner in the "Luxury Casino Hotel" category and the Regional Winner (East Asia) in the "Luxury Family Hotel" category of the 2017 World Luxury Hotel Awards. The property was also awarded the "Casino/Integrated Resort of the Year" in the International Gaming Awards in 2016 and honored as "Asia's Leading New Resort" in World Travel Awards in 2016. Moreover, according to Forbes Travel Guide's official 2018 Star Rating List, Studio City's Star Tower received the prestigious 5-Star Forbes rating. Studio City's signature Cantonese restaurant, *Pearl Dragon*, celebrated its one-Michelin-starred establishment rank for the second consecutive year in the Michelin Guide Hong Kong Macau 2018. In addition, *Pearl Dragon* and *Bi Ying* were included in the list of Hong Kong Tatler's Best Restaurants guide in 2017.

### Competition

#### *Macau Gaming Market*

Gaming in Macau is administered through government-sanctioned concessions awarded to three different concessionaires: SJM, Galaxy and Wynn Resorts Macau.

SJM is a subsidiary of SJM Holdings Ltd., a listed company on the Hong Kong Stock Exchange in which Mr. Lawrence Ho, a director of our company and the chairman and chief executive officer of Melco Resorts, and his family members have shareholding interests. SJM currently operates multiple casinos throughout Macau. SJM (through its predecessor Tourism and Entertainment Company of Macau Limited) commenced its gaming operations in Macau in 1962 and has begun construction of its latest resort in Cotai.

SJM has granted a subconcession to MGM Grand. MGM Grand is listed on the Hong Kong Stock Exchange and was originally formed as a joint venture by MGM-Mirage and Ms. Pansy Ho, sister of Mr. Lawrence Ho. MGM Grand opened MGM Macau on the Macau Peninsula in December 2007 and MGM Cotai in February 2018.

Galaxy currently operates multiple casinos in Macau, including StarWorld, a hotel and casino resort in Macau's central business and tourism district. The Galaxy Macau Resort opened in Cotai in May 2011 and the opening of Phase 2 of the Galaxy Macau Resort took place in May 2015.

Galaxy has granted a subconcession to Venetian Macau Limited, a subsidiary of Las Vegas Sands Corporation and Sands China Limited, which are listed on the New York Stock Exchange and the Hong Kong Stock Exchange, respectively. Las Vegas Sands Corporation is the developer of Sands Macao, The Venetian Macau, Sands Cotai Central and Parisian Macao. Venetian Macau Limited, with a subconcession under Galaxy's concession, operates Sands Macao on the Macau peninsula, together with The Venetian Macau, the Plaza Casino at The Four Seasons Hotel Macao and the Sands Cotai Central, which are located in Cotai. Sands China Ltd. opened the Parisian Macao in Cotai in September 2016 and has announced proposals for the re-branding and re-development of the Sands Cotai Central into The Londoner Macao.

Wynn Resorts Macau, is a subsidiary of Wynn Macau, Limited, which is listed on the Hong Kong Stock Exchange, and of Wynn Resorts Limited, which is listed on the NASDAQ Global Select Market. Wynn Resorts Macau opened Wynn Macau in September 2006 on the Macau Peninsula and an extension called Encore in 2010. In August 2016, Wynn Resorts Macau opened a new resort, Wynn Palace, in Cotai. Melco Resorts Macau obtained its subconcession from Wynn Resorts Macau. Melco Resorts Macau, in addition to Studio City Casino, also operates Mocha Clubs, Altira Macau (located in Taipa Island), which opened in May 2007, and City of Dreams located in Cotai, which opened in June 2009. Phase 3 of City of Dreams, which includes the Morpheus Tower, opened in June 2018.

The existing concessions and subconcessions do not place any limit on the number of gaming facilities that may be operated. In addition to facing competition from existing operations of these concessionaires and subconcessionaires, we will face increased competition when any of them constructs new or renovates pre-existing casinos in Macau or enters into leasing, services or other arrangements with hotel owners, developers or other parties for the operation of casinos and gaming activities in new or renovated properties. Each concessionaire was permitted to grant one subconcession. The Macau government is currently considering the process of renewal, extension or grant of gaming concessions or subconcessions expiring in 2020 and 2022. The Macau government further announced that the number of gaming tables in Macau should not exceed 5,500 until the end of the first quarter of 2013 and that, thereafter, for a period of ten years, the total number of gaming tables to be authorized will be limited to an average annual increase of 3%. These restrictions are not legislated or enacted into laws or regulations and, as such, different policies, including the policy on the annual increase rate in the number of gaming tables, may be adopted at any time by the relevant Macau government authorities. According to the DICJ, the number of gaming tables operating in Macau as of June 30, 2018 was 6,588. The Macau government has reiterated further that it does not intend to authorize the operation of any new casino or gaming area that was not previously authorized by the Macau government, or permit tables authorized for mass market gaming operations to be utilized for VIP gaming operations or authorize the expansion of existing casinos or gaming areas. However, the policies and laws of the Macau government may change and permit the Macau government to grant additional gaming concessions or subconcessions. Such change in policies may also result in a change of the number of gaming tables and casinos that the Macau government is prepared to authorize for operation.

***Other Regional Markets***

Studio City may also face competition from casinos and gaming resorts in other regions such as Singapore, Malaysia, South Korea, the Philippines, Vietnam, Cambodia, Australia, New Zealand and Japan. Casinos and integrated gaming resorts are becoming increasingly popular in Asia, giving rise to more opportunities for industry participants and increasing regional competition.

Singapore legalized casino gaming in 2006. Genting Singapore PLC opened its resort, Resorts World Sentosa, in Sentosa, Singapore in February 2010 and Las Vegas Sands Corporation opened its casino at Marina Bay Sands in Singapore in April 2010. In December 2016, a law which conceptually enables the development of integrated resorts in Japan took effect, with corresponding legislation providing a legislative framework for the development and implementation of integrated resorts in Japan taking effect in July 2018. In addition, several other Asian countries are considering or are in the process of legalizing gambling and establishing casino-based entertainment complexes.

We may also face competition from hotels and resorts, including many of the largest gaming, hospitality, leisure and resort companies in the world. These include Travellers International Hotel Group, Inc., Bloomberry Resorts Corporation, Tiger Resorts Leisure and Entertainment Inc., Melco Resorts Leisure (PHP) Corporation as well as Philippine Amusement and Gaming Corporation.

Genting Highlands is a popular international gaming resort in Malaysia, approximately a one-hour drive from Kuala Lumpur. We believe that the Genting Highlands caters to a different market than Macau, in large part because of the distance and travel times from the Greater China population centers from which Macau is expected to draw its principal traffic.

South Korea has allowed casinos for foreigners for some time including Seven Luck Casino and Paradise Walker Hill Casino in Seoul and Paradise Casinos in Busan and Incheon. Recently, Kangwon Land Casino opened in an old mining area of South Korea and began to accept Korean nationals.

Star Cruises (Hong Kong) Ltd., or Star Cruises, is a leading cruise line in the Asia Pacific and is one of the largest cruise line operators in the world. Worldwide, Star Cruises presently operates a combined fleet of approximately 20 ships with more than 26,000 lower berths. Star Cruises vessels in Asia Pacific offer extensive gaming activities to their passengers. These cruise vessels may compete for Asian-based patrons with Studio City Casino gaming operations in Macau.

There are a number of casino complexes in certain tourist destinations in Cambodia such as Dailin, Bavet, Poipet, Sihanoukville and Koh Kong, but they are relatively small compared to those in Macau.

In addition, there are major gaming facilities in Australia located in Melbourne, Perth, Sydney and the Gold Coast.

**Seasonality**

Macau, which is our principal market of operation, experiences many peaks and seasonal effects. The “Golden Week” and “Chinese New Year” holidays are generally the key periods where business and visitation increase considerably in Macau. While we may experience fluctuations in revenues and cash flows from month to month, we do not believe that our business is materially impacted by seasonality.

**Staff**

There were 4,400, 4,517, 4,812 and 5,230 dedicated staff members as of June 30, 2018 and December 31, 2017, 2016 and 2015, respectively, performing services solely at Studio City. The Gaming Operator is responsible for the hiring, managing and training of the gaming staff and deducts such costs relating to such gaming staff from Studio City Casino’s gross gaming revenue in accordance with the Services and Right to Use Arrangements. See “—Our Relationship with Melco Resorts—Services and Right to Use Arrangements with the Gaming Operator.” Under the Management and Shared Services Arrangements, the Master Service Providers, recruit, place, allocate, train, manage and supervise the staff who are solely dedicated to our property to perform corporate and administrative functions and carry out other non-gaming activities, and the relevant personnel costs are charged back to us. In addition, we receive certain centralized corporate and management services from the senior management and other shared service staff of the Master Service Providers who devote a portion of their time under the arrangements. See “—Our Relationship with Melco Resorts—Management and Shared Services Arrangements with Melco Resorts.” The property president and property chief financial officer are employed by us and oversee the operations of Studio City. Our property president has oversight over all non-gaming staff members solely dedicated to Studio City and exercises input over their performance, which enables us to effectively evaluate their performance and manage talent. Our property chief financial officer has oversight over our expenses (including shared service related items), receipts and disbursements, record-keeping and financial

reporting to management and facilitates in the financial budgeting process. The following table indicates the distribution of these staff by function as of June 30, 2018:

| Function | Number of Staff |
|---|---|
| Management, Administrative and Finance | 36 |
| Gaming | 1,791 |
| Hotel | 704 |
| Food and Beverage | 930 |
| Property Operations | 522 |
| Entertainment and Projects | 131 |
| Marketing | 209 |
| Others | 77 |
| **Total** | **4,400** |

Through the Management and Shared Services Arrangements, we are able to leverage the resources and platform of the Master Service Providers to have qualified staff dedicated to working on our property. Our success depends on the ability of the Master Service Providers and us to attract, retain, motivate, and inspire qualified personnel. We believe that we maintain a good working relationship with the staff working at Studio City. As of the date of this prospectus, we have not experienced any significant labor disputes.

## Land and Properties

### *Land Concession*

In October 2001, we entered into a land concession contract with the Macau government for the land on which Studio City is located. The contract was subsequently amended in 2012 and 2015.

The granted land is located in Cotai, Macau, with a total area of approximately 130,789 square meters. The gross construction area of our granted land is approximately 707,078 square meters. Currently, the gross floor area of Studio City is approximately 477,110 square meters.

The land concession contract has a term of 25 years commencing on October 2001 and is renewable for further consecutive periods of ten years, subject to applicable legislation in Macau. Under the land concession contract, the Macau government may exercise its termination rights under certain conditions.

Pursuant to our land concession contract, our granted land, including the remaining project, must be fully developed by July 24, 2021. See "Risk Factors—Risks Relating to Our Business—We are developing the remaining project for Studio City under the terms of a land concession contract which require us to fully develop the land on which Studio City is located by July 24, 2021. If we do not complete development by that time and the Macau government does not grant us a further extension of the development period, we could be forced to forfeit all or part of our investment in Studio City, along with our interest in the land on which Studio City is located and the building and structures on such land."

### *Development of Our Remaining Project*

Under our current plan for the remaining project, the remaining project is expected to consist of two hotel towers with a total of approximately 940 rooms and a gaming area of approximately 2,000 square meters. In addition, we currently envision the remaining project to also contain a waterpark with approximately 10,000 square meters indoors and approximately 2,000 square meters outdoors. Other non-gaming attractions expected to be part of the remaining project include MICE space, retail and food and beverage outlets and a cineplex. As of June 30, 2018, we have incurred approximately US$20.8 million of aggregate costs relating to the development of our remaining project, primarily related to the initial design and planning costs. Based on our current plan for the remaining project, we currently expect a project budget of approximately US$1.35 billion to US$1.40 billion for the development of the remaining project and a construction period of approximately 32 months.

Our plan for the remaining project may be subject to further revision and change and detailed design elements remain subject to further refinement and development. See "Risk Factors—Risks Relating to Our Business—We are developing the remaining project for Studio City under the terms of a land concession contract which require us to fully develop the land on which Studio City is located by July 24, 2021. If we do not complete development by that time and the Macau government does not grant us a further extension of the development period, we could be forced to forfeit all or part of our investment in Studio City, along with our interest in the land on which Studio City is located and the building and structures on such land," "—Plans for our remaining project for Studio City are at an early stage. Future development of the remaining project is subject to significant risks and uncertainties," and "—We may not be able to obtain adequate financing on satisfactory terms for our existing business and/or remaining project, or at all."

***Properties***

Apart from the property site for Studio City, we do not own or lease any other properties as of the date of this prospectus.

**Intellectual Property**

As part of our branding strategy, we have applied for or registered a number of trademarks (including "Studio City" trademarks and "Where Cotai Begins" trademarks) in Macau, Hong Kong and other jurisdictions for use in connection with Studio City. Where possible, we intend to continue to register trademarks as we develop, review and implement our branding strategy for Studio City. However, our current and any future trademarks are subject to expiration and we cannot guarantee that we will be able to renew all of them upon expiration.

Our trademarks and other intellectual property rights distinguish our services and products from those of our competitors and contribute to our ability to compete in our target markets. To protect our intellectual property, we rely on a combination of trademark, copyright and trade secret laws. To protect our intellectual property rights, we monitor any infringement or misappropriation of our intellectual property rights, and staff working at Studio City are generally subject to confidentiality obligations.

**Insurance**

We maintain and benefit from, and expect to continue to maintain and benefit from, insurance of the types and in amounts that are customary in the industry and which we believe will reasonably protect our interests. This includes commercial general liability (including product liability and accidental pollution liability), automobile liability, workers compensation, property damage and machinery breakdown and business interruption insurances. We also require certain contractors who may perform work on Studio City, as well as other vendors, to maintain certain insurances. In each case, all such insurances are subject to various caps on liability, both on a per claim and aggregate basis, as well as certain deductibles and other terms and conditions. We do not maintain key-man life insurance. See "Risk Factors—Risks Relating to Our Business—We may not have sufficient insurance coverage."

**Environmental Matters**

We are committed to environmental awareness and have developed built-in innovative and energy saving green technologies for operations at Studio City. Currently, we are not aware of any material environmental complaints having been made against us.

**Our Internal Control Policies**

Studio City International, being a subsidiary of Melco Resorts, adheres to Melco Resort's governance policies and internal control measures in order to achieve operations in a professional manner in compliance with Melco Resorts' internal control requirements and applicable laws.

The Code of Business Conduct and Ethics, or the Code, and the Ethical Business Practices Program, or the EBPP, of Melco Resorts are applicable to all personnel assigned to operate Studio City.

The Foreign Corrupt Practices Act, or the FCPA, and Macau laws prohibit us and the staff and agents participating in the operations in Studio City from offering or giving money or any other item of value to win or retain business or to influence any act or decision of any government official. The Code includes provisions relating to compliance of all applicable anti-corruption laws including FCPA and the relevant Macau laws. To further supplement the Code, Melco Resorts implemented the EBPP in 2013 which updated and expanded its FCPA Compliance Program implemented in 2007. The EBPP now covers corruption in both public and private sectors. It covers the activities of our shareholders, directors, officers and counterparties, and all personnel operating our hotel and gaming business.

Studio City Casino is managed and operated by the Gaming Operator guided by requirements under the Subconcession Contract and applicable laws and Melco Resort's governance policies, including a set of anti-money laundering policies and procedures, or AML Policy, approved by the DICJ, addressing requirements issued by the DICJ and the DICJ's instructions on anti-money laundering, counter-terrorist financing and other applicable laws and regulations in Macau.

There are training programs in place with the aim that all relevant staff involved in gaming operations managed by the Gaming Operator understand such AML Policy and the related procedures. The Gaming Operator also uses an integrated IT system to track and automatically generate significant cash transaction reports and, if permitted by the DICJ and the Finance Information Bureau, has the capability to submit those reports electronically.

**Legal and Administrative Proceedings**

From time to time, we may become subject to legal and administrative proceedings, investigations and claims incidental to, or arising out of, the ordinary course of our business, including but not limited to, the construction, renovation, licensing or operation of non-gaming premises which may, from time to time, involve closure or suspension of operations or construction works while administrative proceedings are pending. We are not currently a party to, nor are we aware of, any material legal or administrative proceeding, investigation or claim which, in the opinion of our management, individually or in the aggregate, is likely to have a material adverse effect on our business, financial condition or results of operations. We may also from time to time initiate legal proceedings to protect our rights and interests.

## REGULATION

*This section sets forth a summary of the significant regulations or requirements in Macau, where we conduct our material business operations. The primary laws and regulations that affect the operation of Studio City and its gaming areas relate to gaming, gaming promoters, gaming credit, access to casinos and gaming areas, smoking, anti-money laundering and terrorism financing, responsible gaming, control of cross-border transportation of cash, prevention and suppression of corruption in external trade, asset freezing enforcement, foreign exchange, intellectual property rights, data privacy, labor quotas, land, distribution of profits, Foreign Corrupt Practices Act, Macau subconcession regime and taxation.*

### Gaming Regulations

The ownership and operation of casino gaming facilities in Macau are subject to the general civil and commercial laws and specific gaming laws, in particular, Law No. 16/2001, or the Macau Gaming Law. Macau's gaming operations are also subject to the grant of a concession or subconcession by, and regulatory control of, the Macau government. See "—The Gaming Operator's Subconcession."

The DICJ is the supervisory authority and regulator of the gaming industry in Macau. The core functions of the DICJ are:

- to collaborate in the definition of gaming policies;
- to supervise and monitor the activities of the concessionaires and subconcessionaires;
- to investigate and monitor the continuing suitability and financial capacity requirements of concessionaires, subconcessionaires and gaming promoters;
- to issue licenses to gaming promoters;
- to license and certify gaming equipment; and
- to issue directives and recommend practices with respect to the ordinary operation of casinos.

Below are the main features of the Macau Gaming Law, as supplemented by Administrative Regulation no. 26/2001, that are applicable to the gaming business.

- If the Gaming Operator violates the Macau Gaming Law, the Gaming Operator's subconcession could be limited, conditioned, suspended, revoked, or subject to compliance with certain statutory and regulatory procedures. In addition, the Gaming Operator, and the persons involved, could be subject to substantial fines for each separate violation of the Macau Gaming Law or of the Subconcession Contract at the discretion of the Macau government. Further, if the Gaming Operator terminates or suspends the operation of all or a part of its gaming operations without permission for reasons not due to force majeure, or in the event of the insufficiency of the gaming facilities and equipment which may affect the normal operation of its gaming business, the Macau government would be entitled to replace the Gaming Operator during such disruption and to ensure the continued operation of the gaming business. Under such circumstances, the Gaming Operator would bear the expenses required for maintaining the normal operation of the gaming business.
- The Macau government also has the power to supervise concessionaires and subconcessionaires in order to assure financial stability and capability. See "—The Gaming Operator's Subconcession—The Subconcession Contract" below for more details.
- Any person who fails or refuses to apply for a finding of suitability after being ordered to do so by the Macau government may be found unsuitable. Any shareholder of a concessionaire or subconcessionaire holding shares equal to or in excess of 5% of such concessionaire's or subconcessionaire's share capital who is found unsuitable will be required to dispose of such shares by a certain time (the transfer itself

being subject to the Macau government's authorization). If a disposal has not taken place by the time so designated, such shares must be acquired by the concessionaire or subconcessionaire. The Gaming Operator will be subject to disciplinary action if, after it receives notice that a person is unsuitable to be a shareholder or to have any other relationship with it, the Gaming Operator:

- pays that person any dividend or interest upon its shares;
- allows that person to exercise, directly or indirectly, any voting right conferred through shares held by that person;
- pays remuneration in any form to that person for services rendered or otherwise; or
- fails to pursue all lawful efforts to require that unsuitable person to relinquish his or her shares.

- The Macau government also requires prior approval for the creation of a lien over the shares or property (comprised of a casino, gaming equipment and utensils) of a concession or subconcession holder.
- The Macau government must give its prior approval to changes in control through a merger, consolidation, shares acquisition, or any act or conduct by any person whereby such person obtains control of the Gaming Operator. Entities seeking to acquire control of a concessionaire or subconcessionaire must satisfy the Macau government with regards to a variety of stringent standards prior to assuming control. The Macau government may also require controlling shareholders, officers, directors and other persons having a material relationship or involvement with the entity proposing to acquire control, to be investigated for suitability as part of the approval process of the transaction.

Non-compliance with these obligations could lead to the revocation of the Gaming Operator's subconcession and could materially adversely affect its gaming operations.

The Macau government has also enacted other gaming legislation, rules and policies. Further, it imposed policies, regulations and restrictions that affect the minimum age required for entrance into casinos in Macau, the number of gaming tables that may be operated in Macau, location requirements for sites with gaming machine lounges, supply and requirements of gaming machines, equipment and systems, instruction on responsible gaming, restrictions on the utilization of mass market gaming tables for VIP gaming operations and other matters. In addition, the Macau government may consider enacting new regulations that may adversely affect the Gaming Operator's gaming operations. The Gaming Operator's inability to address the requirements or restrictions imposed by the Macau government under such legislation or rules could adversely affect its gaming operations, including Studio City Casino.

**Gaming Promoters Regulations**

Macau Administrative Regulation no. 6/2002, as amended pursuant to Administrative Regulation no. 27/2009, or the Gaming Promoters Regulation, regulates licensing of gaming promoters and the operations of gaming promotion businesses by gaming promoters. Applications to the DICJ by those seeking to become licensed gaming promoters must be sponsored by a concessionaire or subconcessionaire. Such concessionaire or subconcessionaire must confirm that it may contract the applicant's services subject to the latter being licensed. Licenses are subject to annual renewal and a list of licensed gaming promoters is published every year in the Macau Official Gazette. The DICJ monitors each gaming promoter and its staff and collaborators. In October 2015, the DICJ issued specific accounting related instructions applicable to gaming promoters and their operations. Any failure by gaming promoters to comply with such instructions may impact their license and ability to operate in Macau.

In addition, concessionaires and subconcessionaires are jointly liable for the activities of their gaming promoters and collaborators within their casinos. In addition to the licensing and suitability assessment procedures performed by the DICJ, all of the Gaming Operator's gaming promoters undergo a thorough internal

vetting process. The Gaming Operator conducts background checks and also conducts periodic reviews of the activities of each gaming promoter, its employees and its collaborators for possible non-compliance with Macau legal and regulatory requirements. Such reviews generally include investigations into compliance with applicable anti-money laundering laws and regulations as well as tax withholding requirements.

Concessionaires and subconcessionaires are required to report periodically on commissions and other remunerations paid to their gaming promoters. A 5% tax must be withheld on commissions and other remunerations paid by a concessionaire or subconcessionaire to its gaming promoters. Under the Gaming Promoters Regulation and in accordance with the Secretary for Economy and Finance Dispatch no. 83/2009, effective as of September 11, 2009, a commission cap of 1.25% of net rolling has been in effect. Any bonuses, gifts, services or other advantages which are subject to monetary valuation and which are granted, directly or indirectly, inside or outside of Macau by any concessionaire or subconcessionaires or any company of their respective group to any gaming promoter shall be considered a commission. The commission cap regulations impose fines, ranging from MOP100,000 (US$12,479) up to MOP500,000 (US$62,395), on gaming operators that do not comply with the cap and other fines, ranging from MOP50,000 (US$6,240) up to MOP250,000 (US$31,198) on gaming operators that do not comply with their reporting obligations regarding commission payments. If breached, the legislation on commission caps has a sanction enabling the relevant government authority to make public a government decision imposing a fine on a concessionaire and subconcessionaire by publishing such decision on the DICJ website and in two Macau newspapers (in Chinese and Portuguese respectively). We believe the Gaming Operator has implemented the necessary internal control systems to ensure compliance with the commission cap and reporting obligations in accordance with applicable rules and regulations.

The Macau government is currently considering amending the Macau Administrative Regulation no. 6/2002. The Macau government is, among other things, proposing that the licensing requirements for gaming promoters be more stringent and restrictive, the imposition of new penalties and the increase of the amounts of current fines.

**Gaming Credit Regulations**

Law no. 5/2004 has legalized the extension of gaming credit to patrons or gaming promoters by concessionaires and subconcessionaires in Macau. Gaming promoters may also extend credit to patrons upon obtaining an authorization by a concessionaire or subconcessionaire to carry out such activity. Assigning or transferring one’s authorization to extend gaming credit is not permitted. This statute sets forth filing obligations for those extending credit and the supervising role of the DICJ in this activity. Gaming debts contracted pursuant to this statute are a source of civil obligations and may be enforced in court.

**Access to Casinos and Gaming Areas Regulations**

Under Law no. 10/2012, the minimum age required for entrance into casinos in Macau is 21 years of age. The director of the DICJ may authorize employees under 21 years of age to temporarily enter casinos or gaming areas, after considering their special technical qualifications. The Macau government is currently considering an amendment to Law no. 10/2012 to the effect that off-duty gaming employees may not access any casinos or gaming areas, except during the Chinese New Year festive season.

**Smoking Regulations**

Under the Smoking Prevention and Tobacco Control Law, smoking is not permitted in casino premises, except for an area of up to 50% of the casino area opened to the public as determined by Dispatch of the Chief Executive of Macau. Effective from October 2014, smoking in general access gaming areas is only permitted in segregated smoking lounges with no gaming activities. Smoking in limited access gaming areas would be subject to prior authorization from the Chief Executive of Macau.

In July 2017, Law no. 9/2017 amended the Smoking Prevention and Tobacco Control Law, with effect from January 1, 2018, under which smoking on casino premises shall only be permitted in segregated smoking lounges with no gaming activities, and such segregated smoking lounges are required to be set up within a transition period of one year subsequent to the effective date. During the transition period, existing smoking areas and smoking lounges can be maintained.

**Anti-money Laundering Regulations and Terrorism Financing**

In conjunction with current gaming laws and regulations, we are required to comply with the laws and regulations relating to anti-money laundering activities in Macau. Law no. 2/2006 (as amended pursuant to Law no. 3/2017), the Administrative Regulation no. 7/2006 (as amended pursuant to Administrative Regulation no. 17/2017) and the DICJ Instruction no. 1/2016 in effect from May 13, 2016, govern compliance requirements with respect to identifying, reporting and preventing anti-money laundering and terrorism financing crimes at casinos and gaming areas in Macau. Under these laws and regulations, the Gaming Operator is required to:

- implement internal procedures and rules governing the prevention of anti-money laundering and terrorism financing crimes which are subject to prior approval from DICJ;
- identify and evaluate the money laundering and terrorism financing risk inherent to gaming activities;
- identify any customer who is in a stable business relationship with the Gaming Operator, who is a politically exposed person or any customer or transaction where there are signs of money laundering or financing of terrorism or which involves significant sums of money in the context of the transaction, even if any sign of money laundering is absent;
- refuse to deal with any customers who fail to provide any information requested by the Gaming Operator;
- keep records on the identification of a customer for a period of five years;
- establish a regime for electronic transfers;
- keep individual records of all transactions related to gaming which involve credit securities;
- keep records of all electronic transactions for amounts equal to or exceeding MOP8,000 (US$998) in cases of occasional transactions and MOP120,000 (US$14,975) in cases of transactions that arose in the context of a continuous business relationship;
- notify the Finance Information Bureau if there is any sign of money laundering or financing of terrorism;
- adopt a compliance function and appoint compliance officers; and
- cooperate with the Macau government by providing all required information and documentation requested in relation to anti-money laundering activities.

Under Article 2 of Administrative Regulation no. 7/2006 (as amended pursuant to Administrative Regulation no. 17/2017) and the DICJ Instruction no. 1/2016, the Gaming Operator is required to track and report transactions and granting of credit that are MOP500,000 (US$62,395) or above. Pursuant to the legal requirements above, if the customer provides all required information, after submitting the reports, the Gaming Operator may continue to deal with those customers that were reported to the DICJ and, in case of suspicious transactions, to the Finance Information Bureau.

The Gaming Operator employs internal controls and procedures designed to help ensure that gaming and other operations are conducted in a professional manner and in compliance with internal control requirements issued by the DICJ set forth in its instruction on anti-money laundering, the applicable laws and regulations in Macau, as well as the requirements set forth in the Subconcession Contract.

The Gaming Operator has developed a comprehensive anti-money laundering policy and related procedures covering its anti-money laundering responsibilities, which have been approved by the DICJ, and have training programs in place to ensure that all relevant staff understand such anti-money laundering policy and procedures. The Gaming Operator also uses an integrated IT system to track and automatically generate significant cash transaction reports and, if permitted by the DICJ and the Finance Information Bureau, to submit those reports electronically.

**Responsible Gaming Regulations**

On October 18, 2012, the DICJ issued Instruction no. 2/2012, which came into effect on November 1, 2012, setting out measures for the implementation of responsible gaming principles. Under this instruction, concessionaires and subconcessionaires are required to implement certain measures to promote responsible gambling, including: making information available on the risks of gambling, responsible gambling and odds, both inside and outside the casinos and gaming areas and through electronic means; creation of information and counseling kiosks and a hotline; adequate regulation of lighting inside casinos and gaming areas; public exhibition of time; creation and training of teams and a coordinator responsible for promoting responsible gambling.

**Control of Cross-border Transportation of Cash Regulations**

On June 12, 2017, Law no. 6/2017, with respect to the control of cross-border transportation of cash and other negotiable instruments to the bearer, was enacted. Such law came into effect on November 1, 2017. In accordance with such law, all individuals entering Macau with an amount in cash or negotiable instrument to the bearer equal to or higher than the amount determined by order of the Chief Executive of Macau at MOP120,000 (US$14,975) will be required to declare such amount to the customs authorities. The customs authorities may also request an individual exiting Macau to declare if such individual is carrying an amount in cash or negotiable instruments to the bearer equal to or higher to such amount. Individuals that fail to duly complete the required declaration may be subject to a fine (ranging from 1% to 5% of the amount that exceeds the amount determined by order of the Chief Executive of Macau for declaration purposes, such fine being at least MOP1,000 (US$125) and not exceeding MOP500,000 (US$62,395)). In the event the relevant customs authorities find that the cash or negotiable instrument to the bearer carried by an individual while entering or exiting Macau may be associated with or result from any criminal activity, such incident shall be notified to the relevant criminal authorities and the relevant amounts shall be seized pending investigation.

**Prevention and Suppression of Corruption in External Trade Regulations**

In addition to the general criminal laws regarding corrupt practices in the public and private sector that are in force in Macau, on January 1, 2015, Law no. 10/2014, criminalizing corruption acts in external trade and providing for a system for prevention and suppression of such criminal acts, came into effect in Macau. Melco Resorts' internal policies, which we follow, address this issue.

**Asset Freezing Enforcement Regulations**

On August 29, 2016, Law no. 6/2016, with respect to the framework for the enforcement of asset freezing orders comprised of United Nations Security Council sanctions resolutions for the fight against terrorism and proliferation of weapons of mass destruction, was enacted. Under this law, the Chief Executive of Macau is the competent authority to enforce freezing orders and the Asset Freeze Coordination Commission must assist the Chief Executive of Macau in all technical aspects of such enforcement. Among other entities, gaming operators are subject to certain obligations and duties regarding the freezing of assets ordered by the United Nations Security Council sanctions resolutions, including reporting and cooperation obligations.

**Foreign Exchange Regulations**

Gaming operators in Macau may be authorized to open foreign exchange counters at their casinos and gaming areas subject to compliance with the Foreign Exchange Agencies Constitution and Operation Law (Decree-Law no. 38/97/M), the Exchange Rate Regime (Decree-Law no. 39/97/M) and the specific requirements determined by the Monetary Authority of Macau. The transaction permitted to be performed in such counters is limited to buying and selling bank bills and coins in foreign currency, and to buying travelers checks.

**Intellectual Property Rights Regulations**

Our subsidiaries incorporated in Macau are subject to local intellectual property regulations. Intellectual property protection in Macau is supervised by the Intellectual Property Department of the Economic Services Bureau of the Macau government.

The applicable regime in Macau with regard to intellectual property rights is defined by two main laws. The Industrial Property Code (Decree-Law no. 97/99/M, as amended pursuant to Law no. 11/2001), covers (i) inventions meeting the patentability requirements; (ii) semiconductor topography products; (iii) trademarks; (iv) designations of origin and geographical indications; and (v) awards. The Regime of Copyright and Related Rights (Decree-Law no. 43/99/M, as amended by Law no. 5/2012), protects intellectual works and creations in the literary, scientific and artistic fields, by copyright and related rights.

**Personal Data Regulations**

Processing of personal data by our subsidiaries in Macau is subject to compliance with the Personal Data Protection Act (Law no. 8/2005). The Office for Personal Data Protection, or GPDP, is the regulatory authority in Macau in charge of supervising and enforcing the Personal Data Protection Act. Breaches are subject to civil liability, administrative and criminal sanctions.

The legal framework requires that certain procedures must be adopted before collecting, processing and/or transferring personal data, including obtaining consent from the data subject and/or notifying or requesting authorization from the GPDP prior to processing personal data.

**Labor Quotas Regulations**

All businesses in Macau must apply to the Labor Affairs Bureau for labor quotas to import non-resident unskilled workers from China and other regions or countries. Non-resident skilled workers are also subject to the issuance of a work permit by the Macau government, which is given individually on a case-by-case basis. Businesses are free to employ Macau residents in any position, as by definition all Macau residents have the right to work in Macau. Melco Resorts has, through its subsidiaries, two main groups of labor quotas in Macau, one to import non-skilled workers from China and the other to import non-skilled workers from all other countries. Gaming operators (the Gaming Operator included) are not currently allowed to hire non-Macau resident dealers and supervisors under the Macau government's policy.

Pursuant to Macau social security laws, Macau employers must register their staff under a mandatory social security fund and make social security contributions for each of its resident staff and pay a special duty for each of its non-resident employees on a quarterly basis. Employers must also buy insurance to cover employment accidents and occupational illnesses for all staff.

**Land Regulations**

Land in Macau is legally divided into plots. In most cases, private interests in real property located in Macau are obtained through long-term leases from the Macau government.

We have entered into a land concession contract for the land on which Studio City is located. The contract has a term of 25 years and is renewable for further consecutive periods of ten years, and imposes, among other conditions, a development period, a land premium payment, a nominal annual government land use fee, which may be adjusted every five years, and a guarantee deposit upon acceptance of the land lease terms, which are subject to adjustments from time to time in line with the amounts paid as annual land use fees.

The land is initially granted on a provisional basis and registered as such with the Macau Real Property Registry and only upon completion of the development is the land concession converted into definitive status and so registered with the Macau Real Property Registry.

### Distribution of Profits Regulations

All our subsidiaries incorporated in Macau are required to set aside a minimum of 25% of the entity's profit after taxation to the legal reserve until the balance of the legal reserve reaches a level equivalent to 50% of the entity's share capital in accordance with the provisions of the Macau Commercial Code. The legal reserve sets aside an amount from the subsidiaries' statements of operations and is not available for distribution to the shareholders of the subsidiaries. The appropriation of legal reserve is recorded in the subsidiaries' financial statements in the year in which it is approved by the shareholders of the relevant subsidiaries.

### FCPA

The FCPA prohibits us and our staff and agents from offering or giving money or any other item of value to win or retain business or to influence any act or decision of any foreign official. The Code includes specific FCPA related provisions. To further supplement the Code, Melco Resorts implemented an FCPA Compliance Program in 2007, which was revised and expanded in scope in December 2013 as the EBPP. This covers the activities of our shareholders, directors, officers, staff, and counterparties. See "Business—Our Internal Control Policies."

### The Gaming Operator's Subconcession

#### *The Concession Regime*

The Macau government conducted an international tender process for gaming concessions in Macau in 2001, and granted three gaming concessions to SJM, Galaxy and Wynn Resorts Macau, respectively. Upon authorization by the Macau government, each of SJM, Galaxy and Wynn Resorts Macau subsequently entered into subconcessions with their respective subconcessionaires to operate casino games and other games of chance in Macau. No further granting of subconcessions is permitted unless specifically authorized by the Macau government.

Though there are no restrictions on the number of casinos or gaming areas that may be operated under each concession or subconcession, Macau government approval is required for the commencement of operations of any casino or gaming area.

The subconcessionaires that entered into subconcessions with SJM, Galaxy and Wynn Resorts Macau, are MGM Grand Paradise, Venetian Macau and the Gaming Operator, respectively. The Gaming Operator executed the Subconcession Contract with Wynn Resorts Macau on September 8, 2006. Wynn Resorts Macau will continue to develop and run hotel operations and casino projects independent of the Gaming Operator.

All concessionaires and subconcessionaires must pay a special gaming tax of 35% of gross gaming revenues, defined as all gaming revenues derived from casino or gaming areas, plus an annual gaming premium of:

- MOP30 million (US$3.7 million) per annum fixed premium;
- MOP300,000 (US$37,437) per annum per VIP gaming table;

- MOP150,000 (US$18,719) per annum per mass market gaming table; and
- MOP1,000 (US$125) per annum per electric or mechanical gaming.

The Macau government has been considering the extension or renewal of the concessions and subconcessions or the granting of new concessions and subconcessions. As part of such efforts, in May 2016, the Macau government conducted a mid-term review to analyze the impact of the gaming industry on the local economy, business environment of small and medium enterprises, local population and gaming and non-gaming business sectors and the current status of the gaming promoters.

***The Subconcession Contract***

The Subconcession Contract provides for the terms and conditions of the subconcession granted to the Gaming Operator by Wynn Resorts Macau. The Gaming Operator does not have the right to further grant a subconcession or transfer the operation to third parties.

The Gaming Operator paid a consideration of US$900 million to Wynn Resorts Macau. On September 8, 2006, the Gaming Operator was granted the right to operate games of fortune and chance or other games in casinos in Macau until the expiration of the subconcession on June 26, 2022. No further payments need to be made to Wynn Resorts Macau in future operations during the subconcession period.

The Macau government has confirmed that the subconcession is independent of Wynn Resorts Macau's concession and that the Gaming Operator does not have any obligations to Wynn Resorts Macau pursuant to the Subconcession Contract. It is thus not affected by any modification, suspension, redemption, termination or rescission of Wynn Resorts Macau's concession. In addition, an early termination of Wynn Resorts Macau's concession before June 26, 2022, would not result in the termination of the subconcession. The subconcession was authorized and approved by the Macau government. Absent any change to the Gaming Operator's legal status, rights, duties and obligations towards the Macau government or any change in applicable law, the Gaming Operator will continue to be validly entitled to operate independently under and pursuant to the subconcession, notwithstanding the termination or rescission of Wynn Resorts Macau's concession, the insolvency of Wynn Resorts Macau and/or the replacement of Wynn Resorts Macau as concessionaire in the Subconcession Contract. The Macau government has a contractual obligation to the effect that, should Wynn Resorts Macau cease to hold the concession prior to June 26, 2022, the Macau government would replace Wynn Resorts Macau with another entity so as to ensure that the Gaming Operator may continue to operate games of chance and other games in casinos in Macau and the subconcession would at all times be under a concession. Both the Macau government and Wynn Resorts Macau have undertaken to cooperate with the Gaming Operator to ensure all the legal and contractual obligations are met.

*Summary of the Key Terms of the Subconcession Contract*

A summary of the key terms of the Subconcession Contract is as follows:

*Development of Gaming Projects/Financial Obligations*

The Subconcession Contract requires the Gaming Operator to make a minimum investment in Macau of MOP4.0 billion (US$499.2 million), including investment in fully developing Altira Macau and the City of Dreams, by December 2010. In June 2010, the Gaming Operator obtained confirmation from the Macau government that as of the date of the confirmation, the Gaming Operator had invested over MOP4.0 billion (US$499.2 million) in these projects in Macau.

*Payments*

Subconcession premiums and taxes, computed in various ways depending upon the type of gaming or activity involved, are payable to the Macau government. The method for computing these fees and taxes may be

changed from time to time by the Macau government. Depending upon the particular fee or tax involved, these fees and taxes are payable either monthly or annually and are based upon either a percentage of the gross revenues or the number and type of gaming devices operated. In addition to special gaming taxes of 35% of gross gaming revenues, the Gaming Operator is also required to contribute to the Macau government an amount equivalent to 1.6% of the gross revenues of our gaming business. Such contribution must be delivered to a public foundation designated by the Macau government whose goal is to promote, develop or study culture, society, economy, education and science and engage in academic and charitable activities. Furthermore, the Gaming Operator is also obligated to contribute to Macau an amount equivalent to 2.4% of the gross revenues of the gaming business for urban development, tourism promotion and the social security of Macau. The Gaming Operator is required to collect and pay, through withholding, statutory taxes on commissions or other remunerations paid to gaming promoters.

*Termination Rights*

The Macau government has the right, after notifying Wynn Resorts Macau, to unilaterally terminate the Gaming Operator's subconcession in the event of noncompliance by the Gaming Operator with its basic obligations under the subconcession and applicable Macau laws. Upon termination, all of the Gaming Operator's casino premises and gaming equipment would revert to the Macau government automatically without compensation and the Gaming Operator would cease to generate any revenues from these operations. In many of these instances, the Subconcession Contract does not provide a specific cure period within which any such events may be cured and, instead, the Gaming Operator may be dependent on consultations and negotiations with the Macau government to enable it to remedy any such default. Neither the Gaming Operator nor Wynn Resorts Macau is granted explicit rights of veto, or of prior consultation. The Macau government may be able to unilaterally rescind the Subconcession Contract upon the following termination events:

- the operation of gaming without permission or operation of business which does not fall within the business scope of the subconcession;
- abandonment of approved business or suspension of operations of our gaming business in Macau without reasonable grounds for more than seven consecutive days or more than fourteen non-consecutive days within one calendar year;
- transfer of all or part of the Gaming Operator's operation in Macau in violation of the relevant laws and administrative regulations governing the operation of games of fortune or chance and other casino games in Macau and without Macau government approval;
- failure to pay taxes, premiums, levies or other amounts payable to the Macau government;
- refusal or failure to resume operations following the temporary assumption of operations by the Macau government;
- repeated opposition to the supervision and inspection by the Macau government and failure to comply with decisions and recommendations of the Macau government, especially those of the DICJ;
- failure to provide or supplement the guarantee deposit or the guarantees specified in the subconcession within the prescribed period;
- bankruptcy or insolvency of the Gaming Operator;
- fraudulent activity harming public interest;
- serious and repeated violation of the applicable rules for carrying out casino games of chance or games of other forms or damage to the fairness of casino games of chance or games of other forms;
- systematic non-compliance with the Macau Gaming Law's basic obligations;
- the grant to any other person of any managing power over the gaming business of the Gaming Operator or the grant of a subconcession or entering into any agreement to the same effect; or

- failure by a controlling shareholder in the Gaming Operator to dispose of its interest in the Gaming Operator, within ninety days from the date of the authorization given by the Macau government for such disposal, pursuant to written instructions received from the regulatory authority of a jurisdiction where the said shareholder is licensed to operate, which have had the effect that such controlling shareholder now wishes to dispose of the shares it owns in the Gaming Operator.

*Ownership and Capitalization*

Set out below are the key terms in relation to ownership and capitalization under the Subconcession Contract:

- any person who directly acquires voting rights in the Gaming Operator will be subject to authorization from the Macau government;
- the Gaming Operator will be required to take the necessary measures to ensure that any person who directly or indirectly acquires 5% or more of the shares in the Gaming Operator would be subject to authorization from the Macau government, except when such acquisition is wholly made through the shares of publicly-listed companies tradable at a stock exchange;
- any person who directly or indirectly acquires 5% or more of the shares in the Gaming Operator will be required to report the acquisition to the Macau government (except when such acquisition is wholly made through shares tradable on a stock exchange as a publicly-listed company);
- the Macau government's prior approval would be required for any recapitalization plan of the Gaming Operator; and
- the Chief Executive of Macau could require the increase of the Gaming Operator's share capital, if deemed necessary.

*Redemption*

Under the Subconcession Contract, from 2017, the Macau government has the right to redeem the Subconcession Contract by providing the Gaming Operator with at least one year's prior notice. In the event the Macau government exercises this redemption right, the Gaming Operator would be entitled to compensation. The standards for the calculation of the amount of such compensation would be determined based on the gross revenues generated by City of Dreams during the tax year immediately prior to the redemption, multiplied by the remaining years of the term of the subconcession. The Gaming Operator or we would not receive any further compensation (including for consideration paid by the Gaming Operator to Wynn Resorts Macau for the subconcession).

*Others*

In addition, the Subconcession Contract contains various general covenants and obligations and other provisions, including special duties of cooperation, special duties of information, and execution of our investment obligations.

See "Risk Factors—Risks Relating to Operating in the Gaming Industry in Macau—The Subconcession Contract expires in 2022 and if the Gaming Operator is unable to secure an extension of its subconcession, or a new concession or subconcession, in 2022, or if the Macau government were to exercise its redemption right, the Gaming Operator would be unable to operate Studio City Casino."

**Services and Right to Use Arrangements Regulatory Requirements**

The entry into the Services and Right to Use Arrangements by the Gaming Operator and our subsidiary, Studio City Entertainment, pursuant to which the Studio City Casino is operated, was approved by the Macau

government in April 2007, and the supplement and amendments thereto were approved by the Macau government in May 2012. Set out below are the key terms of such approvals which remain in force:

- Studio City Entertainment shall cooperate with the Macau government, making available any documents, information or data requested directly by the Macau government or through the Gaming Operator for the purposes of monitoring its activity, analysis of its accounts and performance of external audits;
- Studio City Entertainment shall have an annual audit conducted by an external entity, independent and previously accepted by the DICJ, for certification of accounting documents and compliance with relevant legal provisions;
- Studio City Entertainment accepts to be subject to the legal and contractual supervision of the Macau government applicable to gaming concessionaires and subconcessionaires, to ensure its own suitability and financial capacity, the suitability of its direct or indirect shareholders holding 5% or more of its share capital (except with respect to those shareholders holding shares tradeable on a stock exchange), and of its directors and key employees of the Studio City Casino;
- the transfer of any rights under the Services and Right to Use Arrangements shall be subject to the prior authorization from the Macau government; and
- the Gaming Operator and Studio City Entertainment are jointly and severally responsible for compliance with applicable laws, regulations and instructions issued by the Macau government, including those regarding anti-money laundering, anti-financing of terrorist acts, anti-corruption, operation of slot machines and minimum internal control requirements.

In addition, as set out in the Macau government authorization letter for the listing of the company dated March 5, 2018, the listing is subject to the following conditions:

- the company continues to hold, directly or indirectly, 100% of the equity interest of its subsidiary, Studio City Entertainment;
- Melco Resorts continues to hold, directly or indirectly, at least 50.1% of the equity interest in us;
- Melco International continues to hold, directly or indirectly, the majority of the equity interest in Melco Resorts; and
- Mr. Lawrence Ho, directly or indirectly, continues to hold the majority of the equity interest in Melco International to control such entity.

Under such authorization, the Gaming Operator is required to annually provide the Macau government with evidence with respect to the compliance with the above conditions. In addition, under such authorization, we and the Gaming Operator are also required to comply with the conditions imposed by the Macau government in connection with its approval of our entry into the Services and Right to Use Arrangements.

The Macau government also has the right to revoke such listing authorization if it deems that the listing is contrary to the public interest or in case of any breach of the mentioned conditions. In case of revocation of the listing authorization by the Macau government, we may be required by the Macau government to delist the ADSs from the New York Stock Exchange. Failure to do so could result in the approval of the Services and Right to Use Arrangements being revoked, preventing us from receiving any amounts thereunder, in a closure order being issued with respect to the Studio City Casino or the suspension or termination of the Gaming Operator’s subconcession and consequently we may be unable to offer any gaming facilities at Studio City.

**Taxation**

Our subsidiaries incorporated in Macau are subject to Macau complementary tax of 12% on profits earned in or derived from their activities conducted in Macau.

In January 2015, the Macau government approved the application by our subsidiary, Studio City Entertainment, for a Macau complementary tax exemption through 2016 on profits generated from income received from the Gaming Operator, to the extent that such income results from gaming operations within Studio City Casino and have been subject to gaming tax. In January 2017, the Macau government granted an extension of this exemption for an additional five years from 2017 to 2021. Dividend distributions by such subsidiary continue to be subject to Macau complementary tax. We remain subject to Macau complementary tax on our non-gaming profits.

In September 2017, the Macau government granted Studio City Hotels the declaration of touristic utility purpose pursuant to which Studio City Hotels is entitled to a property tax holiday for a period of twelve years on the immovable property to which the touristic utility was granted, owned or operated by Studio City Hotels. Under such tax holiday, Studio City Hotels is allowed to double the maximum rates applicable to depreciation and reintegration for the purposes of assessment of the Macau complementary tax. Although the Studio City property is owned by Studio City Developments, we believe Studio City Hotels is entitled to such property tax holiday; however, there is no assurance that the Macau government will extend such benefit to Studio City Hotels.

## MANAGEMENT

### Directors and Executive Officers

The following table provides information regarding our directors and executive officers as of the date of this prospectus.

| Directors and Executive Officers | Age | Position/Title |
|---|---|---|
| Lawrence Yau Lung Ho | 41 | Director |
| Evan Andrew Winkler | 43 | Director |
| Clarence Yuk Man Chung | 55 | Director* |
| Geoffrey Stuart Davis | 50 | Director* |
| Stephanie Cheung | 55 | Director* |
| Akiko Takahashi | 65 | Director* |
| David Anthony Reganato | 38 | Director |
| Timothy Paul Lavelle | 34 | Director* |
| Dominique Mielle | 50 | Independent Director Appointee* |
| Kevin F. Sullivan | 65 | Independent Director Appointee* |
| [●] | [●] | Independent Director Appointee* |
| Geoffry Philip Andres | 51 | Property President |
| Timothy Green Nauss | 61 | Property Chief Financial Officer |

* Has accepted director appointment effective immediately upon completion of this offering.

***Mr. Lawrence Yau Lung Ho*** has been a member of our board of directors since July 2011. Mr. Ho was also appointed as the executive director of Melco Resorts on December 20, 2004, and served as its co-chairman and chief executive officer between December 2004 and April 2016 before he was re-designated as chairman and chief executive officer in May 2016. Since November 2001, Mr. Ho has served as the managing director of Melco International and its chairman and chief executive officer since March 2006. Mr. Ho has also been appointed as the chairman and director of Maple Peak Investment Inc., a company listed on the TSX Venture Exchange in Canada, since July 2016, and also serves on numerous boards and committees of privately-held companies in Hong Kong, Macau and mainland China.

As a member of the National Committee of the Chinese People's Political Consultative Conference, Mr. Ho serves on the board or participates as a committee member in various organizations in Hong Kong, Macau and mainland China. He is a vice chairman of the All-China Federation of Industry and Commerce; a member of the Board of Directors and a Vice Patron of The Community Chest of Hong Kong; a member of the All China Youth Federation; a member of the Macau Basic Law Promotion Association; chairman of the Macau International Volunteers Association; a member of the Board of Governors of The Canadian Chamber of Commerce in Hong Kong; honorary lifetime director of The Chinese General Chamber of Commerce of Hong Kong; honorary patron of The Canadian Chamber of Commerce in Macao; honorary president of the Association of Property Agents and Real Estate Developers of Macau and director executive of the Macao Chamber of Commerce.

In recognition of Mr. Ho's excellent directorship and entrepreneurial spirit, Institutional Investor honored him as the "Best CEO" in 2005. He was also granted the "5th China Enterprise Award for Creative Businessmen" by the China Marketing Association and China Enterprise News, "Leader of Tomorrow" by Hong Kong Tatler and the "Directors of the Year Award" by the Hong Kong Institute of Directors in 2005. In 2017, Mr. Ho was awarded the Medal of Merit—Tourism by the Macau SAR government for his significant contributions to tourism in the territory.

As a socially responsible young entrepreneur in Hong Kong, Mr. Ho was selected as one of the "Ten Outstanding Young Persons Selection 2006," organized by Junior Chamber International Hong Kong. In 2007, he was elected as a finalist in the "Best Chairman" category in the "Stevie International Business Awards" and

one of the "100 Most Influential People across Asia Pacific" by Asiamoney magazine. In 2008, he was granted the "China Charity Award" by the Ministry of Civil Affairs of the People's Republic of China. In 2009, Mr. Ho was selected as one of the "China Top Ten Financial and Intelligent Persons" judged by a panel led by the Beijing Cultural Development Study Institute and Fortune Times and was named "Young Entrepreneur of the Year" at Hong Kong's first Asia Pacific Entrepreneurship Awards. Mr. Ho was selected by FinanceAsia magazine as one of the "Best CEOs in Hong Kong" for the fifth time in 2014 and was granted the "Leadership Gold Award" in the Business Awards of Macau in 2015. Mr. Ho has been honored as one of the recipients of the "Asian Corporate Director Recognition Awards" by Corporate Governance Asia magazine for six consecutive years since 2012 and was awarded "Asia's Best CEO" at the Asian Excellence Awards for the sixth time in 2017.

Mr. Ho graduated with a Bachelor of Arts degree in commerce from the University of Toronto, Canada, in June 1999 and was awarded the Honorary Doctor of Business Administration degree by Edinburgh Napier University, Scotland, in July 2009 for his contribution to business, education and the community in Hong Kong, Macau and China.

***Mr. Evan Andrew Winkler*** has been a member of our board of directors since August 2016. Mr. Winkler was also appointed as a non-executive director of Melco Resorts on August 3, 2016. Mr. Winkler has served as the managing director and the president of Melco International since August 2016 and May 2018, respectively, and a director of various subsidiaries of Melco International. Before joining Melco International, Mr. Winkler served as a managing director at Moelis & Company, a global investment bank. Prior to that, he was a managing director and co-head of technology, media and telecommunications M&A at UBS Investment Bank. Mr. Winkler has extensive experience in providing senior level advisory services on mergers and acquisitions and other corporate finance initiatives, having spent nearly two decades working on Wall Street. He was named as one of the "Top 40 under 40" by Investment Dealers' Digest in 2010. He holds a bachelor's degree in Economics from the University of Chicago.

***Mr. Clarence Yuk Man Chung*** will serve as our director immediately upon completion of this offering. Mr. Chung was appointed as a non-executive director of Melco Resorts on November 21, 2006. Mr. Chung has also been an executive director of Melco International since May 2006, which he joined in December 2003. In addition, Mr. Chung has been the chairman and president of Melco Resorts and Entertainment (Philippines) Corporation, a company listed on the Philippine Stock Exchange, or MRP, since December 2012 and has also been appointed as a director of certain subsidiaries of Melco International and Melco Resorts incorporated in various jurisdictions. Before joining Melco International, Mr. Chung had been in the financial industry in various capacities as a chief financial officer, an investment banker and a merger and acquisition specialist. He was named one of the "Asian Gaming 50" for multiple years (including 2017) by Inside Asian Gaming magazine. Mr. Chung is a member of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales and obtained a master's degree in business administration from the Kellogg School of Management at Northwestern University and The Hong Kong University of Science and Technology.

***Mr. Geoffrey Stuart Davis*** will serve as our director immediately upon completion of this offering. Mr. Davis is the executive vice president and chief financial officer of Melco Resorts and he was appointed to this role in April 2011. Prior to that, he served as the deputy chief financial officer of Melco Resorts from August 2010 to March 2011 and senior vice president, corporate finance of Melco Resorts since 2007, when he joined Melco Resorts. In addition, Mr. Davis has been the chief financial officer of Melco International since December 2017 and a director of MRP since January 2018. Prior to joining Melco Resorts, Mr. Davis was a research analyst for Citigroup Investment Research, where he covered the U.S. gaming industry from 2001 to 2007. From 1996 to 2000, he held a number of positions at Hilton Hotels Corporation and Park Place Entertainment. Park Place was spun off from Hilton Hotels Corporation and subsequently renamed Caesars Entertainment. Mr. Davis has been a CFA charter holder since 2000 and obtained a bachelor of arts degree from Brown University.

***Ms. Stephanie Cheung*** will serve as our director immediately upon completion of this offering. Ms. Cheung is the executive vice president and chief legal officer of Melco Resorts and she was appointed to this role in

December 2008. Prior to that, she held the title of general counsel of Melco Resorts from November 2006, when she joined Melco Resorts. She has acted as the secretary to the board of Melco Resorts since she joined Melco Resorts. Prior to joining Melco Resorts, Ms. Cheung practiced law with various international law firms in Hong Kong, Singapore and Toronto. Ms. Cheung graduated with a bachelor of laws degree from Osgoode Hall Law School and a master's degree in business administration from York University. Ms. Cheung is admitted as a solicitor in Ontario, Canada, England and Wales and Hong Kong and is a member of the Hong Kong Institute of Directors and a fellow of Salzburg Global.

***Ms. Akiko Takahashi*** will serve as our director immediately upon completion of this offering. Ms. Takahashi is the executive vice president and chief officer, human resources/corporate social responsibility, of Melco Resorts and was appointed to this role in December 2008. Prior to that, she held the title of group human resources director of Melco Resorts from December 2006, when she joined Melco Resorts. Prior to joining Melco Resorts, Ms. Takahashi worked as a consultant in her own consultancy company from 2003 to 2006 where she conducted "C-level" executive searches for clients and assisted with brand/service culture alignment for a luxury hotel in New York City and where her last engagement prior to joining Melco Resorts was to lead the human resources integration for the largest international hospitality joint venture in Japan between InterContinental Hotels Group and ANA Hotels. She was the global group director of human resources for Shangri-la Hotels and Resorts, an international luxury hotel group headquartered in Hong Kong, from 1995 to 2003. Between 1993 and 1995, she was the senior vice president of human resources and service quality for Bank of America, Hawaii, FSB. She served as regional human resources manager for Sheraton Hotels Hawaii / Japan from 1985 to 1993. Ms. Takahashi started her hospitality career as a training manager for Halekulani Hotel. She began her career in the fashion luxury retail industry in merchandising, operations, training and human resources. Ms. Takahashi attended the University of Hawaii.

***Mr. David Anthony Reganato*** has been a member of our board of directors since March 2014. Mr. Reganato also serves on the boards of Codere S.A., Granite Broadcasting LLC and Rotech Healthcare, Inc. Mr. Reganato is a Senior Investment Analyst with Silver Point Capital, L.P., an investment advisor, which he joined in November 2002. Prior to Silver Point Capital, L.P., Mr. Reganato worked in the investment banking division of Morgan Stanley. Mr. Reganato earned his B.S. in Finance and Accounting from the Stern School of Business at New York University.

***Mr. Timothy Paul Lavelle*** will serve as our director immediately upon completion of this offering. Mr. Lavelle is a senior investment analyst with Silver Point Capital, L.P., an investment advisor, which he joined in August 2008. Prior to Silver Point Capital, L.P., Mr. Lavelle worked in the investment banking division of Credit Suisse. Mr. Lavelle also serves on the boards of Codere S.A., Speedstar Holding, LLC, Dominion Homes, Inc. and Rotech Healthcare, Inc. Mr. Lavelle graduated with his B.B.A. in Finance and Psychology from the University of Notre Dame.

***Ms. Dominique Mielle*** will serve as an independent director immediately upon the completion of this offering. Ms. Mielle was a partner at Canyon Capital Advisors, LLC, or Canyon, from August 1998 to December 2017 where she primarily focused on the transportation, technology, retail and consumer products sectors, specialized in corporate and municipal bond securitizations and was responsible for all aspects of Canyon's collateralized loan obligations business. Ms. Mielle has over 25 years of experience on Wall Street, investing in fixed income and leading capital structure optimizations and restructurings. She was named one of the "Top 50 Women in Hedge Funds" by Ernst & Young in 2017. Prior to joining Canyon in 1998, Ms. Mielle worked at Libra Investments, Inc. as an associate in the corporate finance department covering middle market companies. Prior to that, she worked at Lehman Brothers as an analyst in the Financial Institutions group, focusing on mergers and acquisitions. Ms. Mielle graduated with an M.B.A. (Finance) from Stanford University and a Master in Management degree from Ecole des Hautes Etudes Commerciales in France (HEC Paris).

***Mr. Kevin F. Sullivan*** will serve as an independent director immediately upon the completion of this offering. He is a Managing Director at MidOcean Credit Partners, a private investment firm that specializes in

U.S. hedge fund investments. Prior to joining MidOcean Credit Partners, Mr. Sullivan was a Managing Director at Deutsche Bank, and a predecessor bank, Bankers Trust, from 1980 until November 2012. Mr. Sullivan held positions of increasing responsibility over his 32 years at Deutsche Bank and Bankers Trust, including Group Head of the loan sales, trading and capital markets division, Asia Head of the leveraged finance division, Group Head of the Asset Based Lending division, Member of the Capital Commitments Committee and Member of the Equity Investment Committee. Prior to that, he worked at Price Waterhouse & Co. as part of its New York senior audit staff from 1975 to 1979. Mr. Sullivan has also been the lead independent director of Griffon Corporation and has served on its board, audit and head of finance committees since January 2013. Mr. Sullivan graduated with an M.B.A. in Finance from St. John's University and a B.S. degree in Accounting from Fordham University.

***Mr. Geoffry Philip Andres*** has served as our property president since February 2018. Prior to Mr. Andres' current position, Mr. Andres served as property president / chief operating officer of Melco Resorts and Entertainment (Philippines) Corporation, a company listed on the Philippine Stock Exchange, from November 2015 to January 2018. Prior to joining Melco, Mr. Andres was the chief executive officer and executive director on the board of Aquis Entertainment Limited in Canberra, Australia, responsible for an existing casino and assisting with the development and acquisition of additional casinos. Prior to this position, from September 2011 until April 2015, Mr. Andres was senior vice president and general manager of Sands Macau, responsible for its overall operations, including a casino with 300 tables and 1,100 slot machines, six restaurants and a 289-room hotel. From December 2010 to September 2011, Mr. Andres was vice-president, slots, for all of Sands China Limited, including The Venetian Macao, Sands Macao and The Plaza Macao, totaling 3,490 slot machines. Mr. Andres began his career with Harrah's in 1988, and from June 2005 to December 2010, Mr. Andres was the vice president and general manager for Harrah's Ak-Chin Casino Resort in Arizona. Mr. Andres graduated from the University of Nevada with a bachelor of science degree in business administration and a master's degree in business administration.

***Mr. Timothy Green Nauss*** is our property chief financial officer at Studio City and he was appointed to his current role in January 2015. Most recently, Mr. Nauss was the Executive Director, Finance for Wynn Palace, where he focused on the Cotai Strip development for the Finance division. Prior to this role, he was Director of Finance at Wynn Resorts Macau and was involved in opening of Encore Macau. Prior to joining Wynn Resorts Macau in 2009, Mr. Nauss was the Director of Finance, Cotai for Venetian Macau Limited, and served as Director of Finance in the pre-opening development, operational development and opening for Venetian Macau. He was VP of Finance with Wyndham International from 2000 to 2005. Mr. Nauss began his career in hospitality with Hilton Hotels Corporation where he served in a number of executive capacities in both Operations and Finance. Mr. Nauss graduated with his bachelor of arts and sciences degree from the University of South Carolina with a major in psychology and a minor in accounting.

**Board of Directors**

Our board of directors will consist of up to eleven directors, including three independent directors, immediately upon completion of this offering. Under the Shareholders Agreement, subject to maintaining ownership of a certain percentage of the number of shares held immediately prior to this offering, MCE Cotai is entitled to appoint up to three directors and New Cotai is entitled to appoint up to two directors. See "Related Party Transaction —Shareholders' Agreement." Notwithstanding such provisions contained in the Shareholders Agreement, the additional members on our board of directors that will serve on our board of directors immediately upon the completion of this offering were appointed by the board of directors, which, immediately prior to the completion of this offering, consisted of Mr. Lawrence Ho, Mr. Evan Winkler and Mr. David Reganato. Mr. Lawrence Ho was appointed as a director by our board of directors in connection with MCE Cotai's acquisition of a 60% interest in us. Mr. Evan Winkler was appointed by MCE Cotai under its right to appoint up to three directors under the Shareholders Agreement and Mr. David Reganato was appointed by New Cotai under its right to appoint up to two directors under the Shareholders Agreement.

NYSE Rule 303A.01 generally requires that a majority of an issuer's board of directors must consist of independent directors. However, NYSE Rule 303A.00 permits foreign private issuers like us to follow "home country practice" in certain corporate governance matters. We rely on this "home country practice" exception and do not have a majority of independent directors serving on our board. A director is not required to hold any shares in our company to qualify to serve as a director. A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with our company is required to declare the nature of his/her interest at a meeting of our directors. A general notice given to the directors by any director to the effect that he/she is a member, shareholder, director, partner, officer or employee of any specified company or firm and is to be regarded as interested in any contract or transaction with that company or firm shall be deemed a sufficient declaration of interest for the purposes of voting on a resolution in respect to a contract or transaction in which he/she has an interest, and after such general notice it shall not be necessary to give special notice relating to any particular transaction. A director may vote in respect of any contract or proposed contract or arrangement notwithstanding that he/she may be interested therein and if he/she does so his/her vote shall be counted and he/she may be counted in the quorum at any meeting of the directors at which any such contract or proposed contract or arrangement is considered. Our board of directors may exercise all of the powers of our company to borrow money, to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock or other securities whenever money is borrowed or as security for any debt, liability or obligation of our company or of any third-party. None of our directors have a service contract with us that provides for benefits upon termination of service.

**Committees of the Board of Directors**

Upon the completion of this offering, we intend to establish an audit and risk committee, a compensation committee and a nominating and corporate governance committee under the board of directors. We intend to adopt a charter for each of the three committees upon the completion of this offering. Each committee's members and functions are described below.

***Audit and Risk Committee***

Our audit and risk committee will consist of Dominique Mielle, Kevin F. Sullivan and           , and will be chaired by Kevin F. Sullivan. All of our audit and risk committee members satisfy the "independence" requirements of Section 303A of the New York Stock Exchange Listed Company Manual and meet the independence standards under Rule 10A-3 under the Exchange Act. Our audit and risk committee will consist solely of independent directors that satisfy the New York Stock Exchange and SEC requirements immediately upon completion of this offering. Our board of directors has also determined that Kevin F. Sullivan qualifies as an "audit and risk committee financial expert" within the meaning of the SEC rules and possesses financial sophistication within the meaning of the New York Stock Exchange Listed Company Manual. The audit and risk committee will be responsible for assisting our board in overseeing and monitoring:

- the audits of the financial statements of our company;
- the qualifications and independence of our independent auditors;
- the performance of our independent auditors;
- the account and financial reporting processes of our company and the integrity of our systems of internal accounting and financial controls;
- legal and regulatory issues relating to the financial statements of our company, including the oversight of the independent auditors, the review of the financial statements and related material, the internal audit process and the procedure for receiving complaints regarding accounting, internal accounting controls, auditing or other related matters;
- the disclosure, in accordance with our relevant policies, of any material information regarding the quality or integrity of our financial statements;

- the integrity and effectiveness of our internal audit function; and
- the risk management policies, procedures and practices.

The other duties of the audit and risk committee include:

- reviewing and recommending to our board for approval, the appointment, re-appointment or removal of the independent auditor, after considering its annual performance evaluation of the independent auditor;
- approving the remuneration and terms of engagement of the independent auditor and pre-approving all auditing and non-auditing services permitted to be performed by our independent auditors;
- at least annually, obtaining a written report from our independent auditor describing matters relating to its independence and quality control procedures;
- discussing with our independent auditor and our management, among other things, the audits of the financial statements, including whether any material information brought to their attention should be disclosed, issues regarding accounting and auditing principles and practices and the management's internal control report;
- reviewing and recommending the financial statements for inclusion within our quarterly earnings releases and to our board for inclusion in our annual reports;
- approving all material related party transactions as defined in Item 404 of Regulation S-K brought to its attention, without further approval of our board;
- establishing and overseeing procedures for the handling of complaints and whistleblowing;
- approving the internal audit charter and annual audit plans, and undertaking an annual performance evaluation of the internal audit function;
- assessing senior management's policies and procedures to identify, accept, mitigate, allocate or otherwise manage various types of risks presented by management, and making recommendations with respect to our risk management process for the board's approval;
- reviewing our financial controls, internal control and risk management systems, and discussing with our management the system of internal control and ensuring that our management has discharged its duty to have an effective internal control system including the adequacy of resources, the qualifications and experience of our accounting and financial staff, and their training programs and budget;
- together with our board, evaluating the performance of the audit and risk committee on an annual basis;
- assessing the adequacy of the charter of the audit and risk committee; and
- co-operating with the other board committees in any areas of overlapping responsibilities.

***Compensation Committee***

Our compensation committee will consist of Dominique Mielle, Kevin F. Sullivan, David Anthony Reganato and , and will be chaired by . Each of Dominique Mielle, Kevin F. Sullivan and satisfies the "independence" requirements of Section 303A of the New York Stock Exchange Listed Company Manual. Our compensation committee will assist the board in discharging the responsibilities of the board relating to compensation of our executives, including by designing (in consultation with management and our board), recommending to our board for approval and evaluating the executive and director compensation plans, policies and programs of our company. Members of this committee are not prohibited from direct involvement in determining their own compensation.

Our executive officers may not be present at any compensation committee meeting during which their compensation is deliberated upon. The compensation committee will be responsible for, among other things:

- [overseeing the development and implementation of compensation programs in consultation with our management;
- at least annually, making recommendations to our board with respect to the compensation arrangements for our non-executive directors, and approving compensation arrangements for our executive officers;
- at least annually, reviewing and approving our general compensation scheme and equity-based plans, and overseeing the administration of these plans and discharging any responsibilities imposed on the compensation committee by any of these plans;
- reviewing and approving the compensation payable to our executive officers in connection with any loss or termination of their office or appointment;
- reviewing and recommending any benefits in kind received by any director or approving executive officer where such benefits are not provided for under the relevant employment terms;
- reviewing executive officer and director indemnification and insurance matters;
- overseeing our regulatory compliance with respect to compensation matters, including our policies on restrictions on compensation plans and loans to officers;
- together with the board, evaluating the performance of the compensation committee on an annual basis;
- assessing the adequacy of the charter of the compensation committee; and
- co-operating with the other board committees in any areas of overlapping responsibilities.]

***Nominating and Corporate Governance Committee***

Our nominating and corporate governance committee will consist of Dominique Mielle, Kevin F. Sullivan, Timothy Paul Lavelle and , and will be chaired by . Each of Dominique Mielle, Kevin F. Sullivan and satisfies the "independence" requirements of Section 303A of the New York Stock Exchange Listed Company Manual. The nominating and corporate governance committee will be responsible for, among other things, assisting our board in discharging its responsibilities regarding:

- [the identification of qualified candidates to become members and chairs of the board committees and to fill any such vacancies, and reviewing the appropriateness of the continued service of directors;
- ensuring that our board meets the criteria for independence under the New York Stock Exchange corporate governance rules and nominating directors who meet such independence criteria;
- oversight of our compliance with legal and regulatory requirements, in particular the legal and regulatory requirements of Macau, the Cayman Islands, the SEC and the New York Stock Exchange;
- the development and recommendation to our board of a set of corporate governance principles applicable to our company; and
- the disclosure, in accordance with our relevant policies, of any material information (other than that regarding the quality or integrity of our financial statements).]

The other duties of the nominating and corporate governance committee include:

- [making recommendations to our board for its approval, the appointment or re-appointment of any members of our board and the chairs and members of its committees, including evaluating any succession planning;

- reviewing on an annual basis the appropriate skills, knowledge and characteristics required of board members and of the committees of our board and making any recommendations to improve the performance of our board and its committees;
- developing and recommending to our board such policies and procedures with respect to nomination or appointment of members of our board and chairs and members of its committees or other corporate governance matters as may be required pursuant to any SEC or New York Stock Exchange rules, or otherwise considered desirable and appropriate;
- developing a set of corporate governance principles and reviewing such principles at least annually;
- deciding whether any material information which is brought to its attention (other than that regarding the quality or integrity of our financial statements) should be disclosed;
- reviewing and monitoring the training and continuous professional development of our directors and senior management;
- developing, reviewing and monitoring the code of conduct and compliance manual applicable to staff and directors;
- together with the board, evaluating the performance of the committee on an annual basis;
- assessing the adequacy of the charter of the nominating and corporate governance committee; and
- co-operating with the other board committees in any areas of overlapping responsibilities.]

**Duties of Directors**

Under Cayman Islands law, our directors owe fiduciary duties to our company, including a duty of loyalty, a duty to act honestly and a duty to act in what they consider in good faith to be in our best interests. Our directors must also exercise their powers only for a proper purpose. Our directors also owe to our company a duty to act with skill and care. It was previously considered that a director need not exhibit in the performance of his duties a greater degree of skill than may reasonably be expected from a person of his knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands. In fulfilling their duty of care to us, our directors must ensure compliance with our memorandum and articles of association, as amended and restated from time to time. Our company has the right to seek damages if a duty owed by our directors is breached. In limited exceptional circumstances, a shareholder may have the right to seek damages in our name if a duty owed by our directors is breached.

The functions and powers of our board of directors include, among others:

- convening shareholders' annual general meetings and reporting its work to shareholders at such meetings;
- declaring dividends and distributions;
- appointing officers and determining the term of office of officers;
- exercising the borrowing powers of our company and mortgaging the property of our company; and
- approving the transfer of shares of our company, including the registering of such shares in our share register.

**Terms of Directors and Executive Officers**

Our officers are elected by and serve at the discretion of the board. Our directors are not subject to a term of office and hold office until such time as they are removed from office by special resolution or the unanimous

written resolution of all shareholders. A director will be removed from office automatically if, among other things, the director (i) becomes bankrupt or makes any arrangement or composition with his creditors or (ii) dies or is found by our company to be or becomes of unsound mind. In addition, the service agreements between us and our directors do not provide benefits upon termination of their services. See also "Related Party Transactions—Shareholders' Agreement."

### Employment Agreements

We have, through our subsidiary, entered into employment agreements with our executive officers. Each of our executive officers is employed for a continuous term, unless either we or the executive officer gives prior notice to terminate such employment. Whenever an executive officer is a non-resident worker, the term of the employment agreement is subject to the issuance and subsequent renewal of the appropriate working visa. We may terminate the employment for cause at any time by immediate notice and without remuneration for certain acts of the executive officer, including but not limited to the commitments of any serious breach, continued failure to perform his or her duties and responsibilities, any serious criminal offense or habitual neglect of his or her duties. An executive officer may terminate his or her employment at any time with a six-month prior written notice.

Each executive officer has agreed to hold, both during and after the employment agreement expires or is earlier terminated, in confidence and not to use or disclose to any person, firm or corporation, any confidential information. Each executive officer has also agreed to disclose to us all intellectual property rights which they created, generated, made, conceived, authored, developed or acquired during the executive officer's employment with us and to waive all moral rights and rights of a similar nature in which copyright may subsist, created by him or her during the period of the executive officer's employment with us. In addition, each executive officer has agreed not to, for a certain period following termination of his or her employment: (i) be engaged, concerned or interested in any capacity (other than as a passive investor of not more than 5% of the issued ordinary shares of any company listed on a recognized investment exchange) with any business carried on within, among others, Hong Kong, Macau and the Philippines similar to or in competition with any restricted business, (ii) solicit or seek or endeavor to entice away any business orders of customers or (iii) induce, solicit or entice or endeavor to induce, solicit or entice away, or offer employment or engagement to, certain employees.

### Interested Transactions

A director may, subject to any separate requirement for audit and risk committee approval under applicable law or the New York Stock Exchange Listed Company Manual, vote in respect of any contract or transaction in which he or she is interested, provided that the nature of the interest of any directors in such contract or transaction is disclosed by him or her at or prior to its consideration and any vote in that matter.

### Compensation of Directors and Executive Officers

In 2017, we paid an aggregate of US$2.8 million in cash and benefits to our executive officers, and we did not pay any compensation to our directors during that period. We have not set aside or accrued any material amount to provide pension, retirement or other similar benefits to our executive officers and directors. We have no service contracts with any of our directors providing for benefits upon termination of their service on our board.

### Share Incentive Plan

We currently do not have a share incentive plan, nor do we plan to adopt one after the completion of the offering. However, our directors, employees and consultants are eligible to participate in the 2011 share incentive plan of Melco Resorts, which is open to directors, employees and consultants of Melco Resorts and any parent or subsidiary of Melco Resorts.

The types of awards that may be granted under the 2011 share incentive plan include options, incentive share options, restricted shares, share appreciation rights, dividend equivalents, share payments, deferred shares and restricted share units. The compensation committee of Melco Resorts may, from time to time, select from among all eligible individuals, those to whom awards will be granted and determine the nature and amount of each award. The maximum aggregate number of shares which may be issued pursuant to the 2011 share incentive plan is 100,000,000 shares and the 2011 share incentive plan will expire in December 2021.

## PRINCIPAL SHAREHOLDERS

The following table sets forth information concerning the beneficial ownership of our SC Class A Shares and SC Class B Shares as of the date of this prospectus:

- each of our directors and executive officers; and
- each person known to us to beneficially own more than 5% of our ordinary shares.

The calculations in the table below are based on [18,127.940] ordinary shares issued and outstanding as of the date of this prospectus and ordinary shares outstanding immediately after the completion of this offering, assuming that the underwriters do not exercise their option to purchase additional ADSs.

Beneficial ownership is determined in accordance with the rules and regulations of the SEC.

| | Shares Beneficially Owned Prior to this Offering | | | | | Shares Beneficially Owned After this Offering (1) | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Shares of SC Class A Shares | % of SC Class A Shares Outstanding† | Shares of SC Class B Shares | % of SC Class B Shares Outstanding† | % of Combined Voting Power(2)* | Shares of SC Class A Shares | Shares of SC Class B Shares | % of Combined Voting Power Assuming the Underwriters' Option Is Not Exercised* | % of Combined Voting Power Assuming the Underwriters' Option Is Exercised in Full* |
| **Directors and Executive Officers:(1)** | | | | | | | | | |
| Lawrence Yau Lung Ho[2] | [10,876.764] | [100.0] | — | — | [60.0] | | | | |
| Evan Andrew Winkler | — | — | — | — | — | — | — | — | — |
| Clarence Yuk Man Chung | — | — | — | — | — | — | — | — | — |
| Geoffrey Stuart Davis | — | — | — | — | — | — | — | — | — |
| Stephanie Cheung | — | — | — | — | — | — | — | — | — |
| Akiko Takahashi | — | — | — | — | — | — | — | — | — |
| David Anthony Reganato | — | — | — | — | — | — | — | — | — |
| Timothy Paul Lavelle | — | — | — | — | — | — | — | — | — |
| Dominique Mielle | — | — | — | — | — | — | — | — | — |
| Kevin F. Sullivan | — | — | — | — | — | — | — | — | — |
| [●] | — | — | — | — | — | — | — | — | — |
| Geoffry Philip Andres | — | — | — | — | — | — | — | — | — |
| Timothy Green Nauss | — | — | — | — | — | — | — | — | — |
| **All directors and executive officers as a group** | [10,876.764] | [100.0] | — | — | [60.0] | | | | |
| **Principal Shareholders:** | | | | | | | | | |
| MCE Cotai(3) | [10,876.764] | [100.0] | — | — | [60.0] | | | | |
| New Cotai(4) | — | — | [7,251.176] | [100.0] | [40.0] | | | | |

† For each person and group included in this column, percentage ownership is calculated by dividing the number of ordinary shares beneficially owned by such person or group, including shares that such person or group has the right to acquire within 60 days after the date of this prospectus, by the sum of (i) [●] which is the total number of ordinary shares of that class outstanding as of the date of this prospectus, and (ii) the number of ordinary shares of that class that such person or group has the right to acquire beneficial ownership within 60 days after the date of this prospectus.

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* Represents percentage of voting power of our SC Class A Shares and SC Class B Shares voting together as a single class. Each SC Class B Share has no economic rights. See "Corporate History and Organizational Structure—Organizational Transactions" and "Description of Share Capital."

(1) Unless otherwise indicated, the business address of our directors and executive officers is c/o [36/F, The Centrium, 60 Wyndham Street, Central, Hong Kong].

(2) Represents 10,876.764 SC Class A Shares directly held by MCE Cotai, which is wholly owned by Melco Resorts. Melco Resorts is 51.06% beneficially owned by Melco Leisure and Entertainment Group Limited, a BVI company wholly owned by Melco International, a Hong Kong company listed on the Hong Kong Stock Exchange. Mr. Ho holds 53.60% equity interest in Melco International, including beneficial interest, interest of his controlled corporations and interest of a trust in which he is one of the beneficiaries and taken to have interest by virtue of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong).

(3) Represents 10,876.764 SC Class A Shares directly held by MCE Cotai Investments Limited, which is an investment holding company incorporated in the Cayman Islands and a wholly owned subsidiary of Melco Resorts. The registered address of MCE Cotai Investments Limited is Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands.

(4) Represents 7,251.176 SC Class B Shares directly held by New Cotai, LLC, which is a Delaware limited liability company. Subject to the terms of the exchange arrangements described in "Corporate History and Organizational Structure," New Cotai, subject to certain conditions, may exchange its Participation Interest for SC Class A Shares. In connection with such exchange, the corresponding number of SC Class B Shares will be cancelled for no consideration. See "Corporate History and Organizational Structure—Participation Agreement." Pursuant to Rule 13d-3 under the Exchange Act, a person has beneficial ownership of a security as to which that person, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares voting power and/or investment power of such security and as to which that person has the right to acquire beneficial ownership of such security within 60 days. As a result, beneficial ownership of SC Class B Shares and Participation Interest is reflected as beneficial ownership of SC Class A Shares for which such shares may be exchanged. The registered address of New Cotai, LLC is 2 Greenwich Plaza, First Floor, Greenwich, CT 06830. Silver Point Capital, L.P. (collectively with its affiliates, "Silver Point"), through a series of intermediary entities, is the direct or indirect beneficial owner of all of the ordinary shares held by New Cotai, LLC. Silver Point Capital Management, LLC is the general partner of Silver Point Capital, L.P. and as a result may be deemed to be the beneficial owner of all the securities held by New Cotai. Edward A. Mulé and Robert J. O'Shea are each members of Silver Point Capital Management, LLC and as a result may be deemed to be the beneficial owners of all of the securities held by New Cotai. Silver Point, including but not limited to Silver Point Capital, L.P. and Silver Point Capital Management, LLC, and Edward A. Mulé and Robert J. O'Shea each disclaim beneficial ownership of the shares held by New Cotai, except to the extent of their pecuniary interest therein. The business address of Silver Point Capital Management, LLC is 2 Greenwich Plaza, First Floor, Greenwich, CT 06830.

As of the date of this prospectus, none of our shareholders has informed us that it is affiliated with a registered broker-dealer or is in the business of underwriting securities. We are not aware of any arrangement that may, at a subsequent date, result in a change of control of our company. See "Description of Share Capital—History of Securities Issuances" for a description of issuances of our securities that have resulted in significant changes in ownership held by our major shareholders.

Upon the completion of this offering, Melco Resorts will remain our controlling shareholder.

# RELATED PARTY TRANSACTIONS

## Related Party Transactions Policy

### Policy and Guidelines for Approval of Related Party Transactions

We intend to adopt a new policy and guidelines with respect to the review, approval and ratification of related party transactions, effective immediately upon the completion of this offering. Under this policy, our Audit and Risk Committee, acting under our board of directors' delegated authority, will be responsible for reviewing and approving related party transactions.

For the purposes of this policy, a "Related Party Transaction" is: (a) any transaction or presently proposed transaction which is material to us or our related party, or any transaction that is unusual in its nature or conditions, involving goods, services, or tangible or intangible assets, to which we or any of our parent companies or subsidiaries is a party and a related party is a counterparty; and (b) a loan (including a guarantee of any kind) made by us, any of our parent companies or any of our subsidiaries to or for the benefit of our related party. Only material related party transactions require the approval of our Audit and Risk Committee. Subject to certain exceptions, transactions with an aggregate value equal to or exceeding a pre-determined amount are deemed material as are transactions that we consider to be material regardless of the value of the transaction, including those involving the disposal of any of our assets or the assets of our consolidated subsidiaries.

In the course of its review and approval of related party transactions, our Audit and Risk Committee will consider the relevant facts and circumstances to determine whether to approve such transactions. In particular, our Audit and Risk Committee will consider the following factors, in addition to any other factors it deems appropriate, in determining whether to approve a related party transaction:

- whether or not the terms of the related party transaction are fair and reasonable to us and based on arm's length negotiations from a commercial perspective;
- whether or not the related party transaction is material to us and our subsidiaries as a whole;
- the role the related party has played in arranging the related party transaction;
- the structure of the related party transaction; and
- the interests of all related parties in the related party transaction.

Any material related party transaction will be consummated and will continue only if our Audit and Risk Committee has approved or ratified such transaction in accordance with the guidelines set forth in our related party transactions policy. Moreover, we have conflict of interest procedures in place that restrict or limit parties from participating in the approval of a related party transaction for which they are a related party.

Our Audit and Risk Committee may only approve those related party transactions that it deems to be beneficial, fair and reasonable to us and with terms it deems to have been determined at arm's length from a commercial perspective. Under the policy, all related party transactions required to be disclosed in our filings with the SEC shall be disclosed in accordance with applicable laws, rules and regulations. Moreover, our internal audit team will perform an annual internal audit on our related party transaction approval process and disclosures.

## Organizational Transactions

In connection with the completion of this offering, we will effect certain organizational transactions, which include certain transactions with certain of our affiliates and our existing shareholders. See "Corporate History and Organizational Structure."

### Private Placements

See "Description of Share Capital—History of Securities Issuances" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness and Capital Contributions."

### Subscription Agreement

Pursuant to the Assured Entitlement Distribution, we will enter into a subscription agreement with Melco International, pursuant to which Melco International agrees to purchase from us US$ million of our SC Class A Shares at the public offering price per ADS divided by the number of SC Class A Shares represented by one ADS. Melco International has agreed with the underwriters not to, directly or indirectly, sell, transfer or dispose of any SC Class A Shares acquired in the private placement for a period of [180] days after the date of this prospectus, except to effect the Assured Entitlement Distribution, and subject to certain other exceptions.

### Shareholders' Agreement

On July 27, 2011, Melco Resorts acquired a 60% equity investment in Studio City International from an affiliate of eSun Holdings Limited, an independent third party, for US$360 million. In connection with such acquisition, Melco Resorts, MCE Cotai, New Cotai and Studio City International entered into a shareholders' agreement which was amended in September 2012, May 2013, June 2014, and July 2014 (as amended, the "Shareholders' Agreement"). The Shareholders' Agreement contains a variety of provisions governing the relationship between MCE Cotai and New Cotai, as our shareholders, including but not limited to the composition of the board of directors, related party transactions, corporate governance, the development and operation of Studio City, future capital contributions, restrictions on transfer of our shares and other related matters.

Certain provisions under the Shareholders' Agreement will terminate upon the completion of this offering except for, among others, provisions with respect to shared vendors servicing Studio City and other properties of Melco Resorts. In addition, the right of MCE Cotai and New Cotai to appoint a certain number of directors based on maintaining ownership of a certain percentage of the number of shares they held immediately prior to this offering will survive following the completion of this offering. In connection with the Organizational Transactions, such rights and obligations will be incorporated into an amended and restated shareholders' agreement to take effect upon the completion of this offering.

### Registration Rights Agreement

See "Description of Share Capital—Registration Rights."

### Employment Agreements

See "Management—Employment Agreements."

**Transactions with Affiliated Companies**

In 2017, 2016 and 2015 and during the six months ended June 30, 2018 and 2017, we entered into the following significant related party transactions:

| Related companies | Nature of transactions | Year Ended December 31, 2017 | Year Ended December 31, 2016 | Year Ended December 31, 2015 | Six Months Ended June 30, 2018 | Six Months Ended June 30, 2017 |
|---|---|---|---|---|---|---|
| **Transactions with affiliated companies** | | | | (US$ thousands) | | |
| Melco Resorts and its subsidiaries | | | | | | |
| | **Revenues (services provided by us):** | | | | | |
| | Provision of gaming related services | 295,638 | 151,597 | 21,427 | 168,595 | 133,352 |
| | Rooms and food and beverage[1] | 82,862 | 71,688 | 8,876 | 42,958 | 39,601 |
| | Services fee[2] | 39,971 | 51,842 | 7,968 | 19,606 | 19,883 |
| | Entertainment and other[1] | 1,328 | 5,465 | 546 | 463 | 512 |
| | **Costs and expenses (services provided to us):** | | | | | |
| | Staff costs recharges[3] | 98,622 | 111,327 | 74,130 | 45,942 | 50,925 |
| | Corporate services[4] | 33,453 | 34,131 | 5,567 | 17,201 | 16,200 |
| | Pre-opening costs and other services | 11,043 | 13,188 | 37,338 | 5,567 | 5,310 |
| | Staff and related costs capitalized in property and equipment | 1,504 | 3,183 | 15,577 | 936 | 622 |
| | Purchase of goods and services | 312 | 303 | 1,601 | 70 | 237 |
| | Advertising and promotional expense | — | — | 12,729 | — | — |
| | **Sale and purchase of assets:** | | | | | |
| | Transfer-in of other long-term assets[5] | 2,584 | 11,150 | 74,902 | 5,514 | 1,821 |
| | Purchase of property and equipment[6] | 282 | 457 | 4,272 | — | — |
| | Sale of property and equipment and other long-term assets | 1,667 | 7,752 | 22,898 | 2,763 | 1,037 |
| A subsidiary of MECOM Power and Construction Limited[7] | | | | | | |
| | **Costs and expenses (services provided to us):** | | | | | |
| | Consultancy fee | 568 | — | — | 1,392 | — |
| | **Purchase of assets:** | | | | | |
| | Renovation works performed and purchase of property and equipment | 5,101 | — | — | 692 | 1,108 |

Notes:

(1) These revenues primarily represented the retail values (before the adoption of the New Revenue Standard) or standalone selling prices (upon the adoption of the New Revenue Standard) of the complimentary services (including rooms, food and beverage and entertainment services) provided to Studio City Casino's gaming patrons and charged to Melco Resorts Macau, the Gaming Operator. For the years ended December 31, 2017, 2016 and 2015, the related party rooms and food and beverage revenues and entertainment and other revenues aggregated to US$84.2 million, US$77.2 million, and US$9.4 million, respectively, of which, US$74.3 million, US$61.8 million, and US$7.1 million related to Studio City Casino's gaming patrons and US$9.9 million, US$15.4 million and US$2.3 million related to non-Studio City Casino's gaming patrons, respectively.

For the six months ended June 30, 2018 and 2017, such related party revenues aggregated to US$43.4 million and US$40.1 million, respectively, of which US$38.4 million and US$35.6 million related to Studio City Casino's gaming patrons and US$5.0 million and US$4.5 million related to non-Studio City Casino's gaming patrons, respectively.

(2) Services provided by us to Melco Resorts and its subsidiaries mainly include, but are not limited to, certain shared administrative services and shuttle bus transportation services provided to Studio City Casino.

(3) Staff costs are recharged by Melco Resorts and its subsidiaries for staff who are solely dedicated to Studio City to carry out activities, including food and beverage management, retail management, hotel management, entertainment projects, mall development and sales and marketing activities and staff costs for certain shared administrative services.

(4) Corporate services are provided to us by Melco Resorts and its subsidiaries. These services include, but are not limited to, general corporate services and senior executive management services for operational purposes.

(5) In 2015, certain software, hardware and fixed assets for the operation of the Studio City Casino recognized as other long-term assets with aggregate carrying amounts of US$67.2 million were transferred from an affiliated company to us at a total consideration of US$74.9 million, representing the agreed upon values. This transaction was recorded in additional paid-in capital in the consolidated statements of shareholders' equity and had no impact on our profits and losses.

(6) In 2016 and 2015, certain software, hardware and fixed assets with aggregate carrying amounts of nil and US$35,000, respectively, were purchased from an affiliated company at a total consideration of US$0.1 million and US$0.9 million, respectively, representing the agreed upon values. These transactions were recorded in additional paid-in capital in the consolidated statements of shareholders' equity and had no impact on our profits and losses.

(7) A company in which Mr. Lawrence Yau Lung Ho has shareholding of approximately 20% in MECOM.

### Transaction with the Gaming Operator under Services and Right to Use Arrangements

Under the Services and Right to Use Arrangements, the Gaming Operator is responsible for the operation of Studio City Casino and deducts gaming tax and the costs incurred in connection with its operation of Studio City Casino from the gross gaming revenues. We receive the residual gross gaming revenues and recognize these amounts as revenues from provision of gaming related services. See "—Material Contracts with Affiliated Companies—Services and Right to Use Arrangements" for details of the terms of the Services and Right to Use Arrangements.

In 2017, 2016 and 2015 and during the six months ended June 30, 2018 and 2017, total gaming tax and costs incurred in connection with the operation of Studio City Casino deducted by the Gaming Operator from gross gaming revenues were US$1,142.5 million, US$554.6 million, US$73.3 million, US$638.0 million and US$493.8 million, respectively. After the deduction by the Gaming Operator of gaming tax and the costs incurred in connection with its operation of Studio City Casino from gross gaming revenues, we recognized revenues from the provision of gaming related services of US$295.6 million, US$151.6 million, US$21.4 million, US$168.6 million and US$133.4 million in 2017, 2016 and 2015, and for the six months ended June 30, 2018 and 2017, respectively.

### Amounts Due from Affiliated Companies

As of June 30, 2018, December 31, 2017 and 2016, we had amounts due from affiliated companies of US$29.1 million, US$37.8 million and US$1.6 million, respectively, which primarily reflected operating income or prepayment of operating expenses and were unsecured, non-interest bearing and repayable on demand.

**Amounts Due to Affiliated Companies**

As of June 30, 2018, December 31, 2017 and 2016, we had amounts due to affiliated companies of US$21.8 million, US$19.5 million and US$33.5 million, respectively, which were mainly arising from renovation works performed and operating expenses and were unsecured, non-interest bearing and repayable on demand.

**Contributions from Our Shareholders for Subscription of Shares**

See "Description of Share Capital—History of Securities Issuances."

**Compensation of Our Directors and Key Management Personnel**

See "Management—Compensation of Directors and Executive Officers."

**Material Contracts with Affiliated Companies**

We have entered into agreements and arrangements with Melco Resorts and its affiliates with respect to various ongoing relationships between us. These agreements include the Services and Right to Use Arrangements, Management and Shared Services Arrangements and Services and Right to Use Direct Agreement.

***Services and Right to Use Arrangements***

On May 11, 2007, our subsidiary, Studio City Entertainment, and the Gaming Operator entered into the Services and Right to Use Agreement (as amended on June 15, 2012, together with the reimbursement agreement of the same date and other agreements or arrangements entered into from time to time regarding the operation of Studio City Casino, the "Services and Right to Use Arrangements") pursuant to which the Gaming Operator operates Studio City Casino. These arrangements remain effective until June 26, 2022, and will be extended if the Gaming Operator obtains a gaming concession, subconcession or other right to legally operate gaming in Macau beyond June 26, 2022 and if the Macau government permits such extension.

The Services and Right to Use Arrangements set forth the terms and conditions for the operation of Studio City Casino by the Gaming Operator and the obligations of Studio City Entertainment in respect thereof.

Under the Services and Right to Use Arrangements, Studio City Entertainment allows the Gaming Operator to use and occupy Studio City Casino for purposes of managing all day-to-day operations, and the Gaming Operator provides the necessary security and develops and implements all systems and controls necessary for Studio City Casino. The Gaming Operator will deduct gaming tax and costs incurred in connection with its operation of Studio City Casino. Studio City Entertainment receives the residual gross gaming revenues and recognizes these amounts as our revenues from provision of gaming related services.

Studio City Entertainment has sole responsibility with respect to the design, construction and any refurbishments of Studio City Casino and shall be responsible for all costs. The Gaming Operator shall procure all necessary permits, authorizations and licenses necessary to operate Studio City Casino in accordance with Macau law.

On November 26, 2013, Studio City Company, the Gaming Operator, Studio City Holdings Five Limited and the security agent under the 2013 Project Facility, among others, entered into the Services and Right to Use Direct Agreement, which sets forth, among other things, certain restrictions on the rights of the Gaming Operator to (subject to the necessary regulatory approvals being obtained) suspend the continued operation of Studio City Casino and/or terminate the Services and Right to Use Arrangements.

The Services and Right to Use Agreement is subject to customary events of default, including failure of Studio City Entertainment to make any payment required by the agreement or any action by Studio City Entertainment which causes or is likely to cause the Gaming Operator to be in breach of its subconcession. The parties may terminate the Services and Right to Use Agreement in the event of a default under the Services and Right to Use Agreement or, among others, as a result of regulatory review, except that as long as Studio City Entertainment is directly or indirectly under the control of Melco Resorts, the Gaming Operator may not terminate the Services and Right to Use Agreement.

In November 2016, pursuant to a request we made under the Services and Right to Use Agreement, the Gaming Operator commenced the operation of VIP tables at Studio City Casino. On or after October 1, 2018, either we or the Gaming Operator may request the operations of the VIP tables at Studio City Casino to cease following a 12-month notice period. In addition, the Gaming Operator may unilaterally cease the operation of VIP tables at Studio City Casino if, among other things, Melco Resorts no longer, directly or indirectly, holds a majority of the voting power of certain of our subsidiaries, including Studio City Developments and Studio City Entertainment, or Studio City Entertainment fails to pay its debts as they fall due. There is no assurance that the operation of such VIP tables at the Studio City Casino will continue after October 1, 2019.

***Management and Shared Services Arrangements***

*Master Services Agreement*

On December 21, 2015, Studio City Entertainment, Studio City Hotels, Studio City Retail Services Limited, Studio City Developments, Studio City Ventures Limited, Studio City Services Limited and Studio City International (the "Studio City Entities," each a "Studio City Entity") and the Master Service Providers entered into a Master Services Agreement (the "Master Services Agreement"), which sets out the terms and conditions that apply to certain services to be provided under the individual work agreements (the "Work Agreements," each a "Work Agreement" and together with the Master Services Agreement and other arrangements for non-gaming services at the properties in Macau, the "Management and Shared Services Arrangements") by the Master Service Providers to the Studio City Entities and vice versa.

Each type of service to be provided is to be set out in a separate Work Agreement between the relevant Studio City Entities and the Master Service Providers. As required by the parties, additional Work Agreements (conforming to the pre-agreed format) may be entered into; new Master Service Providers or Studio City Entities may also accede to existing Work Agreements as agreed between the parties. The parties to a Work Agreement may also agree to modify or add to the services covered by that Work Agreement.

The Master Services Agreement is effective from December 21, 2015 until June 26, 2022 unless terminated, extended or renewed by mutual agreement of the parties in writing. The Master Services Agreement may be terminated (a) by mutual agreement in writing, (b) automatically if the Services and Right to Use Agreement is terminated, (c) by any party upon a 30-day prior written notice if all Work Agreements have been terminated and are no longer in effect, (d) by the Master Service Providers (i) when there is a material breach by a Studio City Entity which remains uncured after 30 days of written notice provided by the Master Services Providers of such breach, or (ii) upon a specified change of control event whereby Melco Resorts does not directly or indirectly control Studio City International or any other entity that controls Studio City and the gaming areas in particular, or where relevant actions taken by any lenders lead to the foregoing results, and (e) by the Studio City Entities upon any material breach by a Master Service Provider which remains uncured after 30 days of written notice by Studio City Parties of such breach. If the Master Services Agreement is terminated, all Work Agreements shall automatically terminate.

Specifically, in case of any breach by either party under the "provision of services" and "standard of care; quality" clauses under the Master Services Agreement, the exclusive remedy of the non-breaching party, subject to indemnification for third-party claims and certain limitations on liabilities regarding consequential and other

damages as well as caps on a party's liability equal to the fees paid or charged under the relevant Work Agreement, is for the breaching party to (a) perform or re-perform the relevant services if reasonably determined by the non-breaching party that the performance of the relevant services is commercially practicable and/or (b) refund any fees paid if reasonably determined by the non-breaching parties that performance or re-performance is not commercially practicable or would not be sufficient compensation for the breach. Otherwise, parties of the Master Services Agreement may seek through arbitration or in a court of competent jurisdiction for specific performance, temporary, preliminary or permanent injunction relief and other interim measure to prevent breaches or threatened breaches.

In the event the Management and Shared Services Arrangements are terminated, all accrued unpaid fees for relevant services will be due and payable immediately. Between the notice of termination or six months prior to the expiration and the termination or expiration date, the parties to such agreements enter a period of transition. During the transition period, at the request of a service recipient, a service provider will cause its third-party vendors to assist and cooperate and work together with the service recipient to assist in the transition of the performance of such terminated services, including by (a) making available necessary information and materials as requested by the service recipient (excluding intellectual property), (b) complying with the termination or transition provisions of the applicable Work Agreement, (c) making available to the service recipient any personnel to answer questions that the service recipient may have regarding the terminated services or management and operation in relation thereto, and (d) assisting in development and installation of hardware and software systems as necessary to continue to manage and operate its business and properties relating to the terminated services. The transition period can be extended by up to 180 days, but cannot be extended beyond June 26, 2022.

The Master Services Agreement provides for a regular review process to ensure the quality of the services provided and for payments and charges made in accordance with the Work Agreements. Significant contested items and other disputes may, if unable to be resolved amicably, ultimately be referred to arbitral proceedings.

*Work Agreements*

We entered into eight Work Agreements on December 21, 2015, between certain of the Master Service Providers and the Studio City Entities. The Work Agreements cover: (1) services related to the sale and purchase of certain property, plant and equipment and inventory and supplies; (2) corporate services; (3) certain pay-as-used charges; (4) operational and property sharing services; (5) limousine transportation services provided by the Master Service Providers; (6) aviation services; (7) collection and payment services and (8) limousine transportation services provided by the Studio City Entities. The terms of the Work Agreements run concurrently with the Master Services Agreement.

Certain of the Work Agreements state that only the Master Service Providers can provide certain services to the Studio City Entities, and not vice versa. This is because the Studio City Entities are not in a position to provide many of the services that they receive from the Master Service Providers, such as corporate, provision of personnel, construction, development and aviation services. For other types of services, either the Master Service Providers or the Studio City Entities may be service providers. These include intra-party sales of inventory and supplies, computer software and hardware services, limousine services and sales services in relation to attraction tickets.

Payment arrangements between the service provider and service recipient are provided for in the individual Work Agreement and may vary depending on the services provided. Corporate services are charged at pre-negotiated rates, subject to a base fee and cap. Senior management service fees and staff costs on operational services are allocated to us based on a percentage of efforts on the services provided to us. Other costs in relation to shared office equipment are allocated based on percentages of usage. Each of the Work Agreements also outlines the fees and reasonable documented out-of-pocket expenses that will be due from the service recipient to the service provider.

On November 26, 2013, Studio City Company, the Gaming Operator, Studio City Holdings Five Limited and the security agent under the 2013 Project Facility, among others, entered into the Services and Right to Use Direct Agreement, which sets forth, among other things, certain restrictions on the rights of the Gaming Operator to (subject to the necessary regulatory approvals being obtained) suspend the continued operation of Studio City Casino and/or terminate the Services and Right to Use Arrangements.

## DESCRIPTION OF INDEBTEDNESS

*The following is a summary of the material terms of our principal financing arrangements. The following summaries do not purport to describe all of the applicable terms and conditions of such arrangements and are qualified in their entirety by reference to the actual agreements. We recommend that you refer to the actual agreements for further details, copies of which are filed as exhibits to the registration statement of which this prospectus is a part. For further information regarding our existing indebtedness, see related notes to our consolidated financial statements included in this prospectus as well as "Risk Factors," "Capitalization" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."*

### 2016 Credit Facility

On January 28, 2013, Studio City Company, entered into an agreement for a senior secured project facility for a total sum of HK$10,855,880,000 (approximately US$1,400 million), comprising a five-year HK$10,080,460,000 (approximately US$1,300 million) term loan facility and a HK$775,420,000 (approximately US$100 million) revolving credit facility (the "2013 Project Facility").

On November 18, 2015, Studio City Company completed an amendment to the 2013 Project Facility, which included changing the Studio City project opening date condition from 400 to 250 tables, consequential adjustments to the financial covenants and rescheduling the commencement of financial covenant testing to March 31, 2017.

On November 23, 2016, Studio City Company and certain of its subsidiaries and affiliates specified as guarantors (the "2016 Borrowing Group") entered into the 2016 Credit Facility with, among others, Bank of China Limited, Macau Branch, which amended, restated and extended the 2013 Project Facility (the balance of which was repaid as described below) to provide for a HK$233 million revolving credit facility (the "Revolving Credit Facility") and a HK$1 million term loan facility (the "Term Loan Facility"). The 2016 Credit Facility is guaranteed by the same entities that guarantee the 2016 Notes and secured by substantially the same collateral as those securing the 2016 Notes with priority over the 2016 Notes with respect to any proceeds received upon any enforcement action against the common collateral.

On November 30, 2016, Studio City Company issued the 2016 Notes, and repaid the 2013 Project Facility (other than the HK$1.0 million rolled over into the Term Loan Facility), as funded by the net proceeds from the offering of the 2016 Notes and cash on hand.

#### *Term Loan Facility*

The Term Loan Facility matures on November 30, 2021, and is collateralized by cash collateral equal to HK$1,012,500 (representing the principal amount plus expected interest expense for one financial quarter). The Term Loan Facility comprises a loan of HK$1.0 million rolled over from the 2013 Project Facility and was fully drawn prior to November 23, 2016.

#### *Revolving Credit Facility*

The Revolving Credit Facility matures on November 30, 2021, unless otherwise prepaid and canceled in accordance with its terms. The Revolving Credit Facility has been available for borrowing and re-borrowing since January 1, 2017 and is available to and including the date falling one month prior to the maturity of the Revolving Credit Facility.

#### *Repayment*

The Term Loan Facility will be repaid at maturity and will not be subject to any amortization payments. The 2016 Credit Facility and the Intercreditor Agreement include restrictions on the lender of the Term Loan

Facility's right to prepayment of the Term Loan Facility unless certain conditions have been triggered including, but not limited to, (i) the discharge in full of all other senior Secured Debt (as defined below); (ii) the application of all other recoveries under the Intercreditor Agreement; (iii) the release of certain Macau law security agreements; (iv) consent having been obtained from certain other Secured Creditors (as defined below); (v) Studio City Company being required to prepay the Term Loan Facility in accordance with the prepayment on illegality provisions of the 2016 Credit Facility; or (vi) the Majority Super Senior Creditors (as defined below) being entitled to take control of enforcement in accordance with the Intercreditor Agreement. The lender of the Term Loan Facility would also not be entitled to prepayment upon certain mandatory prepayment events unless the other Senior Secured Creditors exercise their rights to mandatory prepayment or redemption (as appropriate). See also "—Intercreditor Agreement—Restrictions on the Term Loan Facility."

Each drawing of loans under the Revolving Credit Facility must be repaid on the last day of its interest period (with a rollover of an existing drawing of loans under the Revolving Credit Facility being deemed to be a repayment when rolled over). During the availability period of the Revolving Credit Facility, amounts repaid and not canceled may be re-borrowed. No amount may be outstanding after maturity of the Revolving Credit Facility.

***Interest and Fees***

All amounts outstanding under the 2016 Credit Facility shall bear interest at the Hong Kong Interbank Offered Rate plus a margin of 4% per annum.

Studio City Company is obligated to pay a commitment fee of 35% of the margin on the unused portions of the 2016 Credit Facility during the availability period applicable to the Revolving Credit Facility.

***Security***

The 2016 Credit Facility is secured by substantially the same collateral as the 2016 Notes, other than the 2016 5.875% Notes Interest Accrual Account (as defined below) and the 2016 7.250% Notes Interest Accrual Account (as defined below).

The Term Loan Facility also additionally benefits from cash collateral in the amount of HK$1,012,500 (representing an amount equal to the principal amount of the Term Loan Facility plus interest expense in respect of the Term Loan Facility for one financial quarter) (the "Term Loan Facility Cash Collateral Account").

***Covenants***

The 2016 Credit Facility contains certain of the restrictive covenants and related definitions (with certain adjustments) that are set forth in the 2016 Notes (see below). The Revolving Credit Facility also benefits from a "notes purchase condition" covenant that prohibits Studio City Company from making a voluntary legally binding commitment or offer for a notes repurchase while an Event of Default (as defined in the 2016 Credit Facility) is outstanding and may, in other circumstances, require a certain pro rata cancelation of the Revolving Credit Facility.

The restrictive covenants include covenants relating to:

- maintenance of permits;
- compliance with laws;
- environmental compliance;
- further assurances in relation to guarantees and security;
- maintenance of insurance;

- payment of taxes;
- access;
- intellectual property;
- hedging and treasury transactions;
- amendments and certain other requirements in connection with the 2012 Notes (as defined below) documents;
- changes to the general nature of the business of the group;
- holding company activities;
- sanctions and anti-corruption laws;
- all subordinated sponsor debt being required to be lent into Studio City Investments; and
- maintenance of at least pari passu ranking of the 2016 Credit Facility against unsecured and unsubordinated debts.

The 2016 Credit Facility also contains information covenants under which, among other things, Studio City Company is required to deliver annual financial statements and quarterly financial statements.

***Events of Default***

The 2016 Credit Facility contains customary events of default, including events of default relating to the amended land concession or gaming subconcession being terminated or rescinded without further judicial or administrative appeal being permitted or the Macau government taking any formal measure seeking termination of the amended land concession or gaming subconcession.

**2012 Notes and 2016 Notes**

On November 26, 2012, Studio City Finance issued US$825 million 8.500% senior notes due 2020 (the “2012 Notes”).

On November 30, 2016, Studio City Company issued US$350 million 5.875% senior secured notes due 2019 (the “2016 5.875% Notes”) and US$850 million 7.250% senior secured notes due 2021 (the “2016 7.250% Notes”, together with the 2016 5.875% Notes, the “2016 Notes”, and together with the 2012 Notes, the “Existing Notes”).

The Existing Notes are listed on the Singapore Exchange. As of June 30, 2018, the Existing Notes with an aggregate principal amount of US$2,025 million remain outstanding.

***Guarantee***

*2012 Notes*

The 2012 Notes are guaranteed by all of the existing subsidiaries of Studio City Finance. The indenture governing the 2012 Notes also provides that any other future restricted subsidiaries of Studio City Finance that provide guarantees of certain specified indebtedness, including under the 2016 Credit Facility, will be required to guarantee the 2012 Notes.

*2016 Notes*

The 2016 Notes are guaranteed by all of the existing subsidiaries of Studio City Investments (other than Studio City Company). The indenture governing the 2016 Notes also provides that any other future restricted subsidiaries of Studio City Investments that provide guarantees of certain specified indebtedness (including under the 2016 Credit Facility) will be required to guarantee the 2016 Notes.

***Guarantee Release***

Upon an enforcement action by Industrial and Commercial Bank of China (Macau) Limited or its successors (the "Security Agent") under any Secured Debt (as defined below) resulting in the sale or disposal, directly or indirectly, of more than 50% of the voting power of the shares of any of Studio City Entertainment Limited, Studio City Developments Limited and Studio City Hotels Limited (each, a "Designated Subsidiary Guarantor"), the guarantees of the 2012 Notes provided by the applicable Designated Subsidiary Guarantor (and the guarantees of the 2012 Notes provided by the direct parent company or companies of such Designated Subsidiary Guarantor, to the extent such disposal is of the shares of such parent company or companies, as well as the guarantees of the 2012 Notes provided by any restricted subsidiary of such Designated Subsidiary Guarantor) will be released upon the written instruction of the Instructing Group (as defined below) with no further action or consent provided by or required from the other Secured Creditors (as defined below) or trustee or holders of the 2012 Notes if such sale or disposal is conducted:

(i) in accordance with all applicable laws and for a consideration all or substantially all of which is in the form of cash or cash equivalents;

(ii) other than where the purchase right is exercised, pursuant to a Best Price Auction (defined below) or a fair value opinion obtained from an internationally recognized investment bank or accounting firm selected by the Instructing Group that the amount received in connection with such enforcement action is fair from a financial point of view; and

(iii) such that immediately prior to or concurrently with the completion of such sale or disposal of the shares of the relevant Designated Subsidiary Guarantors, all obligations of the relevant Designated Subsidiary Guarantor, any direct parent company or companies thereof or any Subsidiary of such Designated Subsidiary Guarantor under the Secured Debt (as defined below) are discharged or released.

For this purpose:

"Best Price Auction" means an auction intended to achieve the best price for an asset, provided that, if the only bidder in such auction is a representative of the Secured Creditors, the auction will not constitute a Best Price Auction (and subject to, where applicable, the rules and regulations for any such auction set forth under Macau law or by the Macau government).

***Interest***

The 2012 Notes will bear interest at a rate of 8.500% per annum, payable semi-annually in arrears on June 1 and December 1 of each year. The 2016 5.875% Notes and the 2016 7.250% Notes will bear interest at a rate of 5.875% and 7.250% per annum, payable semi-annually in arrears on May 30 and November 30 of each year, respectively.

***Note Interest Accrual Accounts***

*2012 Note Interest Accrual Account*

Studio City Finance will, at the end of each month, deposit an amount that is not less than one-sixth of the aggregate amount of interest due on the next interest payment date into a note interest accrual account (together with any subaccounts or related accounts, including for term deposits, established in connection therewith, the "2012 Note Interest Accrual Account") established by, and in the name of, Studio City Finance so that at such interest payment date, the amount standing to the credit of the 2012 Notes Interest Accrual Account is at least equal to the amount of interest due on such interest payment date (and such aggregate amount will be applied in making such payment). The 2012 Notes are secured by, among others, the 2012 Note Interest Accrual Account.

*2016 5.875% Note Interest Accrual Account*

Studio City Company will, on the 30th of each month (or the last day of February), deposit an amount that is not less than one-sixth of the aggregate amount of interest due on the 2016 5.875% Note on the next interest payment date into a U.S. dollar-denominated note interest accrual account (together with any subaccounts or related accounts, including for term deposits, established in connection therewith, the "2016 5.875% Note Interest Accrual Account") established by, and in the name of, Studio City Company with the Account Bank so that at such interest payment date, the amount standing to the credit of the 2016 5.875% Note Interest Accrual Account is at least equal to the amount of interest due on the 2016 5.875% Note on such interest payment date (and such aggregate amount will be applied in making such payment). The Security Agent will have a perfected security interest in the 2016 5.875% Note Interest Accrual Account and all dividends, instruments, cash and cash equivalents and other property, as applicable, on deposit in such account on an exclusive basis for the benefit of the 2016 5.875% Notes trustee and the holders of the 2016 5.875% Notes. The Security Agent of the 2016 5.875% Notes will not have a lien on the 2016 5.875% Note Interest Accrual Account and the cash and cash equivalents on deposit in such account for the benefit of the 2016 7.250% Notes trustee, the holders of the 2016 7.250% Notes or the 2016 Credit Facilities finance parties.

*2016 7.250% Note Interest Accrual Account*

Studio City Company will, on the 30th of each month (or the last day of February), deposit an amount that is not less than one-sixth of the aggregate amount of interest due on the 2016 7.250% Notes on the next interest payment date into a U.S. dollar-denominated note interest accrual account (together with any subaccounts or related accounts, including for term deposits, established in connection therewith, the "2016 7.250% Note Interest Accrual Account," together with the 2016 5.875% Note Interest Accrual Account and the 2012 Note Interest Accrual Account, the "Note Interest Accrual Accounts," and each, a "Note Interest Accrual Account") established by, and in the name of, Studio City Company with the Account Bank so that at such interest payment date, the amount standing to the credit of the 2016 7.250% Note Interest Accrual Account is at least equal to the amount of interest due on the 2016 7.250% Notes on such interest payment date (and such aggregate amount will be applied in making such payment). The Security Agent will have a perfected security interest in the 2016 7.250% Note Interest Accrual Account and all dividends, instruments, cash and cash equivalents and other property, as applicable, on deposit in such account on an exclusive basis for the benefit of the 2016 7.250% Notes trustee and the holders of the 2016 7.250% Notes. The Security Agent will not have a lien on the 2016 7.250% Note Interest Accrual Account and the cash and cash equivalents on deposit in such account for the benefit of the 2016 5.875% Notes trustee, the holders of the 2016 5.875% Notes or the 2016 Credit Facilities finance parties.

***Covenants***

The indentures governing the Existing Notes include certain limitations on the ability of Studio City Finance, Studio City Company and their respective restricted subsidiaries to, among other things:

- incur or guarantee additional indebtedness;
- make specified restricted payments;
- issue or sell capital stock;
- sell assets;
- create liens;
- enter into agreements that restrict its restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- enter into transactions with shareholders or affiliates; and
- effect a consolidation or merger.

***Events of Default***

The indentures governing the Existing Notes contain certain customary events of default, including default in the payment of principal, or of any premium, on the Existing Notes, when such payments become due; default in payment of interest which continues for 30 days; breaches of covenants; defaults under other indebtedness; insolvency; termination or rescission of any gaming license required for our gaming business and other events of default specified in the indentures governing the Existing Notes, in each case subject to thresholds and/or other qualifications specified therein. If an event of default occurs and is continuing under an indenture governing one of the Existing Notes (the “Relevant Existing Notes”), the trustee under the indenture governing the Relevant Existing Notes or the holders of at least 25% of the then outstanding Relevant Existing Notes may declare the principal of the Relevant Existing Notes plus any accrued and unpaid interest and premium (if any) to be immediately due and payable.

***Change of Control***

Upon the occurrence of a Change of Control event, including, among others, a sale, transfer or other disposal of all or substantially all of the properties or assets of certain of our subsidiaries, each holder of the Existing Notes will have the right to require Studio City Finance, if a holder of the 2012 Notes, or Studio City Company, if a holder of the 2016 Notes, to repurchase all or any part of such holder’s Existing Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of repurchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), except to the extent Studio City Finance or Studio City Company has previously or concurrently elected to redeem the Existing Notes.

***Maturity and Redemption***

*2012 Notes*

The maturity of the 2012 Notes is December 1, 2020. Prior to December 1, 2015, Studio City Finance at its option may redeem the 2012 Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the 2012 Notes plus the applicable “make-whole” premium specified in the indenture governing the 2012 Notes plus accrued and unpaid interest and additional amounts, if any, to the redemption date. At any time on or after December 1, 2015, Studio City Finance at its option may redeem the 2012 Notes, in whole or in part, at the redemption prices plus accrued and unpaid interest and additional amounts, if any, to the redemption date. At any time prior to December 1, 2015, Studio City Finance may redeem up to 35% of the principal amount of the 2012 Notes, with the net cash proceeds of one or more Equity Offerings at a redemption price of 108.5% of the principal amount of the 2012 Notes, plus accrued and unpaid interest and additional amounts, if any, to the redemption date.

*2016 5.875% Notes*

The maturity of the 2016 5.875% Notes is November 30, 2019. At any time prior to November 30, 2019, Studio City Company may redeem all or a part of the 2016 5.875% Notes at a redemption price equal to 100% of the principal amount of 2016 5.875% Notes redeemed plus the applicable premium specified in the indenture governing the 2016 5.875% Notes as of, and accrued and unpaid interest to, the date of redemption. At any time prior to November 30, 2019, Studio City Company may redeem up to 35% of the aggregate principal amount of the 2016 5.875% Notes, with the net cash proceeds of one or more equity offerings at a redemption price of 105.875% of the principal amount of the 2016 5.875% Notes, plus accrued and unpaid interest and additional amounts, if any, to the redemption date.

*2016 7.250% Notes*

The maturity of the 2016 7.250% Notes is November 30, 2021. At any time prior to November 30, 2018, Studio City Company may also redeem all or a part of the 2016 7.250% Notes at a redemption price equal to

100% of the principal amount of 2016 7.250% Notes redeemed plus the applicable premium specified in the indenture governing the 2016 7.250% Notes as of, and accrued and unpaid interest to, the date of redemption.

On or after November 30, 2018, Studio City Company may redeem all or a part of the 2016 7.250% Notes upon not less than 30 nor more than 60 days' notice, at the redemption prices plus accrued and unpaid interest, if any, on the 2016 7.250% Notes redeemed, to the applicable redemption date. At any time prior to November 30, 2018, Studio City Company may redeem up to 35% of the aggregate principal amount of the 2016 7.250% Notes, with the net cash proceeds of one or more equity offerings at a redemption price of 107.250% of the principal amount of the 2016 7.250% Notes, plus accrued and unpaid interest and additional amounts, if any, to the redemption date.

**Intercreditor Agreement**

On December 1, 2016, Studio City Company, each guarantor of the 2016 Notes, each trustee of the 2016 Notes, the lenders for the 2016 Credit Facility, the Security Agent and DB Trustees (Hong Kong) Limited or its successors, as the intercreditor agent (the "Intercreditor Agent"), among others, entered into an intercreditor agreement (the "Intercreditor Agreement"). The Intercreditor Agreement is governed by English law and sets out, among other things, the relative ranking of certain debt of the debtors under the 2016 Credit Facility and the 2016 Notes, when payments can be made in respect of the debt of such debtor, when enforcement action can be taken in respect of such debt, the terms pursuant to which certain of such debt will be subordinated upon the occurrence of certain insolvency events and turnover provisions.

***Ranking and Priority***

Liabilities under the 2016 Credit Facility, the 2016 Notes, certain pari passu indebtedness and certain hedging debt (together the "Secured Debt" and the creditors of the Secured Debt, the "Secured Creditors") shall rank first (pro rata and pari passu amongst themselves) in right and priority of payment.

The loans of proceeds of the issuance of the 2012 Notes, the guarantees and the additional guarantees in relation to the 2012 Notes are unsecured and unsubordinated. Each of the sponsor group loans and subordinated intra-group debt is postponed and subordinated to the liabilities owed by the debtors to the Secured Creditors.

The transaction security (the "Common Collateral") and guarantees shall, subject to agreed security principles, rank and secure the liabilities in respect of the Secured Debt first (pro rata and pari passu amongst themselves, although any liabilities in respect of obligations under the 2016 Credit Facility that are secured by the Common Collateral will have priority over the 2016 Notes with respect to any proceeds received upon any enforcement action of such Common Collateral) (but only to the extent such transaction security and/or guarantee is expressed to secure those liabilities and subject to the proceeds of any recoveries from enforcement of such transaction security and/or guarantee being distributed as set out below). In addition, the cash collateral in respect of the Term Loan Facility shall benefit the creditors of the Term Loan Facility only and the note interest accrual accounts in respect of the 2016 Notes shall benefit the creditors of the respective series of the 2016 Notes only and each shall be subject to separate control and recovery waterfall arrangements.

***Permitted Payments***

*Until an Acceleration*

The Intercreditor Agreement permits, among other things, payments to be made in respect of the Secured Debt at any time in accordance with the terms of such Secured Debt; provided that payments in respect of the Term Loan Facility will be subject to certain restrictions under the Intercreditor Agreement. See "—Restriction on the Term Loan Facility" below.

*After an Acceleration*

The Intercreditor Agreement will require, among other things, that certain amounts received by a Secured Creditor are (to the extent not otherwise permitted to be received and retained) to be held on trust and turned over to the Security Agent for application in accordance with the priority set out below under the section on "—Application of Proceeds."

***Limitations on Enforcement***

Enforcement of the Common Collateral by the Security Agent may be directed by the Instructing Group. The "Instructing Group" for the Common Collateral will be each of (i) the Majority Super Senior Creditors and (ii) the Majority Pari Passu Creditors (each as defined below).

The "Majority Super Senior Creditors" mean the super senior creditors (including relevant hedge counterparties in respect of any designated super senior hedging liabilities (subject to caps to be agreed)) (the "Super Senior Creditors") holding more than 50% of super senior credit participations (on customary formulations) at the relevant time.

The "Majority Pari Passu Creditors" mean the creditors (other than the Super Senior Creditors) (the "Pari Passu Creditors") holding more than 50% of all of the debt (including commitments) which is to rank pari passu with the 2016 Notes ("Pari Passu Debt").

Any Instructing Group may deliver enforcement instructions with respect to the Common Collateral to the Intercreditor Agent, following which a consultation period of up to 30 days shall apply between the Secured Parties (subject to customary exceptions following insolvency events, as described below). The Intercreditor Agent shall direct the Security Agent to follow the instructions delivered by the Majority Pari Passu Creditors (provided that such instructions are consistent with the security enforcement principles set forth in the Intercreditor Agreement) unless and until, either:

(i) six months have elapsed and the Super Senior Discharge Date or the Term Loan Facility Discharge Date (each as defined below) has not occurred;

(ii) three months have elapsed and the Majority Pari Passu Creditors have not made a determination as to the method of enforcement they wish to instruct the Security Agent to pursue (and notified the Intercreditor Agent of that determination in writing) or appointed a financial adviser to assist them in making such a determination; or

(iii) the Majority Pari Passu Creditors have not made a determination as to the method of enforcement they wish to instruct the Security Agent to pursue (and notified the Intercreditor Agent of that determination in writing) or appointed a financial adviser to assist them in making such a determination and the Majority Super Senior Creditors (a) determine in good faith that a delay in issuing enforcement instructions could reasonably be expected to have a material adverse effect on the ability to effect a distressed disposal or on the expected realization proceeds of any enforcement and (b) deliver enforcement instructions in respect of the Common Collateral which they reasonably believe to be consistent with the enforcement principles set forth in the Intercreditor Agreement to the Intercreditor Agent before the Intercreditor Agent has received any enforcement instructions from the Majority Pari Passu Creditors,

in which cases, the Intercreditor Agent shall instruct the Security Agent to follow the enforcement instructions delivered by the Majority Super Senior Creditors (provided that such instructions are consistent with the security enforcement principles).

In addition, if any specified insolvency event (other than an insolvency event directly caused by any enforcement action taken by or at the request or direction of a Super Senior Creditor) is continuing with respect

to a debtor or a security provider, then the Intercreditor Agent shall, to the extent the Majority Super Senior Creditors elect to provide such enforcement instructions in respect of the Common Collateral (such enforcement instructions to be limited to such enforcement as may be reasonably necessary to preserve and protect the claims and interest of the Super Senior Creditors), deliver to the Security Agent the enforcement instructions in respect of the Common Collateral received from the Majority Super Senior Creditors.

"Term Loan Facility Discharge Date" means the first date on which all liabilities in respect of the Term Loan Facility have been fully and finally discharged to the satisfaction of the agent for the 2016 Credit Facility, whether or not as the result of an enforcement.

"Super Senior Discharge Date" means the first date on which all super senior liabilities (including liabilities under the 2016 Credit Facility and relevant super senior hedging in an agreed amount, but other than in respect of the principal amount of the term loan facility under the 2016 Credit Facility) have been fully and finally discharged to the satisfaction of the agent for the 2016 Credit Facility (in the case of liabilities under such facilities) and each applicable hedging counterparty (in the case of super senior hedging liabilities), whether or not as the result of an enforcement, and the Super Senior Creditors are under no further obligation to provide financial accommodation to any of the debtors under the documents governing the Secured Debt.

No agent of the creditors represented in the Instructing Group shall be obliged to consult in accordance with the fourth paragraph under "—Limitation on Enforcement" above, and the Instructing Group shall be entitled to give any instructions to the Security Agent (through the Intercreditor Agent) to enforce the security or take any other enforcement action prior to the end of the applicable consultation period if:

(i) any specified insolvency event has occurred and is continuing in respect of a debtor or the security provider;

(ii) an event of default being continuing in relation to liabilities owed to the relevant Secured Creditors, a representative acting on behalf of any Secured Creditor(s) (such Secured Creditor(s) having made a determination acting reasonably and in good faith) notifies the Intercreditor Agent that:

- to enter into or continue such consultations and thereby delay the commencement of enforcement of the Common Collateral could reasonably be expected to have a material adverse effect on the ability to effect a distressed disposal or on the expected realization proceeds of any enforcement; or
- the circumstances described in clauses (i), (ii) or (iii) of the fourth paragraph under "—Limitations on Enforcement" above have occurred; or

(iii) the representatives of each other group of Secured Creditors agree on the proposed enforcement instructions and that no consultation is required.

***Turnover***

The Intercreditor Agreement includes customary provisions for turnover of payments or amounts recovered or received by creditors from the proceeds of enforcement of transaction security or any distressed disposals or the proceeds of any guarantees, with customary exceptions.

***Application of Proceeds***

The Intercreditor Agreement provides that any amounts received or recovered as a result of enforcement of the Common Collateral or any distressed disposal or recovered from another creditor as a result to be applied in the following order:

- First: (other than recoveries from credit specific security over credit specific accounts, including the Term Loan Facility Cash Collateral Account, the 2016 5.875% Notes Interest Accrual Account and the

2016 7.250% Notes Interest Accrual Account) *pro rata* and *pari passu*, the costs and expenses of the Security Agent and any receiver each for its own account and which are payable to it for acting in its role as such under the relevant finance documents;

- Second: (other than recoveries from credit specific security over credit specific accounts, including the Term Loan Facility Cash Collateral Account, the 2016 5.875% Notes Interest Accrual Account and the 2016 7.250% Notes Interest Accrual Account) in payment or reimbursement of certain payment or funding obligations under the terms of the Services and Right to Use Direct Agreement;
- Third: (other than recoveries from credit specific security over credit specific accounts, including the Term Loan Facility Cash Collateral Account, the 2016 5.875% Notes Interest Accrual Account and the 2016 7.250% Notes Interest Accrual Account) *pro rata* and *pari passu*, the costs and expenses of each trustee, notes trustee and/or loan agent in respect of certain secured *pari passu* indebtedness, the agent in respect to the 2016 Credit Facility, the Intercreditor Agent and the power of attorney agent each for its own account and which are payable to it for acting in its role as such under the relevant finance documents;
- Fourth: (other than recoveries from credit specific security over credit specific accounts, including the Term Loan Facility Cash Collateral Account, the 2016 5.875% Notes Interest Accrual Account and the 2016 7.250% Notes Interest Accrual Account) *pro rata* and *pari passu*, the costs and expenses incurred by any Secured Creditor in connection with any realization or enforcement of the security taken in accordance with the terms of the Intercreditor Agreement or any action taken at the request of the Security Agent or the Intercreditor Agent under the Intercreditor Agreement;
- Fifth: (other than recoveries from credit specific security over credit specific accounts, including the Term Loan Facility Cash Collateral Account, the 2016 5.875% Notes Interest Accrual Account and the 2016 7.250% Notes Interest Accrual Account) *pro rata* and *pari passu*, amounts owed to the creditors under the Revolving Credit Facility under the 2016 Credit Facility, the liabilities (other than in relation to principal) in respect of the Term Loan Facility under the 2016 Credit Facility and certain designated super senior hedging obligations;
- Sixth: (other than recoveries from credit specific security over credit specific accounts, including the Term Loan Facility Cash Collateral Account, the 2016 5.875% Notes Interest Accrual Account and the 2016 7.250% Notes Interest Accrual Account) *pro rata* and *pari passu*, amounts owed to the Secured Creditors (other than the liabilities in respect of the Term Loan Facility under 2016 Credit Facility);
- Seventh: in the case of recoveries from certain credit specific security over credit specific accounts (other than the Term Loan Facility Cash Collateral Account), towards the relevant Secured Creditors benefitting from such credit specific security;
- Eighth: towards the discharge of the principal amount of the Term Loan Facility under the 2016 Credit Facility;
- Ninth: in the case of recoveries from the Term Loan Facility Cash Collateral Account, if permitted in accordance with the other terms of the Intercreditor Agreement, towards the discharge of the principal amount of the Term Loan Facility under the 2016 Credit Facility; and
- Tenth: to the debtor or any other person entitled to it.

***Release of Security and Guarantees***

The Intercreditor Agreement includes customary provisions for the release of transaction security and/or guarantees (including guarantees and/or security from third party security providers and/or any other claims relating to the finance documents for Secured Debt) in respect of (i) distressed disposals; and (ii) disposals of assets not prohibited by the terms of the financing documentation; (iii) a reorganization that is not prohibited by the terms of the financing documentation; (iv) a cessation of any business, undertaking or establishment and

which cessation would not cause a default; (v) any amendments to the financing documentation and related documents pursuant to which such release is required; and (vi) any release in accordance with the terms of the financing documentation (and which releases, for the avoidance of doubt, shall not require the consent of any Secured Creditor), as well as an obligation on the Security Agent and other Secured Creditors to promptly release (or procure that any other relevant person releases) such transaction security, guarantees and/or other claims and execute any related documents in connection with such releases on the request of Studio City Investments.

***Restrictions on the Term Loan Facility***

The Intercreditor Agreement sets forth some restrictions with regard to the Term Loan Facility, including limitations on (i) repayments (other than at maturity) or set-off of the principal amount of the Term Loan Facility except under limited circumstances; (ii) any withdrawal from the cash collateral securing the Term Loan Facility; (iii) the parties who may purchase any interest in the Term Loan Facility; (iv) certain amendments relating to the repayment or prepayment of the Term Loan Facility; and (v) the ability of the lender of the Term Loan Facility to take any enforcement action except for under limited circumstances.

***Amendment***

Terms of the sponsor group loans and documents under the 2016 Notes evidencing those terms may only be amended or waived if that amendment or waiver is of a minor or administrative nature and is not prejudicial to any of the Secured Creditors and are not prohibited by the Intercreditor Agreement or any other finance document or otherwise if the prior written consents of the required Super Senior Creditors and required Pari Passu Creditors are obtained.

Each creditor may amend or waive the terms of their own finance document under and in accordance with the terms of those respective documents so long as the amendment does not breach a term of the Intercreditor Agreement.

***Agreement to Override***

Unless expressly stated otherwise in the Intercreditor Agreement, the Intercreditor Agreement overrides anything in the relevant finance documents to the contrary.

**Other Financing**

To the extent permitted by the definitive agreement in respect of the 2016 Credit Facility and the indentures governing the Existing Notes, we may obtain financing in the form of, among other things, additional equity or debt, including additional bank loans or high yield, mezzanine or other debt, or rely on our operating cash flow to fund further project development.

## DESCRIPTION OF SHARE CAPITAL

We are a Cayman Islands exempted company and our affairs are governed by our amended and restated memorandum and articles of association and the Companies Law (as amended) of the Cayman Islands, or Companies Law below, and the common law of the Cayman Islands.

As of the date of this prospectus, our authorized share capital consists of US$200,000 divided into (i) [200,000] ordinary shares with a par value of US$[1.00] each. As of the date of this prospectus, [18,127.94] ordinary shares are issued and outstanding. All of our issued and outstanding ordinary shares are fully paid.

Assuming that we obtain the requisite shareholder approval, we will adopt an amended and restated memorandum and articles of association, or post-IPO memorandum and articles of association, which will become effective and replace our current memorandum and articles of association in its entirety immediately prior to the completion of this offering. Our authorized share capital upon completion of the offering will be US$200,000 divided into 2,000,000,000 shares comprising of (i) 1,927,488,240 SC Class A Shares of a par value of US$0.0001 each and (ii) 72,511,760 SC Class B Shares of a par value of US$0.0001 each.

Upon completion of this offering, the investors in this offering will collectively own ADSs, representing SC Class A Shares. As described under "Use of Proceeds," we will contribute the net proceeds from this offering to MSC Cotai, in exchange for ordinary shares of MSC Cotai, or MSC Cotai Shares. MCE Cotai Investments Limited, or MCE Cotai, will own 108,767,640 SC Class A Shares, representing a % economic interest in Studio City International. New Cotai will own 72,511,760 SC Class B Shares, representing a % voting, non-economic interest in our company. New Cotai will also have a Participation Interest, which will entitle New Cotai to receive from MSC Cotai an amount equal to % of the amount of any distribution, dividend or other consideration paid by MSC Cotai to us, subject to adjustments, exceptions and conditions.

The following are summaries of material provisions of our post-IPO memorandum and articles of association and the Companies Law as they relate to the material terms of our ordinary shares that we expect will become effective immediately upon the completion of this offering.

### General

All of our outstanding ordinary shares are fully paid and non-assessable. Some of the ordinary shares are issued in registered form only with no share certificates. Our shareholders who are non-residents of the Cayman Islands may freely hold and vote their ordinary shares.

### Dividends

The holders of our ordinary SC Class A Shares are entitled to such dividends as may be declared by our board of directors subject to the Companies Law and our articles of association. Holders of the SC Class B Shares do not have any right to receive dividends or distributions upon our liquidation or winding up.

### Voting Rights

Each of our SC Class A Shares and SC Class B Shares entitles its holder to one vote on all matters to be voted on by shareholders generally. Holders of our SC Class A and SC Class B Shares vote together as a single class on all matters presented to our shareholders for their vote or approval, except as otherwise required by applicable law or our memorandum of association and articles of association. Voting at any meeting of shareholders is by show of hands unless a poll is demanded. A poll may be demanded by our chairman or one or more shareholders present in person or by proxy entitled to vote and who together hold not less than 20% of the paid up voting share capital of our company.

A quorum required for a meeting of shareholders consists of one or more shareholders who hold at least 50 percent of our ordinary shares at the meeting present in person or by proxy or, if a corporation or other non-natural person, by its duly authorized representative. Shareholders' meetings are held at least annually and may be convened by our board on its own initiative or, failing a request by our board, upon a request to the directors by shareholders holding in aggregate at least 20 percent of our ordinary shares. Advance notice of at least seven clear days is required for the convening of our annual general meeting and other shareholders meetings.

An ordinary resolution to be passed by the shareholders requires the affirmative vote of a simple majority of the votes attaching to the ordinary shares cast in a general meeting, while a special resolution requires the affirmative vote of not less than two-thirds of the votes cast attaching to the ordinary shares. A special resolution will be required for important matters such as changing our name or making changes to our memorandum and articles of association.

**Transfer of Ordinary Shares**

Subject to the restrictions in our post-IPO memorandum and articles of association and the Participation Agreement, as applicable, any of our shareholders may transfer all or any of his or her ordinary shares by an instrument of transfer in the usual or common form or any other form approved by our board.

Our board of directors may, in its absolute discretion, decline to register any transfer of any ordinary share which is not fully paid up or on which we have a lien. Our directors may also decline to register any transfer of any ordinary share unless:

- the instrument of transfer is lodged with us, accompanied by the certificate for the ordinary shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of shares;
- the instrument of transfer is properly stamped, if required; or
- in the case of a transfer to joint holders, the number of joint holders to whom the ordinary share is to be transferred does not exceed four.

Our board of directors is required to refuse to register any purported transfer of SC class B shares made otherwise than in compliance with the Participation Agreement.

If our directors refuse to register a transfer they must, within two months after the date on which the instrument of transfer was lodged, send to each of the transferor and the transferee notice of such refusal.

**Exchange Right of New Cotai**

Subject to certain conditions, New Cotai and its permitted transferees thereof may exchange their Participation Interest in MSC Cotai for a number of SC Class A Shares. See "Corporate History and Organizational Structure—Participation Agreement." If New Cotai exchanges all or a portion of the Participation Interest for SC Class A Shares, it will also be deemed to have surrendered an equal number of SC Class B Shares, and any SC Class B Shares so surrendered will be cancelled for no consideration. See "Corporate History and Organizational Structure—Participation Agreement."

**Liquidation**

On a return of capital on winding up or otherwise (other than on conversion, redemption or purchase of ordinary shares), assets available for distribution among the holders of SC Class A Shares will be distributed

among the holders of the SC Class A Shares on a pro rata basis. If our assets available for distribution are insufficient to repay all of the paid-up capital, the assets will be distributed so that the losses are borne by our shareholders proportionately. Holders of our SC Class B Shares do not have any right to receive a distribution upon a liquidation or winding up of Studio City International.

**Calls on Ordinary Shares and Forfeiture of Ordinary Shares**

Our board may from time to time make calls upon shareholders for any amounts unpaid on their ordinary shares in a notice served to such shareholders at least 14 clear days prior to the specified time and place of payment. The ordinary shares that have been called upon and remain unpaid on the specified time are subject to forfeiture.

**Redemption of Ordinary Shares**

Subject to the provisions of the Companies Law, we may issue shares on terms that are subject to redemption, at our option or at the option of the holders, on such terms and in such manner as the directors may determine.

**Prohibitions on the Receipt of Dividends, the Exercise of Voting or Other Rights or the Receipt of Other Remuneration**

Our memorandum and articles of association prohibit anyone who is an unsuitable person or an affiliate of an unsuitable person from:

- receiving dividends or interest with regard to our shares;
- exercising voting or other rights conferred by our shares; and
- receiving any remuneration in any form from us or an affiliated company for services rendered or otherwise.

Such unsuitable person or its affiliate must sell all of the shares, or allow us to redeem or repurchase the shares on such terms and manner as the directors may determine and agree with the shareholders, within such period of time as specified by a gaming authority.

These prohibitions commence on the date that a gaming authority serves notice of a determination of unsuitability or our board determines that a person or its affiliate is unsuitable and continue until the securities are owned or controlled by persons found suitable by a gaming authority or our board, as applicable, to own them. An “unsuitable person” is any person who is determined by a gaming authority to be unsuitable to own or control any of our shares or who causes us or any affiliated company to lose or to be threatened with the loss of any gaming license, or who, in the sole discretion of our board, is deemed likely to jeopardize our or any of our affiliates’ application for, receipt of approval for right to the use of, or entitlement to, any gaming license.

The terms “affiliated companies,” “gaming authority” and “person” have the meanings set forth in our articles of association.

**Redemption of Securities Owned or Controlled by an Unsuitable Person or an Affiliate**

Our memorandum and articles of association provide that shares owned or controlled by an unsuitable person or an affiliate of an unsuitable person are redeemable by us, out of funds legally available for that redemption, by appropriate action of our board to the extent required by the gaming authorities making the determination of unsuitability or to the extent deemed necessary or advisable by our board having regard to relevant gaming laws. From and after the redemption date, the securities will not be considered outstanding and

all rights of the unsuitable person or affiliate will cease, other than the right to receive the redemption price and the right to receive any dividends declared prior to any receipt of any written notice from a gaming authority declaring the suitable person to be an unsuitable person but not yet paid. The redemption price will be the price, if any, required to be paid by the gaming authority making the finding of unsuitability or, if the gaming authority does not require a price to be paid, the sum deemed to be the fair value of the securities by our board. The price for the shares will not exceed the closing price per share of the shares on the principal national securities exchange on which the shares are then listed on the trading date on the day before the redemption notice is given. If the shares are not then listed, the redemption price will not exceed the closing sales price of the shares as quoted on an automated quotation system, or if the closing price is not then reported, the mean between the bid and asked prices, as quoted by any other generally recognized reporting system. Our right of redemption is not exclusive of any other rights that we may have or later acquire under any agreement, its bylaws or otherwise. The redemption price may be paid in cash, by promissory note, or both, as required by the applicable gaming authority and, if not, as we elect.

Our memorandum and articles of association require any unsuitable person and any affiliate of an unsuitable person to indemnify us and our affiliated companies for any and all losses, costs and expenses, including legal fees, incurred by us and our affiliates as a result of, or arising out of, the unsuitable person's or affiliate's continuing ownership or control of shares, the neglect, refusal or other failure to comply with the provisions of our memorandum and articles of association relating to unsuitable persons, or failure to promptly divest itself of any shares in us when required by the relevant gaming laws or our memorandum and articles of association.

### Variations of Rights of Shares

All or any of the rights attached to any class of shares may, subject to the provisions of our memorandum and articles of association and the Companies Law, be varied or abrogated either with the written consent of the holders of at least a majority of the issued shares of that class or with the approval of the holders of at least a majority of the shares of that class present in person or by proxy at a separate general meeting of the holders of the shares of that class.

### Changes in Capital

We may from time to time by ordinary resolution (but subject to other provisions of our memorandum and of articles of association):

- increase the share capital by such sum, to be divided into shares of such classes and amount, as the resolution may prescribe;
- consolidate and divide all or any of our share capital into shares of a larger amount than our existing shares;
- convert all or any of our paid-up shares into stock and reconvert that stock into paid up shares of any denomination;
- sub-divide our existing shares, or any of them, into shares of a smaller amount provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share will be the same as it was in case of the share from which the reduced share is derived; or
- cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of our share capital by the amount of the shares so canceled.

We may by special resolution (subject to our memorandum and articles) reduce our share capital and any capital redemption reserve in any manner authorized by law.

**Accounts and Audit**

No shareholder (other than a director) has any right to inspect any of our accounting record or book or document except as conferred by law or authorized by our board or our company by ordinary resolution of the shareholders.

Subject to compliance with all applicable laws, we may send to every person entitled to receive notices of our general meetings under the provisions of the articles of association a summary financial statement derived from our annual accounts and our board's report.

Auditors shall be appointed and the terms and tenure of such appointment and their duties at all times regulated in accordance with the provisions of the articles of association. The remuneration of the auditors shall be fixed by our board.

Our financial statements shall be audited by the auditor in accordance with generally accepted auditing standards. The auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the auditor shall be submitted to the shareholders in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than the Cayman Islands. If so, the financial statements and the report of the auditor should disclose this fact and name such country or jurisdiction.

**Exempted Company**

We are an exempted company incorporated with limited liability under the Companies Law. The Companies Law distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary resident company except for the exemptions and privileges listed below:

- annual reporting requirements are minimal and consist mainly of a statement that the company has conducted its operations mainly outside of the Cayman Islands and has complied with the provisions of the Companies Law;
- an exempted company's register of members is not open to inspection;
- an exempted company does not have to hold an annual general meeting;
- an exempted company may issue shares with or without par value;
- an exempted company may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- an exempted company may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- an exempted company may register as a limited duration company; and
- an exempted company may register as a segregated portfolio company.

**Differences in Corporate Law**

The Companies Law is modeled after that of England and Wales but does not follow recent statutory enactments in England. In addition, the Companies Law differs from laws applicable to Delaware corporations and their shareholders. Set forth below is a summary of the significant differences between the provisions of the Companies Law applicable to us and the laws applicable to Delaware corporations and their shareholders.

***Mergers and Similar Arrangements***

The Companies Law permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes:

- a "merger" means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company; and
- a "consolidation" means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company.

In order to effect a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by:

- a special resolution of the shareholders of each constituent company; and
- such other authorization, if any, as may be specified in such constituent company's articles of association.

A merger between a parent company incorporated in the Cayman Islands and its subsidiary or subsidiaries incorporated in the Cayman Islands does not require authorization by a resolution of shareholders of the constituent companies provided a copy of the plan of merger is given to every shareholder of each subsidiary company to be merged unless that shareholder agrees otherwise. For this purpose, a subsidiary is a company of which at least ninety percent (90%) of the issued shares entitled to vote are owned by the parent company.

The plan of merger or consolidation must be filed with the Registrar of Companies together with a declaration as to the solvency of the consolidated or surviving company, a declaration as to the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger and consolidation will be published in the Cayman Islands Gazette. Dissenting shareholders have the right to be paid the fair value of their shares if they follow the required procedures, subject to certain exceptions. The fair value of the shares will be determined by the Cayman Islands court if it cannot be agreed among the parties. Court approval is not required for a merger or consolidation effected in compliance with these statutory procedures.

In addition, there are statutory provisions that facilitate the reconstruction and amalgamation of companies, provided that the arrangement is approved by a majority in number of each class of shareholders and creditors with whom the arrangement is to be made, and who must in addition represent three-fourths in value of each such class of shareholders or creditors, as the case may be, that are present and voting either in person or by proxy at a meeting, or meetings, convened for that purpose. The convening of the meetings and subsequently the arrangement must be sanctioned by the Grand Court of the Cayman Islands.

While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the court can be expected to approve the arrangement if it determines that:

- the statutory provisions as to the required majority vote have been met;
- the shareholders have been fairly represented at the meeting in question and the statutory majority are acting bona fide without coercion of the minority to promote interests adverse to those of the class;
- the arrangement is such that may be reasonably approved by an intelligent and honest man of that class acting in respect of his interest; and
- the arrangement is not one that would more properly be sanctioned under some other provision of the Companies Law.

When a take-over offer is made and accepted by holders of not less than 90% of the shares within four months, the offeror may, within a two-month period commencing on the expiration of such four month period, require the holders of the remaining shares to transfer such shares on the terms of the offer. An objection can be made to the Grand Court of the Cayman Islands but this is unlikely to succeed unless there is evidence of fraud, bad faith or collusion.

If the arrangement and reconstruction is thus approved, the dissenting shareholder would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of Delaware corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

***Shareholders' Suits***

Derivative actions have been brought in the Cayman Islands courts. In most cases, the company will be the proper plaintiff in any claim based on a breach of duty owed to it, and a claim against (for example) the company's officers or directors usually may not be brought by a shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority and be applied by a court in the Cayman Islands, exceptions to the foregoing principle apply in circumstances in which:

- a company is acting, or proposing to act, illegally or beyond the scope of its authority;
- the act complained of, although not beyond the scope of the authority, could be effected if duly authorized by more than the number of votes which have actually been obtained; or
- those who control the company are perpetrating a "fraud on the minority."

A shareholder may have a direct right of action against the company where the individual rights of that shareholder have been infringed or are about to be infringed.

***Directors' Fiduciary Duties***

Under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components, the duty of care and the duty of loyalty. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of, and disclose to shareholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director must act in a manner he or she reasonably believes to be in the best interests of the corporation. A director must not use his or her corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interests of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, the director must prove the procedural fairness of the transaction and that the transaction was of fair value to the corporation.

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company, and therefore it is considered that he or she owes the following duties to the company: a duty to act bona fide in the best interests of the company, a duty not to make a profit out of his or her position as director (unless the company permits him or her to do so), a duty not to put himself or herself in a position where the interests of the company conflict with his or her personal interests or his or her duty to a third party and a duty to exercise powers for the purpose for which such powers were intended. A director of a Cayman Islands company owes to the company a duty to act with skill and care. It was previously considered

that a director need not exhibit in the performance of his or her duties a greater degree of skill than may reasonably be expected from a person of his or her knowledge and experience. However, there are indications that the courts are moving towards an objective standard with regard to the required skill and care.

Under our memorandum and articles of association, directors who are in any way, whether directly or indirectly, interested in a contract or proposed contract with our company must declare the nature of their interest at a meeting of the board of directors. Following such declaration, a director may vote in respect of any contract or proposed contract notwithstanding his or her interest.

***Shareholder Action by Written Resolution***

Under the Delaware General Corporation Law, a corporation's certificate of incorporation may eliminate the right of stockholders to act by written consent. Our memorandum and articles of association allow shareholders to act by written resolutions.

***Cumulative Voting***

Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled for a single director, which increases the shareholder's voting power with respect to electing such director.

As permitted under Cayman Islands law, our memorandum and articles of association do not provide for cumulative voting.

***Removal of Directors***

Under the Delaware General Corporation Law, a director of a corporation may be removed with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise.

Under our memorandum and articles of association, subject to the Shareholders' Agreement, directors can be removed by special resolution of the shareholders.

***Transactions with Interested Shareholders***

The Delaware General Corporation Law contains a business combination statute applicable to Delaware public corporations whereby, unless the corporation has specifically elected not to be governed by such statute by amendment to its certificate of incorporation, it is prohibited from engaging in certain business combinations with an "interested shareholder" for three years following the date on which such person becomes an interested shareholder. An interested shareholder generally is one which owns or owned 15% or more of the target's outstanding voting stock within the past three years. This has the effect of limiting the ability of a potential acquirer to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, among other things, prior to the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction that resulted in the person becoming an interested shareholder. This encourages any potential acquirer of a Delaware public corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

Cayman Islands law has no comparable statute. As a result, we cannot avail ourselves of the types of protections afforded by the Delaware business combination statute. However, although Cayman Islands law does not regulate transactions between a company and its significant shareholders, it does provide that such transactions entered into must be bona fide in the best interests of the company, for a proper corporate purpose and not with the effect of perpetrating a fraud on the minority shareholders.

***Dissolution and Winding Up***

Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation's outstanding shares. The Delaware General Corporation Law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board of directors.

Under our memorandum and articles of association, if our company is wound up, the liquidator of our company may distribute the assets with the sanction of an ordinary resolution of the shareholders and any other sanction required by law.

***Variation of Rights of Shares***

Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise.

Under Cayman Islands law and our memorandum and articles of association, if our share capital is divided into more than one class of shares, we may vary the rights attached to any class with the unanimous consent in writing of the holders of the issued shares of the relevant class or with the sanction of a resolution passed at a separate meeting of the holders of the shares of such class by a majority of two-thirds of the votes cast at such a meeting.

***Amendment of Governing Documents***

Under the Delaware General Corporation Law, a corporation's governing documents may be amended with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise.

Our memorandum and articles of association may be amended by a special resolution of shareholders.

***Waiver of Certain Corporate Opportunities***

Under our memorandum and articles of association, the Company has renounced any interest or expectancy of the Company in, or in being offered an opportunity to participate in, certain opportunities where such opportunities come into the possession of one of our directors other than in his or her capacity as a director (as more particularly described in our memorandum and articles of association). This is subject to applicable law and may be waived by the relevant director.

***Inspection of Books and Records***

Under the Delaware General Corporation Law, any shareholder of a corporation may for any proper purpose inspect or make copies of the corporation's stock ledger, list of shareholders and other books and records.

Holders of our shares have no general right under Cayman Islands law to inspect or obtain copies of our register of members or our corporate records (other than the memorandum and articles of association). However, we intend to provide our shareholders with annual reports containing audited financial statements.

***Anti-takeover Provisions in our Memorandum and Articles of Association***

Some provisions of our memorandum and articles of association may discourage, delay or prevent a change of control of our company or management that shareholders may consider favorable, including a provision that authorizes our board of directors to issue preference shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preference shares without any further vote or action by our shareholders.

Such shares could be issued quickly with terms calculated to delay or prevent a change in control of our company or make removal of management more difficult. If our board of directors decides to issue these preference shares, the price of our ordinary shares may fall and the voting and other rights of the holders of our ordinary shares may be materially adversely affected.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our memorandum and articles of association for a proper purpose and for what they believe in good faith to be in the best interests of our company.

***Rights of Non-resident or Foreign Shareholders***

There are no limitations imposed by our memorandum and articles of association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our shares. In addition, there are no provisions in our memorandum and articles of association governing the ownership threshold above which shareholder ownership must be disclosed.

**History of Securities Issuances**

The following is a summary of our securities issued since January 1, 2014.

***Ordinary Shares***

On March 25, 2014, we issued 4,282.896 and 2,855.264 ordinary shares of US$1 par value per share to MCE Cotai and New Cotai, respectively, based on their respective percentage shareholdings in us, in an aggregate of 7,138.16 ordinary shares for a consideration of US$1,050.0 million.

On October 3, 2014, the company issued 593.868 and 395.912 ordinary shares of US$1 par value per share to MCE Cotai and New Cotai, respectively, based on their respective percentage shareholdings in us, in an aggregate of 989.78 ordinary shares for a consideration of US$230.0 million.

As of June 30, 2018, 18,127.94 ordinary shares were issued and fully paid.

Prior to the completion of this offering, as part of the Organizational Transactions, all of our ordinary shares issued and outstanding will be reclassified into SC Class A Shares. In addition, the Registrant will issue 72,511,760 shares of SC Class B Shares to New Cotai in exchange for such SC Class A Shares held by New Cotai after the reclassification. See "Corporate History and Organizational Structure."

***The Existing Notes***

We issued the 2012 Notes and the 2016 Notes that are outstanding as of the date of this prospectus. See "Description of Indebtedness."

**Shareholders' Rights**

See "Related Party Transactions—Shareholders' Agreement."

**Registration Rights**

Under the Registration Rights Agreement between New Cotai and us dated July 27, 2011 (as amended and restated, the "Registration Rights Agreement"), we have granted certain registration rights to New Cotai, holder of our registrable securities, which include: (i) any SC Class A Shares, (ii) any other stock or securities that the holder of SC Class A Shares may be entitled to receive, or have received, (iii) any securities issued or issuable directly or indirectly with respect to the securities referred to in the foregoing clause (i) or (ii) by way of conversion, substitution or exchange thereof or share dividend or share split or in connection with a combination of shares, recapitalization, reclassification, merger, amalgamation, arrangement, consolidation or other reorganization. Set forth below is a description of the registration rights.

***Demand Registration Rights***

At any time following this offering, holders holding in aggregate at least 10% of the outstanding registrable securities have the right to request in writing that we effect the registration of all or any part of the registrable securities held by such holders. We will not be required to effect such a registration unless the minimum aggregate value of the registrable securities that are proposed to be sold in such registration by such holders will be at least US$50,000,000.

We will not be obligated to effect more than five registrations, provided that a request for registration will not count for the purposes of this limitation if (i) the holders of a majority of registrable securities covered by a particular registration determine in good faith to withdraw (prior to the effective date of the registration statement relating to such request) the proposed registration, (ii) the registration statement relating to such request is not declared effective within 120 days of the date such registration statement is first filed with the Securities and Exchange Commission, (iii) if, after such registration statement becomes effective, such registration statement becomes subject to any stop order, injunction or other order or requirement of the Securities and Exchange Commission or other governmental agency or count for any reason, (iv) the holders are not able to register and sell at least 80% of the registrable securities requested to be included in such registration, other than by reason of such holders withdrawing their request or terminating the offering, (v) the conditions to closing specified in the underwriting agreement or purchase agreement entered into in connection with the registration relating to such request are not satisfied (other than as a result of a material default or material breach thereunder by the holders), or (vi) if the registration statement relating to such request has not remained effective until the earlier of the time when all the registrable securities requested to be included in such registration are sold and the end of a period as described in the Registration Rights Agreement. We shall not be required to file and cause to become effective more than one registration statement in any six month period.

***Shelf Registration Rights***

At any time following this offering, New Cotai may request in writing that we effect any registration described above on Form F-3 (a "Shelf Registration Statement") (provided that we are eligible to use such form) for an offering to be made on a continuous basis pursuant to Rule 415 under the Securities Act of 1933 and to use reasonable best efforts to cause such registration statement to become effective and to maintain the effectiveness of such shelf registration statement with respect to such registrable securities of New Cotai participating in the registration for a period as described in the Registration Rights Agreement (a "Shelf Demand Registration"). To the extent we are a well-known seasoned issuer (a "WKSI") (as defined in Rule 405 under the Securities Act) at the time New Cotai makes a Shelf Demand Registration, we will be required to file a Shelf Registration Statement under procedures applicable to WKSIs. We are not obligated to file more than one Shelf Demand Registration in any twelve-month period.

***Piggyback Registration Rights***

If we propose to register any of our shares under the Securities Act for purposes of effecting a public offering of our securities (including, but not limited to, registration statements relating to secondary offerings of our securities, but excluding a registration on Form S-4, Form S-8 or a comparable form, or a registration of securities relating solely to an offering and sale to employees pursuant to any employee share plan or other employee benefit plan arrangement), we must afford New Cotai an opportunity to include in the registration all or any part of the registrable securities then held by New Cotai.

***Expenses of Registration***

Generally, all expenses incidental to our performance of or compliance with the Registration Rights Agreement, including, without limitation, all registration and filing fees, fees and expenses of compliance with securities or blue sky laws, word processing, duplicating and printing expenses, messenger and delivery

expenses, listing application fees, transfer agent's and registrar's fees, costs of distributing the prospectus in preliminary and final form as well as any supplements thereto, and fees and disbursements of counsel for us and all independent certified public accountants, underwriters and other persons retained by the us (all such expenses, "Registration Expenses"), will be borne by us, and we will also pay our internal expenses (including, without limitation, all salaries and expenses of our officers and employees performing legal or accounting duties), the expenses of any annual audit or quarterly review, the expenses of any liability insurance and the expenses and fees for listing the securities on the New York Stock Exchange. All selling expenses will be borne by the holders of the securities so registered *pro rata* on the basis of the number of their shares so registered.

In connection with each registration initiated hereunder, we shall reimburse the holders covered by such registration or sale for the reasonable fees and disbursements of one law firm (and one local counsel) chosen by holders holding a majority of the registrable securities to be included in the applicable registration. The amount of such reimbursement is limited to US$800,000 in the aggregate for all registrations initiated under the Registration Rights Agreement.

Our obligation to bear the expenses and to reimburse the holders for the expenses above shall apply irrespective of whether any sales of registrable securities ultimately take place.

***No Registration Rights to Third Parties***

We covenant and agree that, without the prior written consent of the holders of at least a majority of the registrable securities, we will not grant to any holder or prospective holder of our securities registration rights with respect to such securities which are senior or *pari passu* to the rights granted under the Registration Rights Agreement.

***Termination of Our Obligations on the Registration Rights***

The Registration Rights Agreement will terminate upon the earliest of (i) the termination of the Registration Rights Agreement pursuant to the Implementation Agreement, (ii) with respect to each holder of registrable securities, the termination of the Registration Rights Agreement by the consent of us and such holder, (iii) the date on which no registrable securities remain outstanding, or (iv) following the completion of this offering, our dissolution, liquidation or winding up.

## DESCRIPTION OF AMERICAN DEPOSITARY SHARES

### American Depositary Shares

Deutsche Bank Trust Company Americas, as depositary, will register and deliver the American Depositary Shares, also referred to as ADSs. Each ADS will represent ownership of SC Class A Shares (or a right to receive SC Class A Shares), deposited with Deutsche Bank AG, Hong Kong Branch, as custodian for the depositary. Each ADS will also represent ownership of any other securities, cash or other property which may be held by the depositary. The depositary's corporate trust office at which the ADSs will be administered is located at 60 Wall Street, New York, NY 10005, USA. The principal executive office of the depositary is located at 60 Wall Street, New York, NY 10005, USA.

The Direct Registration System, or DRS, is a system administered by The Depository Trust Company, or DTC, pursuant to which the depositary may register the ownership of uncertificated ADSs, which ownership shall be evidenced by periodic statements issued by the depositary to the ADS holders entitled thereto.

We will not treat ADS holders as our shareholders and accordingly, you, as an ADS holder, will not have shareholder rights. Cayman Islands law governs shareholder rights. The depositary will be the holder of the SC Class A Shares underlying your ADSs. As a holder of ADSs, you will have ADS holder rights. A deposit agreement among us, the depositary and you, as an ADS holder, and the beneficial owners of ADSs sets out ADS holder rights as well as the rights and obligations of the depositary. The laws of the State of New York govern the deposit agreement and the ADSs. See "—Jurisdiction and Arbitration."

The following is a summary of the material provisions of the deposit agreement. For more complete information, you should read the entire deposit agreement and the form of American Depositary Receipt. For directions on how to obtain copies of those documents, see "Where You Can Find Additional Information."

### Holding the ADSs

***How will you hold your ADSs?***

You may hold ADSs either (1) directly (a) by having an American Depositary Receipt, or ADR, which is a certificate evidencing a specific number of ADSs, registered in your name, or (b) by holding ADSs in DRS, or (2) indirectly through your broker or other financial institution. If you hold ADSs directly, you are an ADS holder. This description assumes you hold your ADSs directly. ADSs will be issued through DRS, unless you specifically request certificated ADRs. If you hold the ADSs indirectly, you must rely on the procedures of your broker or other financial institution to assert the rights of ADS holders described in this section. You should consult with your broker or financial institution to find out what those procedures are.

### Dividends and Other Distributions

***How will you receive dividends and other distributions on the shares?***

The depositary has agreed to pay to you the cash dividends or other distributions it or the custodian receives on SC Class A Shares or other deposited securities, after deducting its fees and expenses. You will receive these distributions in proportion to the number of SC Class A Shares your ADSs represent as of the record date (which will be as close as practicable to the record date for our SC Class A Shares) set by the depositary with respect to the ADSs.

- ***Cash.*** The depositary will convert or cause to be converted any cash dividend or other cash distribution we pay on the SC Class A Shares or any net proceeds from the sale of any SC Class A Shares, rights, securities or other entitlements under the terms of the deposit agreement into U.S. dollars if it can do so on a practicable basis, and can transfer the U.S. dollars to the United States and will distribute promptly the amount thus received. If the depositary shall determine in its judgment that such conversions or

transfers are not practical or lawful or if any government approval or license is needed and cannot be obtained at a reasonable cost within a reasonable period or otherwise sought, the deposit agreement allows the depositary to distribute the foreign currency only to those ADS holders to whom it is possible to do so. It will hold or cause the custodian to hold the foreign currency it cannot convert for the account of the ADS holders who have not been paid and such funds will be held for the respective accounts of the ADS holders. It will not invest the foreign currency and it will not be liable for any interest for the respective accounts of the ADS holders.

- Before making a distribution, any taxes or other governmental charges, together with fees and expenses of the depositary, that must be paid, will be deducted. See “Taxation.” It will distribute only whole U.S. dollars and cents and will round down fractional cents to the nearest whole cent. If the exchange rates fluctuate during a time when the depositary cannot convert the foreign currency, you may lose some or all of the value of the distribution.

- ***Shares.*** For any SC Class A Shares we distribute as a dividend or free distribution, either (1) the depositary will distribute additional ADSs representing such SC Class A Shares or (2) existing ADSs as of the applicable record date will represent rights and interests in the additional SC Class A Shares distributed, to the extent reasonably practicable and permissible under law, in either case, net of applicable fees, charges and expenses incurred by the depositary and taxes and/or other governmental charges. The depositary will only distribute whole ADSs. It will try to sell SC Class A Shares which would require it to deliver a fractional ADS and distribute the net proceeds in the same way as it does with cash. The depositary may sell a portion of the distributed SC Class A Shares sufficient to pay its fees and expenses, and any taxes and governmental charges, in connection with that distribution.

- ***Elective Distributions in Cash or Shares.*** If we offer holders of our SC Class A Shares the option to receive dividends in either cash or shares, the depositary, after consultation with us and having received timely notice as described in the deposit agreement of such elective distribution by us, has discretion to determine to what extent such elective distribution will be made available to you as a holder of the ADSs. We must timely first instruct the depositary to make such elective distribution available to you and furnish it with satisfactory evidence that it is legal to do so. The depositary could decide it is not legal or reasonably practicable to make such elective distribution available to you. In such case, the depositary shall, on the basis of the same determination as is made in respect of the SC Class A Shares for which no election is made, distribute either cash in the same way as it does in a cash distribution, or additional ADSs representing SC Class A Shares in the same way as it does in a share distribution. The depositary is not obligated to make available to you a method to receive the elective dividend in shares rather than in ADSs. There can be no assurance that you will be given the opportunity to receive elective distributions on the same terms and conditions as the holders of SC Class A Shares.

- ***Rights to Purchase Additional Shares.*** If we offer holders of our SC Class A Shares any rights to subscribe for additional shares, the depositary shall having received timely notice as described in the deposit agreement of such distribution by us, consult with us, and we must determine whether it is lawful and reasonably practicable to make these rights available to you. We must first instruct the depositary to make such rights available to you and furnish the depositary with satisfactory evidence that it is legal to do so. If the depositary decides it is not legal or reasonably practicable to make the rights available but that it is lawful and reasonably practicable to sell the rights, the depositary will endeavor to sell the rights and in a riskless principal capacity or otherwise, at such place and upon such terms (including public or private sale) as it may deem proper, distribute the net proceeds in the same way as it does with cash. The depositary will allow rights that are not distributed or sold to lapse. In that case, you will receive no value for them.

  If the depositary makes rights available to you, it will establish procedures to distribute such rights and enable you to exercise the rights upon your payment of applicable fees, charges and expenses incurred by the depositary and taxes and/or other governmental charges. The depositary shall not be obliged to make available to you a method to exercise such rights to subscribe for SC Class A Shares (rather than ADSs).

U.S. securities laws may restrict transfers and cancellation of the ADSs represented by shares purchased upon exercise of rights. For example, you may not be able to trade these ADSs freely in the United States. In this case, the depositary may deliver restricted depositary shares that have the same terms as the ADSs described in this section except for changes needed to put the necessary restrictions in place.

There can be no assurance that you will be given the opportunity to exercise rights on the same terms and conditions as the holders of SC Class A Shares or be able to exercise such rights.

- ***Other Distributions.*** Subject to receipt of timely notice, as described in the deposit agreement, from us with the request to make any such distribution available to you, and provided the depositary has determined such distribution is lawful and reasonably practicable and feasible and in accordance with the terms of the deposit agreement, the depositary will distribute to you anything else we distribute on deposited securities by any means it may deem practicable, upon your payment of applicable fees, charges and expenses incurred by the depositary and taxes and/or other governmental charges. If any of the conditions above are not met, the depositary will endeavor to sell, or cause to be sold, what we distributed and distribute the net proceeds in the same way as it does with cash; or, if it is unable to sell such property, the depositary may dispose of such property in any way it deems reasonably practicable under the circumstances for nominal or no consideration, such that you may have no rights to or arising from such property.

The depositary is not responsible if it decides that it is unlawful or impractical to make a distribution available to any ADS holders. Except for our obligations under the Registration Rights Agreement, we have no obligation to register ADSs, shares, rights or other securities under the Securities Act. We also have no obligation to take any other action to permit the distribution of ADSs, shares, rights or anything else to ADS holders. This means that you may not receive the distributions we make on our shares or any value for them if we and/or the depositary determines that it is illegal or not practicable for us or the depositary to make them available to you.

### Deposit, Withdrawal and Cancellation

***How are ADSs issued?***

The depositary will deliver ADSs if you or your broker deposit SC Class A Shares or evidence of rights to receive SC Class A Shares with the custodian. Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, the depositary will register the appropriate number of ADSs in the names you request and will deliver the ADSs to or upon the order of the person or persons entitled thereto.

Except for SC Class A Shares deposited by us in connection with this offering, no shares will be accepted for deposit during a period of 180 days after the date of this prospectus. The 180 day lock up period is subject to adjustment under certain circumstances as described in the section entitled “Shares Eligible for Future Sales—Lock-up Agreements.”

***How do ADS holders cancel an American Depositary Share?***

You may turn in your ADSs at the depositary’s corporate trust office or by providing appropriate instructions to your broker. Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, the depositary will deliver the SC Class A Shares and any other deposited securities underlying the ADSs to you or a person you designate at the office of the custodian. Or, at your request, risk and expense, the depositary will deliver the deposited securities at its corporate trust office, to the extent permitted by law.

***How do ADS holders interchange between Certificated ADSs and Uncertificated ADSs?***

You may surrender your ADR to the depositary for the purpose of exchanging your ADR for uncertificated ADSs. The depositary will cancel that ADR and will send you a statement confirming that you are the owner of uncertificated ADSs. Alternatively, upon receipt by the depositary of a proper instruction from a holder of uncertificated ADSs requesting the exchange of uncertificated ADSs for certificated ADSs, the depositary will execute and deliver to you an ADR evidencing those ADSs.

**Voting Rights**

***How do you vote?***

You may instruct the depositary to vote the SC Class A Shares or other deposited securities underlying your ADSs at any meeting at which you are entitled to vote pursuant to any applicable law, the provisions of our memorandum and articles of association, and the provisions of or governing the deposited securities. Otherwise, you could exercise your right to vote directly if you withdraw the SC Class A Shares. However, you may not know about the meeting sufficiently enough in advance to withdraw the SC Class A Shares.

If we ask for your instructions and upon timely notice from us by regular, ordinary mail delivery, or by electronic transmission, as described in the deposit agreement, the depositary will notify you of the upcoming meeting at which you are entitled to vote pursuant to any applicable law, the provisions of our memorandum and articles of association, and the provisions of or governing the deposited securities, and arrange to deliver our voting materials to you. The materials will include or reproduce (a) such notice of meeting or solicitation of consents or proxies; (b) a statement that the ADS holders at the close of business on the ADS record date will be entitled, subject to any applicable law, the provisions of our memorandum and articles of association, and the provisions of or governing the deposited securities, to instruct the depositary as to the exercise of the voting rights, if any, pertaining to the SC Class A Shares or other deposited securities represented by such holder's ADSs; and (c) a brief statement as to the manner in which such instructions may be given to the depositary or deemed given in accordance with the second to last sentence of this paragraph if no instruction is received to the depositary to give a discretionary proxy to a person designated by us. Voting instructions may be given only in respect of a number of ADSs representing an integral number of SC Class A Shares or other deposited securities. For instructions to be valid, the depositary must receive them in writing on or before the date specified. The depositary will try, as far as practical, subject to applicable law and the provisions of our memorandum and articles of association, to vote or to have its agents vote the SC Class A Shares or other deposited securities (in person or by proxy) as you instruct. The depositary will only vote or attempt to vote as you instruct. If we timely requested the depositary to solicit your instructions but no instructions are received by the depositary from an owner with respect to any of the deposited securities represented by the ADSs of that owner on or before the date established by the depositary for such purpose, the depositary shall deem that owner to have instructed the depositary to give a discretionary proxy to a person designated by us with respect to such deposited securities, and the depositary shall give a discretionary proxy to a person designated by us to vote such deposited securities. However, no such instruction shall be deemed given and no such discretionary proxy shall be given with respect to any matter if we inform the depositary we do not wish such proxy given, substantial opposition exists or the matter materially and adversely affects the rights of holders of the SC Class A Shares.

We cannot assure you that you will receive the voting materials in time to ensure that you can instruct the depositary to vote the SC Class A Shares underlying your ADSs. In addition, there can be no assurance that ADS holders and beneficial owners generally, or any holder or beneficial owner in particular, will be given the opportunity to vote or cause the custodian to vote on the same terms and conditions as the holders of our SC Class A Shares.

The depositary and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions. This means that you may not be able to exercise your right to vote and you may have no recourse if the SC Class A Shares underlying your ADSs are not voted as you requested.

In order to give you a reasonable opportunity to instruct the depositary as to the exercise of voting rights relating to deposited securities, if we request the depositary to act, we will give the depositary notice of any such meeting and details concerning the matters to be voted at least 30 business days in advance of the meeting date.

**Compliance with Regulations**

***Information Requests***

Each ADS holder and beneficial owner shall (a) provide such information as we or the depositary may request pursuant to law, including, without limitation, relevant Cayman Islands law, any applicable law of the United States of America, our memorandum and articles of association, any resolutions of our board of directors adopted pursuant to such memorandum and articles of association, the requirements of any markets or exchanges upon which the SC Class A Shares, ADSs or ADRs are listed or traded, or to any requirements of any electronic book-entry system by which the ADSs or ADRs may be transferred, regarding the capacity in which they own or owned ADRs, the identity of any other persons then or previously interested in such ADRs and the nature of such interest, and any other applicable matters, and (b) be bound by and subject to applicable provisions of the laws of the Cayman Islands, our memorandum and articles of association, and the requirements of any markets or exchanges upon which the ADSs, ADRs or SC Class A Shares are listed or traded, or pursuant to any requirements of any electronic book-entry system by which the ADSs, ADRs or SC Class A Shares may be transferred, to the same extent as if such ADS holder or beneficial owner held SC Class A Shares directly, in each case irrespective of whether or not they are ADS holders or beneficial owners at the time such request is made.

***Disclosure of Interests***

Each ADS holder and beneficial owner shall comply with our requests pursuant to Cayman Islands law, the rules and requirements of the New York Stock Exchange and any other stock exchange on which the SC Class A Shares are, or will be, registered, traded or listed or our memorandum and articles of association, which requests are made to provide information, inter alia, as to the capacity in which such ADS holder or beneficial owner owns ADS and regarding the identity of any other person interested in such ADS and the nature of such interest and various other matters, whether or not they are ADS holders or beneficial owners at the time of such requests.

***Fees and Expenses***

As an ADS holder, you will be required to pay the following service fees to the depositary bank and certain taxes and governmental charges (in addition to any applicable fees, expenses, taxes and other governmental charges payable on the deposited securities represented by any of your ADSs):

| Service | Fees |
| --- | --- |
| • To any person to which ADSs are issued or to any person to which a distribution is made in respect of ADS distributions pursuant to stock dividends or other free distributions of stock, bonus distributions, stock splits or other distributions (except where converted to cash) | Up to US$0.05 per ADS issued |
| • Cancellation of ADSs, including the case of termination of the deposit agreement | Up to US$0.05 per ADS cancelled |
| • Distribution of cash dividends | Up to US$0.05 per ADS held |
| • Distribution of cash entitlements (other than cash dividends) and/or cash proceeds from the sale of rights, securities and other entitlements | Up to US$0.05 per ADS held |
| • Distribution of ADSs pursuant to exercise of rights. | Up to US$0.05 per ADS held |

| Service | Fees |
| --- | --- |
| • Distribution of securities other than ADSs or rights to purchase additional ADSs | Up to US$0.05 per ADS held |
| • Depositary services | Up to US$0.05 per ADS held on the applicable record date(s) established by the depositary bank |

As an ADS holder, you will also be responsible to pay certain fees and expenses incurred by the depositary bank and certain taxes and governmental charges (in addition to any applicable fees, expenses, taxes and other governmental charges payable on the deposited securities represented by any of your ADSs) such as:

- Fees for the transfer and registration of SC Class A Shares charged by the registrar and transfer agent for the SC Class A Shares in the Cayman Islands (i.e., upon deposit and withdrawal of SC Class A Shares).
- Expenses incurred for converting foreign currency into U.S. dollars.
- Expenses for cable, telex and fax transmissions and for delivery of securities.
- Taxes and duties upon the transfer of securities, including any applicable stamp duties, any stock transfer charges or withholding taxes (i.e., when SC Class A Shares are deposited or withdrawn from deposit).
- Fees and expenses incurred in connection with the delivery or servicing of SC Class A Shares on deposit.
- Fees and expenses incurred in connection with complying with exchange control regulations and other regulatory requirements applicable to SC Class A Shares, deposited securities, ADSs and ADRs.
- Any applicable fees and penalties thereon.

The depositary fees payable upon the issuance and cancellation of ADSs are typically paid to the depositary bank by the brokers (on behalf of their clients) receiving the newly issued ADSs from the depositary bank and by the brokers (on behalf of their clients) delivering the ADSs to the depositary bank for cancellation. The brokers in turn charge these fees to their clients. Depositary fees payable in connection with distributions of cash or securities to ADS holders and the depositary services fee are charged by the depositary bank to the holders of record of ADSs as of the applicable ADS record date.

The depositary fees payable for cash distributions are generally deducted from the cash being distributed or by selling a portion of distributable property to pay the fees. In the case of distributions other than cash (i.e., share dividends, rights), the depositary bank charges the applicable fee to the ADS record date holders concurrent with the distribution. In the case of ADSs registered in the name of the investor (whether certificated or uncertificated in direct registration), the depositary bank sends invoices to the applicable record date ADS holders. In the case of ADSs held in brokerage and custodian accounts (via DTC), the depositary bank generally collects its fees through the systems provided by DTC (whose nominee is the registered holder of the ADSs held in DTC) from the brokers and custodians holding ADSs in their DTC accounts. The brokers and custodians who hold their clients' ADSs in DTC accounts in turn charge their clients' accounts the amount of the fees paid to the depositary banks.

In the event of refusal to pay the depositary fees, the depositary bank may, under the terms of the deposit agreement, refuse the requested service until payment is received or may set off the amount of the depositary fees from any distribution to be made to the ADS holder.

The depositary may make payments to us or reimburse us for certain costs and expenses, by making available a portion of the ADS fees collected in respect of the ADR program or otherwise, upon such terms and conditions as we and the depositary bank agree from time to time.

### Payment of Taxes

You will be responsible for any taxes or other governmental charges payable, or which become payable, on your ADSs or on the deposited securities represented by any of your ADSs. The depositary may refuse to register or transfer your ADSs or allow you to withdraw the deposited securities represented by your ADSs until such taxes or other charges are paid. It may apply payments owed to you or sell deposited securities represented by your ADSs to pay any taxes owed and you will remain liable for any deficiency. If the depositary sells deposited securities, it will, if appropriate, reduce the number of ADSs to reflect the sale and pay to you any net proceeds, or send to you any property, remaining after it has paid the taxes. You agree to indemnify us, the depositary, the custodian and each of our and their respective agents, directors, employees and affiliates for, and hold each of them harmless from, any claims with respect to taxes (including applicable interest and penalties thereon) arising from any refund of taxes, reduced rate of withholding at source or other tax benefit obtained for you. Your obligations under this paragraph shall survive any transfer of ADRs, any surrender of ADRs and withdrawal of deposited securities or the termination of the deposit agreement.

### Reclassifications, Recapitalizations and Mergers

| If we: | Then: |
|---|---|
| Change the nominal or par value of our SC Class A Shares | The cash, shares or other securities received by the depositary will become deposited securities. |
| Reclassify, split up or consolidate any of the deposited securities | Each ADS will automatically represent its equal share of the new deposited securities. |
| Distribute securities on the SC Class A Shares that are not distributed to you, or recapitalize, reorganize, merge, liquidate, sell all or substantially all of our assets, or take any similar action | The depositary may distribute some or all of the cash, shares or other securities it received. It may also deliver new ADSs or ask you to surrender your outstanding ADRs in exchange for new ADRs identifying the new deposited securities. |

### Amendment and Termination

***How may the deposit agreement be amended?***

We may agree with the depositary to amend the deposit agreement and the form of ADR without your consent for any reason. If an amendment adds or increases fees or charges, except for taxes and other governmental charges or expenses of the depositary for registration fees, facsimile costs, delivery charges or similar items, including expenses incurred in connection with foreign exchange control regulations and other charges specifically payable by ADS holders under the deposit agreement, or materially prejudices a substantial existing right of ADS holders, it will not become effective for outstanding ADSs until 30 days after the depositary notifies ADS holders of the amendment. At the time an amendment becomes effective, you are considered, by continuing to hold your ADSs, to agree to the amendment and to be bound by the ADRs and the deposit agreement as amended. If any new laws are adopted which would require the deposit agreement to be amended in order to comply therewith, we and the depositary may amend the deposit agreement in accordance with such laws and such amendment may become effective before notice thereof is given to ADS holders.

***How may the deposit agreement be terminated?***

The depositary will terminate the deposit agreement if we ask it to do so, in which case the depositary will give notice to you at least 90 days prior to termination. The depositary may also terminate the deposit agreement if the depositary has told us that it would like to resign, or if we have removed the depositary, and in either case we have not appointed a new depositary within 90 days. In either such case, the depositary must notify you at least 30 days before termination.

After termination, the depositary and its agents will do the following under the deposit agreement but nothing else: collect distributions on the deposited securities, sell rights and other property and deliver SC Class A Shares and other deposited securities upon cancellation of ADSs after payment of any fees, charges, taxes or other governmental charges. Six months or more after the date of termination, the depositary may sell any remaining deposited securities by public or private sale. After that, the depositary will hold the money it received on the sale, as well as any other cash it is holding under the deposit agreement, for the pro rata benefit of the ADS holders that have not surrendered their ADSs. It will not invest the money and has no liability for interest. After such sale, the depositary's only obligations will be to account for the money and other cash. After termination, we shall be discharged from all obligations under the deposit agreement except for our obligations to the depositary thereunder.

**Books of Depositary**

The depositary will maintain ADS holder records at its depositary office. You may inspect such records at such office during regular business hours but solely for the purpose of communicating with other holders in the interest of business matters relating to the Company, the ADRs and the deposit agreement.

The depositary will maintain facilities in the Borough of Manhattan, The City of New York to record and process the issuance, cancellation, combination, split-up and transfer of ADRs.

These facilities may be closed at any time or from time to time when such action is deemed necessary or advisable by the depositary in connection with the performance of its duties under the deposit agreement or at our reasonable written request.

**Limitations on Obligations and Liability**

***Limits on our Obligations and the Obligations of the Depositary and the Custodian; Limits on Liability to Holders of ADSs***

The deposit agreement expressly limits our obligations and the obligations of the depositary and the custodian. It also limits our liability and the liability of the depositary. The depositary and the custodian:

- are only obligated to take the actions specifically set forth in the deposit agreement without gross negligence or willful misconduct;
- are not liable if any of us or our respective controlling persons or agents are prevented or forbidden from, or subjected to any civil or criminal penalty or restraint on account of, or delayed in, doing or performing any act or thing required by the terms of the deposit agreement and any ADR, by reason of any provision of any present or future law or regulation of the United States or any state thereof, the Cayman Islands or any other country, or of any other governmental authority or regulatory authority or stock exchange, or on account of the possible criminal or civil penalties or restraint, or by reason of any provision, present or future, of our memorandum and articles of association or any provision of or governing any deposited securities, or by reason of any act of God or war or other circumstances beyond its control (including, without limitation, nationalization, expropriation, currency restrictions, work stoppage, strikes, civil unrest, revolutions, rebellions, explosions and computer failure);
- are not liable by reason of any exercise of, or failure to exercise, any discretion provided for in the deposit agreement or in our memorandum and articles of association or provisions of or governing deposited securities;
- are not liable for any action or inaction of the depositary, the custodian or us or their or our respective controlling persons or agents in reliance upon the advice of or information from legal counsel, any person presenting SC Class A Shares for deposit or any other person believed by it in good faith to be competent to give such advice or information;

- are not liable for the inability of any holder of ADSs to benefit from any distribution on deposited securities that is not made available to holders of ADSs under the terms of the deposit agreement;
- are not liable for any special, consequential, indirect or punitive damages for any breach of the terms of the deposit agreement, or otherwise;
- may rely upon any documents we believe in good faith to be genuine and to have been signed or presented by the proper party;
- disclaim any liability for any action or inaction or inaction of any of us or our respective controlling persons or agents in reliance upon the advice of or information from legal counsel, accountants, any person presenting SC Class A Shares for deposit, holders and beneficial owners (or authorized representatives) of ADSs, or any person believed in good faith to be competent to give such advice or information; and
- disclaim any liability for inability of any holder to benefit from any distribution, offering, right or other benefit made available to holders of deposited securities but not made available to holders of ADS.

The depositary and any of its agents also disclaim any liability (i) for any failure to carry out any instructions to vote, the manner in which any vote is cast or the effect of any vote or failure to determine that any distribution or action may be lawful or reasonably practicable or for allowing any rights to lapse in accordance with the provisions of the deposit agreement, (ii) the failure or timeliness of any notice from us, the content of any information submitted to it by us for distribution to you or for any inaccuracy of any translation thereof, (iii) any investment risk associated with the acquisition of an interest in the deposited securities, the validity or worth of the deposited securities, the credit-worthiness of any third party, (iv) for any tax consequences that may result from ownership of ADSs, SC Class A Shares or deposited securities, or (v) for any acts or omissions made by a successor depositary whether in connection with a previous act or omission of the depositary or in connection with any matter arising wholly after the removal or resignation of the depositary, provided that in connection with the issue out of which such potential liability arises the depositary performed its obligations without gross negligence or willful misconduct while it acted as depositary.

In the deposit agreement, we and the depositary agree to indemnify each other under certain circumstances.

**Jurisdiction and Arbitration**

The laws of the State of New York govern the deposit agreement and the ADSs and we have agreed with the depositary that the federal or state courts in the City of New York shall have exclusive jurisdiction to hear and determine any dispute arising from or in connection with the deposit agreement and that the depositary will have the right to refer any claim or dispute arising from the relationship created by the deposit agreement, including any claims under the U.S. federal securities laws and claims not in connection with this offering, to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. As arbitration provisions in commercial agreements have generally been respected by federal courts and state courts of New York, we believe that the arbitration provision in the deposit agreement is enforceable under federal law and the laws of the State of New York. Although ADS holders, including holders that acquired ADSs in a secondary transaction, are subject to the arbitration provisions of the deposit agreement, the arbitration provisions do not preclude ADS holders from pursuing claims under the U.S. federal securities laws in federal courts. The arbitration provision of the deposit agreement is not intended to be deemed a waiver by any holder or beneficial owner of ADSs of the Company's or the depositary's compliance with the U.S. federal securities laws and the rules and regulations promulgated thereunder.

**Jury Trial Waiver**

The deposit agreement provides that, to the extent permitted by law, ADS holders waive the right to a jury trial of any claim they may have against us or the depositary arising out of or relating to our shares, the ADSs or the deposit agreement, including any claim under the U.S. federal securities laws. If we or the depositary were to

oppose a jury trial demand based on such waiver, the court would determine whether the waiver was enforceable based upon the facts and circumstances of that case in accordance with applicable state and federal law, including whether a party knowingly, intelligently and voluntarily waived the right to a jury trial. The waiver of the right to a jury trial contained in the deposit agreement is not intended to be deemed a waiver by any holder or beneficial owner of ADSs of the Company's or the depositary's compliance with the U.S. federal securities laws and the rules and regulations promulgated thereunder.

**Requirements for Depositary Actions**

Before the depositary will issue, deliver or register a transfer of an ADS, split-up, subdivide or combine ADSs, make a distribution on an ADS, or permit withdrawal of SC Class A Shares, the depositary may require:

- payment of stock transfer or other taxes or other governmental charges and transfer or registration fees charged by third parties for the transfer of any SC Class A Shares or other deposited securities and payment of the applicable fees, expenses and charges of the depositary;
- satisfactory proof of the identity and genuineness of any signature or any other matters contemplated in the deposit agreement; and
- compliance with (A) any laws or governmental regulations relating to the execution and delivery of ADRs or ADSs or to the withdrawal or delivery of deposited securities and (B) such reasonable regulations and procedures as the depositary may establish, from time to time, consistent with the deposit agreement and applicable laws, including presentation of transfer documents.

The depositary may refuse to issue and deliver ADSs or register transfers of ADSs generally when the register of the depositary or our transfer books are closed or at any time if the depositary or we determine that it is necessary or advisable to do so.

**Your Right to Receive the Shares Underlying Your ADSs**

You have the right to cancel your ADSs and withdraw the underlying SC Class A Shares at any time except:

- when temporary delays arise because: (1) the depositary has closed its transfer books or we have closed our transfer books; (2) the transfer of SC Class A Shares is blocked to permit voting at a shareholders' meeting; or (3) we are paying a dividend on our SC Class A Shares;
- when you owe money to pay fees, taxes and similar charges;
- when it is necessary to prohibit withdrawals in order to comply with any laws or governmental regulations that apply to ADSs or to the withdrawal of SC Class A Shares or other deposited securities, or
- other circumstances specifically contemplated by Section I.A.(l) of the General Instructions to Form F-6 (as such General Instructions may be amended from time to time); or
- for any other reason if the depositary or we determine, in good faith, that it is necessary or advisable to prohibit withdrawals.

The depositary shall not knowingly accept for deposit under the deposit agreement any SC Class A Shares or other deposited securities required to be registered under the provisions of the Securities Act, unless a registration statement is in effect as to such SC Class A Shares.

This right of withdrawal may not be limited by any other provision of the deposit agreement.

**Direct Registration System**

In the deposit agreement, all parties to the deposit agreement acknowledge that the DRS and Profile Modification System, or Profile, will apply to uncertificated ADSs upon acceptance thereof to DRS by DTC.

DRS is the system administered by DTC pursuant to which the depositary may register the ownership of uncertificated ADSs, which ownership shall be evidenced by periodic statements issued by the depositary to the ADS holders entitled thereto. Profile is a required feature of DRS which allows a DTC participant, claiming to act on behalf of an ADS holder, to direct the depositary to register a transfer of those ADSs to DTC or its nominee and to deliver those ADSs to the DTC account of that DTC participant without receipt by the depositary of prior authorization from the ADS holder to register such transfer.

## SHARES ELIGIBLE FOR FUTURE SALE

Upon the completion of this offering, we will have ADSs outstanding, representing SC Class A Shares, or approximately % of our outstanding ordinary shares, assuming the underwriters do not exercise their option to purchase additional ADSs (or approximately % of our outstanding ordinary shares, if the underwriters exercise their option to purchase additional ADSs in full). All of the ADSs sold in this offering will be freely transferable by persons other than our "affiliates" without restriction or further registration under the Securities Act. Sales of substantial amounts of ADSs in the public market could adversely affect prevailing market prices of the ADSs. Prior to this offering, there has been no public market for our ordinary shares or the ADSs, and while the ADSs have been approved for listing on the New York Stock Exchange, we cannot assure you that a regular trading market for our ADSs may develop in the ADSs. Our ordinary shares will not be listed on any exchange or quoted for trading on any over-the-counter trading system. We do not expect that a trading market will develop for our ordinary shares not represented by the ADSs.

### Lock-up Agreements

[We have agreed that we will not offer, sell, contract to sell, pledge, grant any option, right or warrant to purchase, sell any option or contract to purchase, purchase any option or contract to sell, lend, make any short sale or otherwise transfer or dispose of (including entering into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequence of ownership interests), directly or indirectly, any of the ADSs or ordinary shares or any securities that are convertible into or exchangeable for, or that represent the right to receive, the ADSs or ordinary shares or any substantially similar securities, without the prior written consent of the representatives on behalf of the underwriters for a period ending 180 days after the date of this prospectus, subject to certain exceptions.

Our existing shareholders have agreed with the underwriters, subject to certain exceptions and except to effect the Assured Entitlement Distribution, not to sell, transfer or otherwise dispose of any ADSs, ordinary shares or similar securities or any securities convertible into or exchangeable or exercisable for our ordinary shares or ADSs, for a period ending 180 days after the date of this prospectus.]

### Rule 144

All of our ordinary shares outstanding prior to this offering are "restricted securities" as that term is defined in Rule 144 under the Securities Act and may be sold publicly in the United States only under an effective registration statement under the Securities Act or pursuant to an available exemption from the registration requirements.

In general, under Rule 144 as currently in effect, beginning 90 days after the date of this prospectus, a person who is not deemed to have been our affiliate at any time during the three months preceding a sale and who has beneficially owned restricted securities within the meaning of Rule 144 for more than six months would be entitled to sell an unlimited number of those shares, subject only to the availability of current public information about us. A non-affiliate who has beneficially owned restricted securities for at least one year from the later of the date these shares were acquired from us or from our affiliate would be entitled to freely sell those shares.

Our affiliates who have beneficially owned "restricted securities" for at least six months would be entitled to sell within any three-month period a number of restricted shares that does not exceed the greater of the following:

- 1% of the then outstanding ordinary shares of the same class, including shares represented by ADSs, which will equal approximately SC Class A Shares immediately after this offering, assuming the underwriters do not exercise their option to purchase additional ADSs, (or SC Class A Shares if the underwriters exercise their option to purchase additional ADSs in full); or

- the average weekly trading volume of our ordinary shares of the same class, including SC Class A Shares represented by ADSs on the New York Stock Exchange during the four calendar weeks preceding the date on which notice of the sale on Form 144 is filed with the SEC.

Affiliates who sell restricted securities under Rule 144 may not solicit orders or arrange for the solicitation of orders, and they are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us. In addition, in each case, shares held by our affiliates would remain subject to lock-up arrangements and would only become eligible for sale when the lock-up period expires.

**Rule 701**

Beginning 90 days after the date of this prospectus, persons other than affiliates who purchased ordinary shares under a written compensatory plan or other written agreement executed prior to the completion of this offering may be entitled to sell such shares in the United States in reliance on Rule 701. Rule 701 permits affiliates to sell their Rule 701 shares under Rule 144 without complying with the holding period requirements of Rule 144. Rule 701 further provides that non-affiliates may sell these shares in reliance on Rule 144 subject only to its manner-of-sale requirements. However, the Rule 701 shares would remain subject to lock-up arrangements and would only become eligible for sale when the lock-up period expires.

**Registration Rights**

Upon the completion of this offering, New Cotai, holder of our registrable securities will be entitled to request that we register its shares under the Securities Act, following the expiration of the lock-up agreements described above. See “Description of Share Capital—Registration Rights.”

# TAXATION

*The following summary of Cayman Islands and U.S. federal income tax consequences of an investment in the ADSs or ordinary shares is based upon laws and relevant interpretations thereof in effect as of the date of this prospectus, all of which are subject to change. This summary does not deal with all possible tax consequences relating to an investment in the ADSs or ordinary shares, such as the tax consequences under state, local and other tax laws, or tax laws of jurisdictions other than the Cayman Islands and the United States. To the extent that the discussion relates to matters of Cayman Islands tax law, it represents the opinion of Walkers, our counsel as to Cayman Islands law.*

## Cayman Islands Tax Considerations

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to us levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or, after execution, brought within the jurisdiction of the Cayman Islands. The Cayman Islands is not party to any double tax treaties that are applicable to any payments made to or by our company. There are no exchange control regulations or currency restrictions in the Cayman Islands.

Payments of dividends and capital in respect of our ordinary shares will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of a dividend or capital to any holder of our ordinary shares, nor will gains derived from the disposal of our ordinary shares be subject to Cayman Islands income or corporation tax.

No stamp duty is payable in respect of the issue of our ordinary shares or on an instrument of transfer in respect of our ordinary shares.

## Certain United States Federal Income Tax Considerations

The following discussion describes the material United States federal income tax consequences to a United States Holder (as defined below), under current law, of an investment in our ADSs in the offering. This discussion is based on the federal income tax laws of the United States as of the date of this prospectus, including the United States Internal Revenue Code of 1986, as amended, or the Code, existing and proposed Treasury Regulations promulgated thereunder, judicial authority, published administrative positions of the IRS, and other applicable authorities, all as of the date of this prospectus. All of the foregoing authorities are subject to change, which change could apply retroactively and could significantly affect the tax consequences described below. We have not sought any ruling from the IRS with respect to the statements made and the conclusions reached in the following discussion and there can be no assurance that the IRS or a court will agree with our statements and conclusions.

This discussion applies only to a United States Holder (as defined below) that holds ADSs as capital assets for United States federal income tax purposes (generally, property held for investment). The discussion neither addresses the tax consequences to any particular investor nor describes all of the tax consequences applicable to persons in special tax situations, such as:

- banks and certain other financial institutions;
- insurance companies;
- regulated investment companies;
- real estate investment trusts;
- brokers or dealers in stocks and securities, or currencies;

- persons who use or are required to use a mark-to-market method of accounting;
- certain former citizens or residents of the United States subject to Section 877 of the Code;
- entities subject to the United States anti-inversion rules;
- tax-exempt organizations and entities;
- persons subject to the alternative minimum tax provisions of the Code;
- persons whose functional currency is other than the United States dollar;
- persons holding ADSs as part of a straddle, hedging, conversion or integrated transaction;
- persons that actually or constructively own 10% or more of the total combined voting power of all classes of our voting stock or 10% or more of the total value of shares of all classes of our stock;
- persons who acquired ADSs pursuant to the exercise of an employee stock option or otherwise as compensation;
- partnerships or other pass-through entities, or persons holding ADSs through such entities; or
- persons that held, directly, indirectly or by attribution, ADSs or other ownership interests in us prior to these Offerings.

Except as described below under "—Information with Respect to Foreign Financial Assets," this discussion does not address any reporting obligations that may be applicable to persons holding ADSs through a bank, financial institution or other entity, or a branch thereof, located, organized or resident outside the United States.

If a partnership (including an entity or arrangement treated as a partnership for United States federal income tax purposes) holds the ADSs, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. A partnership or partner in a partnership holding ADSs should consult its own tax advisors regarding the tax consequences of investing in and holding the ADSs.

**THE FOLLOWING DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE UNITED STATES FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER THE FEDERAL ESTATE OR GIFT TAX LAWS OR THE LAWS OF ANY STATE, LOCAL OR NON-UNITED STATES TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.**

For purposes of the discussion below, a "United States Holder" is a beneficial owner of the ADSs that is, for United States federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to United States federal income taxation regardless of its source; or
- a trust, if (i) a court within the United States is able to exercise primary jurisdiction over its administration and one or more United States persons have the authority to control all of its substantial decisions or (ii) in the case of a trust that was treated as a domestic trust under the law in effect before 1997, a valid election is in place under applicable Treasury Regulations to treat such trust as a domestic trust.

The discussion below assumes that the representations contained in the deposit agreement and any related agreement are true and that the obligations in such agreements will be complied with in accordance with their terms.

***ADSs***

If you own our ADSs, then you should be treated as the owner of the underlying SC Class A Shares represented by those ADSs for United States federal income tax purposes. Accordingly, deposits or withdrawals of SC Class A Shares for ADSs should not be subject to United States federal income tax.

The United States Treasury Department and the IRS have expressed concerns that United States holders of American depositary shares may be claiming foreign tax credits in situations where an intermediary in the chain of ownership between the holder of an American depositary share and the issuer of the security underlying the American depositary share has taken actions that are inconsistent with the ownership of the underlying security by the person claiming the credit. Such actions (for example, a pre-release of an ADS by a depositary) also may be inconsistent with the claiming of the reduced rate of tax applicable to certain dividends received by non-corporate United States holders of ADSs, including individual United States holders. Accordingly, the availability of foreign tax credits or the reduced tax rate for dividends received by non-corporate United States Holders, each discussed below, could be affected by actions taken by intermediaries in the chain of ownership between the holder of an ADS and our company.

***Dividends and Other Distributions on the ADSs***

Subject to the PFIC rules discussed below, the gross amount of any distribution that we make to you with respect to the ADSs will be taxable as a dividend, to the extent paid out of our current or accumulated earnings and profits, as determined under United States federal income tax principles. Such income (including any withheld taxes) will be includable in your gross income on the day actually or constructively received by the depositary if you own ADSs. Because we do not intend to determine our earnings and profits on the basis of United States federal income tax principles, any distribution paid generally will be reported as a “dividend” for United States federal income tax purposes. Such dividends will not be eligible for the dividends-received deduction allowed to qualifying corporations under the Code.

Dividends received by a non-corporate United States Holder may qualify for the lower rates of tax applicable to “qualified dividend income,” if the dividends are paid by a “qualified foreign corporation” and other conditions discussed below are met. A non-United States corporation is treated as a qualified foreign corporation with respect to dividends paid by that corporation on shares (or American depositary shares backed by such shares) that are readily tradable on an established securities market in the United States. However, a non-United States corporation will not be treated as a qualified foreign corporation if it is a PFIC in the taxable year in which the dividend is paid or the preceding taxable year.

Under a published IRS Notice, common or ordinary shares, or American depositary shares representing such shares, are considered to be readily tradable on an established securities market in the United States if they are listed on the New York Stock Exchange, as our ADSs are expected to be. Based on existing guidance, it is unclear whether the ordinary shares will be considered to be readily tradable on an established securities market in the United States, because only the ADSs, and not the underlying ordinary shares, will be listed on a securities market in the United States. Subject to the limitations described in the following paragraph, we believe that dividends we pay on the SC Class A Shares that are represented by ADSs will be eligible for the reduced rates of taxation.

Even if dividends were treated as paid by a qualified foreign corporation, a non-corporate United States Holder would not be eligible for reduced rates of taxation if either (i) it does not hold our ADSs for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date or (ii) the United States Holder

elects to treat the dividend income as "investment income" pursuant to Section 163(d)(4) of the Code. In addition, the rate reduction will not apply to dividends of a qualified foreign corporation if the non-corporate United States Holder receiving the dividend is obligated to make related payments with respect to positions in substantially similar or related property.

You should consult your own tax advisors regarding the availability of the lower tax rates applicable to qualified dividend income for any dividends that we pay with respect to the ADSs, as well as the effect of any change in applicable law after the date of this prospectus.

For purposes of calculating your foreign tax credit limitation, dividends paid to you with respect to the ADSs will be treated as income from sources outside the United States and generally will constitute passive category income. The rules relating to the determination of the foreign tax credit are complex, and you should consult your tax advisors regarding the availability of a foreign tax credit in your particular circumstances.

***Disposition of the ADSs***

You will recognize gain or loss on a sale or exchange of the ADSs in an amount equal to the difference between the amount realized on the sale or exchange and your tax basis in the ADSs. Subject to the discussion under "—Passive Foreign Investment Company" below, such gain or loss generally will be capital gain or loss. Capital gains of a non-corporate United States Holder, including an individual, that has held the ADS for more than one year currently are eligible for reduced tax rates. The deductibility of capital losses is subject to limitations.

Any gain or loss that you recognize on a disposition of the ADSs generally will be treated as United States-source income or loss for foreign tax credit limitation purposes.

***Passive Foreign Investment Company***

Based on the current and anticipated value of our assets and the composition of our income and assets, we do not expect to be a PFIC for our current taxable year ending December 31, 2018, or in the foreseeable future. However, the determination of PFIC status is based on an annual determination that cannot be made until the close of a taxable year, involves extensive factual investigation, including ascertaining the fair market value of all of our assets on a quarterly basis and the character of each item of income that we earn, and is subject to uncertainty in several respects. Changes in the composition of our income or assets or the value of our assets may cause us to become a PFIC. The determination of the value of our assets may depend in part upon the value of our goodwill not reflected on our balance sheet (which may depend upon the market value of the ADSs from time to time, which may be volatile). Accordingly, we cannot assure you that we will not be a PFIC for our current taxable year ending December 31, 2018, or for any future taxable year. Kirkland & Ellis LLP, our United States tax counsel, therefore expresses no opinion with respect to our PFIC status for any taxable year or our beliefs and expectations relating to such status set forth in this discussion.

A non-United States corporation such as ourselves will be treated as a PFIC for United States federal income tax purposes for any taxable year if, applying applicable look-through rules, either:

- at least 75% of its gross income for such year is passive income; or
- at least 50% of the value of its assets (determined based on a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income.

For this purpose, passive income generally includes dividends, interest, royalties and rents (other than certain royalties and rents derived in the active conduct of a trade or business and not derived from a related person). We will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation in which we own, directly or indirectly, more than 25% by value of the stock.

If we were a PFIC for any taxable year during which you hold ADSs, then, unless you make a "mark-to-market" election (as discussed below), you generally would be subject to special adverse tax rules with respect to any "excess distribution" that you receive from us and any gain that you recognize from a sale or other disposition, including, in certain circumstances, a pledge, of ADSs. For this purpose, distributions that you receive in a taxable year that are greater than 125% of the average annual distributions that you received during the shorter of the three preceding taxable years or your holding period for the ADSs will be treated as an excess distribution. Under these rules:

- the excess distribution or recognized gain would be allocated ratably over your holding period for the ADSs;
- the amount of the excess distribution or recognized gain allocated to the taxable year of distribution or gain, and to any taxable years in your holding period prior to the first taxable year in which we were treated as a PFIC, would be treated as ordinary income; and
- the amount of the excess distribution or recognized gain allocated to each other taxable year would be subject to the highest tax rate in effect for individuals or corporations, as applicable, for each such year and the resulting tax will be subject to the interest charge generally applicable to underpayments of tax.

If we were a PFIC for any taxable year during which you hold ADSs and any of our non-United States subsidiaries or other corporate entities in which we own equity interests is also a PFIC, you would be treated as owning a proportionate amount (by value) of the shares of each such non-United States entity classified as a PFIC (each such entity, a lower tier PFIC) for purposes of the application of these rules. You should consult your own tax advisor regarding the application of the PFIC rules to any of our lower tier PFICs.

If we were a PFIC for any taxable year during which you hold ADSs, then in lieu of being subject to the tax and interest-charge rules discussed above, you may make an election to include gain on our ADSs as ordinary income under a mark-to-market method, provided that our ADSs constitute "marketable stock." Marketable stock is stock that is regularly traded on a qualified exchange or other market, as defined in applicable Treasury regulations. We expect that our ADSs, but not our ordinary shares, will be listed on the New York Stock Exchange, which is a qualified exchange or other market for these purposes.

Consequently, if the ADSs are listed on the New York Stock Exchange and are regularly traded, and you are a holder of ADSs, we expect that the mark-to-market election would be available to you if we were to become a PFIC, but no assurances are given in this regard.

Because a mark-to-market election cannot be made for any lower-tier PFICs that we may own, if we were a PFIC for any taxable year, a United States Holder that makes the mark-to-market election may continue to be subject to the tax and interest charges under the general PFIC rules with respect to such United States Holder's indirect interest in any investments held by us that are treated as an equity interest in a PFIC for United States federal income tax purposes.

In certain circumstances, a shareholder in a PFIC may avoid the adverse tax and interest-charge regime described above by making a "qualified electing fund" election to include in income its share of the corporation's income on a current basis. However, you may make a qualified electing fund election with respect to the ADSs only if we agree to furnish you annually with a PFIC annual information statement as specified in the applicable Treasury regulations. There is no assurance that we will provide such information that would enable you to make a qualified electing fund election.

A United States Holder that holds the ADSs in any year in which we were a PFIC would be required to file an annual report containing such information as the United States Treasury Department may require.

You should consult your own tax advisor regarding the application of the PFIC rules to your ownership and disposition of the ADSs and the availability, application and consequences of the elections discussed above.

***Information Reporting and Backup Withholding***

Information reporting to the IRS and backup withholding generally will apply to dividends in respect of our ADSs, and the proceeds from the sale or exchange of our ADSs, that are paid to you within the United States (and in certain cases, outside the United States), unless you furnish a correct taxpayer identification number and make any other required certification, generally on IRS Form W-9 or you otherwise establish an exemption from information reporting and backup withholding. Backup withholding is not an additional tax. Amounts withheld as backup withholding generally are allowed as a credit against your United States federal income tax liability, and you may be entitled to obtain a refund of any excess amounts withheld under the backup withholding rules if you file an appropriate claim for refund with the IRS and furnish any required information in a timely manner.

United States Holders should consult their tax advisors regarding the application of the information reporting and backup withholding rules.

***Information with Respect to Foreign Financial Assets***

United States Holders who are individuals (and certain entities closely held by individuals) generally will be required to report our name, address and such information relating to an interest in the ADSs as is necessary to identify the class or issue of which the ADSs are a part. These requirements are subject to exceptions, including an exception for ADSs held in accounts maintained by certain financial institutions and an exception applicable if the aggregate value of all “specified foreign financial assets” (as defined in the Code) does not exceed $50,000.

United States Holders should consult their tax advisors regarding the application of these information reporting rules.

***Medicare Tax***

Certain United States Holders that are individuals, estates or trusts are required to pay an additional 3.8% tax on, among other things, dividend and gains from the sale or other disposition of capital assets for taxable years beginning after December 31, 2012. United States Holders that are individuals, estates or trusts should consult their tax advisors regarding the effect, if any, of this tax provision on their ownership and disposition of the ADSs.

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## UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement dated , we have agreed to sell to the underwriters named below the following respective numbers of ADSs:

| Underwriter | Number of ADSs |
|---|---|
| Deutsche Bank Securities Inc. | |
| Credit Suisse Securities (USA) LLC | |
| Morgan Stanley & Co. International plc | |
| Total | |

The underwriting agreement provides that the underwriters are obligated to purchase all ADSs in the offering if any are purchased, other than those ADSs covered by the over-allotment option described below. The underwriting agreement also provides that if an underwriter defaults the purchase commitments of non-defaulting underwriters may be increased or the offering may be terminated.

We have agreed to indemnify the underwriters and certain of their controlling persons against certain liabilities, including liabilities under the Securities Act, and to contribute to payments that the underwriters may be required to make in respect of those liabilities.

We have granted to the underwriters a 30-day option to purchase on a pro rata basis up to additional ADSs from us at the initial public offering price less the underwriting discounts and commissions. The option may be exercised only to cover any over-allotments of ADSs.

The underwriters propose to offer ADSs initially at the public offering price on the cover page of this prospectus and to selling group members at that price less a selling concession of US$ per ADS. The underwriters and selling group members may allow a discount of US$ per ADS on sales to other broker/ dealers. After the initial public offering the underwriters may change the public offering price and concession and discount to broker/dealers.

The following table summarizes the compensation and estimated expenses we will pay:

| | Per ADS | | Total | |
|---|---|---|---|---|
| | Without Over-allotment | With Over-allotment | Without Over-allotment | With Over-allotment |
| Underwriting Discounts and Commissions paid by us | $ | $ | $ | $ |
| Expenses payable by us | $ | $ | $ | $ |

[We have agreed that we will not offer, sell, contract to sell, pledge, grant any option, right or warrant to purchase, sell any option or contract to purchase, purchase any option or contract to sell, lend, make any short sale or otherwise transfer or dispose of (including entering into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequence of ownership interests), directly or indirectly, any of the ADSs or ordinary shares or any securities that are convertible into or exchangeable for, or that represent the right to receive, the ADSs or ordinary shares or any substantially similar securities, without the prior written consent of the representatives on behalf of the underwriters for a period ending [●] days after the date of this prospectus, subject to certain exceptions.

Our existing shareholders have agreed with the underwriters, subject to certain exceptions and except to effect the Assured Entitlement Distribution, not to sell, transfer or otherwise dispose of any ADSs, ordinary shares or similar securities or any securities convertible into or exchangeable or exercisable for our ordinary shares or ADSs, for a period ending 180 days after the date of this prospectus.]

We have applied to list our ADSs on the New York Stock Exchange. Prior to this offering, there has been no public market for the ADSs. The initial public offering price was determined by negotiations among us and the underwriters and will not necessarily reflect the market price of the ADSs following this offering. The principal factors that were considered in determining the initial public offering price included:

- the information presented in this prospectus and otherwise available to the underwriters;
- the history of, and prospects for, the industry in which we will compete;
- the ability of our management;
- the prospects for our future earnings;
- the present state of our development, results of operations and our current financial condition;
- the general condition of the securities markets at the time of this offering; and
- the recent market prices of, and the demand for, publicly traded common stock of generally comparable companies.

We cannot assure you that the initial public offering price will correspond to the price at which the ADSs will trade in the public market subsequent to this offering or that an active trading market for the ADSs will develop and continue after this offering.

In connection with the offering the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions, penalty bids [and passive market making] in accordance with Regulation M under the Exchange Act.

- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.
- Over-allotment involves sales by the underwriters of ADSs in excess of the number of ADSs the underwriters are obligated to purchase, which creates a syndicate short position. [The short position may be either a covered short position or a naked short position. In a covered short position, the number of ADSs over-allotted by the underwriters is not greater than the number of ADSs that they may purchase in the over-allotment option. In a naked short position, the number of ADSs involved is greater than the number of ADSs in the over-allotment option. The underwriters may close out any covered short position by either exercising their over-allotment option and/or purchasing ADSs in the open market.]
- Syndicate covering transactions involve purchases of ADSs in the open market after the distribution has been completed in order to cover syndicate short positions. [In determining the source of ADSs to close out the short position, the underwriters will consider, among other things, the price of ADSs available for purchase in the open market as compared to the price at which they may purchase ADSs through the over-allotment option. If the underwriters sell more ADSs than could be covered by the over-allotment option, a naked short position, the position can only be closed out by buying ADSs in the open market. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the ADSs in the open market after pricing that could adversely affect investors who purchase in the offering.]
- Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when the common stock originally sold by the syndicate member is purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions.
- [In passive market making, market makers in the ADSs who are underwriters or prospective underwriters may, subject to limitations, make bids for or purchases of our ADSs until the time, if any, at which a stabilizing bid is made.]

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our ADSs or preventing or retarding a decline in the market price of the ADSs. As a result the price of our ADSs may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the New York Stock Exchange or otherwise and, if commenced, may be discontinued at any time.

A prospectus in electronic format may be made available on the web sites maintained by one or more of the underwriters, or selling group members, if any, participating in this offering and one or more of the underwriters participating in this offering may distribute prospectuses electronically. The underwriters may agree to allocate a number of ADSs to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the underwriters and selling group members that will make Internet distributions on the same basis as other allocations.

The underwriters and their respective affiliates are full-service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. These investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

**Selling Restrictions**

***Australia***

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission, or ASIC, in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001, or the Corporations Act, and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act. Any offer in Australia of the ADSs may only be made to persons, or the Exempt Investors, who are “sophisticated investors” (within the meaning of section 708(8) of the Corporations Act), “professional investors” (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the ADSs without disclosure to investors under Chapter 6D of the Corporations Act. The ADSs applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring ADSs must observe such Australian on-sale restrictions. This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any ADSs recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

***Canada***

*Resale Restrictions*

The distribution of ADSs in Canada is being made only in the provinces of Ontario, Quebec, Alberta and British Columbia on a private placement basis exempt from the requirement that we prepare and file a prospectus with the securities regulatory authorities in each province where trades of these securities are made. Any resale of the ADSs in Canada must be made under applicable securities laws which may vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the ADSs.

*Representations of Canadian Purchasers*

By purchasing ADSs in Canada and accepting delivery of a purchase confirmation, a purchaser is representing to us and the dealer from whom the purchase confirmation is received that:

- the purchaser is entitled under applicable provincial securities laws to purchase the ADSs without the benefit of a prospectus qualified under those securities laws as it is an “accredited investor” as defined under National Instrument 45-106—Prospectus Exemptions,
- the purchaser is a “permitted client” as defined in National Instrument 31-103—Registration Requirements, Exemptions and Ongoing Registrant Obligations,
- where required by law, the purchaser is purchasing as principal and not as agent, and
- the purchaser has reviewed the text above under Resale Restrictions.

*Conflicts of Interest*

Canadian purchasers are hereby notified that the underwriters are relying on the exemption set out in section 3A.3 or 3A.4, if applicable, of National Instrument 33-105—Underwriting Conflicts from having to provide certain conflict of interest disclosure in this document.

*Statutory Rights of Action*

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the offering memorandum (including any amendment thereto) such as this document contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser of these securities in Canada should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

*Enforcement of Legal Rights*

All of our directors and officers as well as the experts named herein may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon us or those persons. All or a substantial portion of our assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against us or those persons in Canada or to enforce a judgment obtained in Canadian courts against us or those persons outside of Canada.

*Taxation and Eligibility for Investment*

Canadian purchasers of ADSs should consult their own legal and tax advisors with respect to the tax consequences of an investment in the ADSs in their particular circumstances and about the eligibility of the ADSs for investment by the purchaser under relevant Canadian legislation.

***Cayman Islands***

This prospectus does not constitute an invitation or offer to the public in the Cayman Islands of the ADSs, whether by way of sale or subscription. The underwriters have not offered or sold, and will not offer or sell, directly or indirectly, any ADSs in the Cayman Islands.

***Dubai International Financial Center***

This document relates to an exempt offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority. This document is intended for distribution only to persons of a type specified in those rules. It must not be delivered to, or relied on by, any other person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with exempt offers. The Dubai Financial Services Authority has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it. The ADSs which are the subject of the offering contemplated by this document may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the ADSs offered should conduct their own due diligence on the ADSs. If you do not understand the contents of this document you should consult an authorized financial advisor.

***European Economic Area***

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), each underwriter represents and agrees that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, it has not made and will not make an offer of ADSs which are the subject of the offering contemplated by this prospectus to the public in that Relevant Member State other than:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the underwriters for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of ADSs shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer to the public” in relation to any ADSs in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the ADSs to be offered so as to enable an investor to decide to purchase or subscribe the ADSs, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

***France***

Neither this prospectus nor any other offering material relating to the ADSs described in this prospectus has been submitted to the clearance procedures of the Autorité des Marchés Financiers or of the competent authority of another member state of the European Economic Area and notified to the Autorité des Marchés Financiers. The ADSs have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France. Neither this prospectus nor any other offering material relating to the ADSs has been or will be:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the relevant member state has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by us for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,
- released, issued, distributed or caused to be released, issued or distributed to the public in France; or
- used in connection with any offer for subscription or sale of the ADSs to the public in France.

Such offers, sales and distributions will be made in France only:

- to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d'investisseurs*), in each case investing for their own account, all as defined in, and in accordance with articles L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Code monétaire et financier;
- to investment services providers authorized to engage in portfolio management on behalf of third parties; or
- in a transaction that, in accordance with article L.411-2-II-1° -or-2° -or 3° of the French Code monétaire et financier and article 211-2 of the General Regulations (*Règlement Général*) of the Autorité des Marchés Financiers, does not constitute a public offer (*appel public à l'épargne*).

The ADSs may be resold directly or indirectly, only in compliance with articles L.411-1, L.411-2, L.412-1 and L.621-8 through L.621-8-3 of the French Code monétaire et financier.

***Germany***

This prospectus does not constitute a Prospectus Directive-compliant prospectus in accordance with the German Securities Prospectus Act (*Wertpapierprospektgesetz*) and does therefore not allow any public offering in the Federal Republic of Germany, or Germany, or any other Relevant Member State pursuant to § 17 and § 18 of the German Securities Prospectus Act. No action has been or will be taken in Germany that would permit a public offering of the ADSs, or distribution of a prospectus or any other offering material relating to the ADSs. In particular, no securities prospectus (Wertpapierprospekt) within the meaning of the German Securities Prospectus Act or any other applicable laws of Germany, has been or will be published within Germany, nor has this prospectus been filed with or approved by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) for publication within Germany.

Each underwriter will represent, agree and undertake, (i) that it has not offered, sold or delivered and will not offer, sell or deliver the ADSs within Germany other than in accordance with the German Securities Prospectus Act (Wertpapierprospektgesetz) and any other applicable laws in Germany governing the issue, sale and offering of ADSs, and (ii) that it will distribute in Germany any offering material relating to the ADSs only under circumstances that will result in compliance with the applicable rules and regulations of Germany.

This prospectus is strictly for use of the person who has received it. It may not be forwarded to other persons or published in Germany.

***Hong Kong***

The ADSs may not be offered or sold in Hong Kong by means of any document other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong and any rules made under that Ordinance, or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap.32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the ADSs may be issued or may be in the possession of any person for the purpose of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to ADSs which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

***Israel***

This prospectus does not constitute a prospectus under the Israeli Securities Law, 5728-1968, and has not been filed with or approved by the Israel Securities Authority. In Israel, this prospectus is being distributed only to, and is directed only at, investors listed in the first addendum, or the Addendum, to the Israeli Securities Law, consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters purchasing for their own account, venture capital funds, entities with equity in excess of NIS 50 million and qualified individuals, each as defined in the Addendum (as it may be amended from time to time), collectively referred to as qualified investors. Qualified investors may be required to submit written confirmation that they meet the criteria for one of the categories of investors set forth in the prospectus.

***Italy***

The offering of ADSs has not been registered with the *Commissione Nazionale per le Società e la Borsa* (“CONSOB”) pursuant to Italian securities legislation and, accordingly, no ADSs may be offered, sold or delivered, nor copies of this prospectus or any other documents relating to the ADSs may not be distributed in Italy except:

- to “qualified investors,” as referred to in Article 100 of Legislative Decree No. 58 of February 24, 1998, as amended, or the Decree No. 58, and defined in Article 26, paragraph 1, letter d) of CONSOB Regulation No. 16190 of October 29, 2007, as amended (“Regulation No. 16190”) pursuant to Article 34-ter, paragraph 1, letter. b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended (“Regulation No. 11971”); or
- in any other circumstances where an express exemption from compliance with the offer restrictions applies, as provided under Decree No. 58 or Regulation No. 11971.

Any offer, sale or delivery of the ADSs or distribution of copies of this prospectus or any other documents relating to the ADSs in the Republic of Italy must be:

- made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of September 1, 1993, as amended, or the Banking Law, Decree No. 58 and Regulation No. 16190 and any other applicable laws and regulations;
- in compliance with Article 129 of the Banking Law, and the implementing guidelines of the Bank of Italy, as amended; and
- in compliance with any other applicable notification requirement or limitation which may be imposed, from time to time, by CONSOB or the Bank of Italy or other competent authority.

Please note that, in accordance with Article 100-bis of Decree No. 58, where no exemption from the rules on public offerings applies, the subsequent distribution of the ADSs on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under Decree No. 58 and Regulation No. 11971.

Furthermore, ADSs which are initially offered and placed in Italy or abroad to qualified investors only but in the following year are regularly ("sistematicamente") distributed on the secondary market in Italy to non-qualified investors become subject to the public offer and the prospectus requirement rules provided under Decree No. 58 and Regulation No. 11971. Failure to comply with such rules may result in the sale of the ADSs being declared null and void and in the liability of the intermediary transferring the ADSs for any damages suffered by such non-qualified investors.

***Japan***

The ADSs have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

***Macau***

No ADSs can be offered or sold to the public in Macau.

***PRC***

This prospectus has not been and will not be circulated or distributed in the PRC, and the ADSs may not be offered or sold, and will not be offered or sold, directly or indirectly, to any resident of the PRC or to persons for re-offering or resale, directly or indirectly, to any resident of the PRC except pursuant to applicable laws and regulations of the PRC. For the purpose of this paragraph, the PRC does not include Taiwan and the Special Administrative Regions of Hong Kong and Macao.

***Qatar***

The ADSs have not been and will not be offered, sold or delivered at any time, directly or indirectly, in the State of Qatar ("Qatar") in a manner that would constitute a public offering. This prospectus has not been reviewed or approved by or registered with the Qatar Central Bank, the Qatar Exchange or the Qatar Financial Markets Authority. This prospectus is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof.

***Singapore***

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of ADSs may not be circulated or distributed, nor may the ADSs be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than

- to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore, or the SFA,

- to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or
- otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.
- Where the ADSs are subscribed or purchased under Section 275 of the SFA by a relevant person which is:
- a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the ADSs pursuant to an offer made under Section 275 of the SFA except:

  (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

  (ii) where no consideration is or will be given for the transfer;

  (iii) where the transfer is by operation of law;

  (iv) as specified in Section 276(7) of the SFA; or

  (v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

***Switzerland***

This document is not intended to constitute an offer or solicitation to purchase or invest in the ADSs described herein. The ADSs may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the ADSs constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland, and neither this document nor any other offering or marketing material relating to the ADSs may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, nor the company nor the ADSs have been or will be filed with or approved by any Swiss regulatory authority. The ADSs are not subject to the supervision by any Swiss regulatory authority, e.g., the Swiss Financial Markets Supervisory Authority FINMA, and investors in the ADSs will not benefit from protection or supervision by such authority.

***Taiwan***

The ADSs have not been and will not be registered or filed with, or approved by, the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be offered or sold in Taiwan through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan or relevant laws and regulations that require a registration, filing or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer or sell the ADSs in Taiwan.

***United Arab Emirates (Excluding the Dubai International Financial Center)***

The ADSs have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates, or U.A.E., other than in compliance with the laws of the U.A.E. Prospective investors in the Dubai International Financial Center should have regard to the specific selling restrictions on prospective investors in the Dubai International Financial Center set out below.

The information contained in this prospectus does not constitute a public offer of ADSs in the U.A.E. in accordance with the Commercial Companies Law (Federal Law No. 8 of 1984 of the U.A.E., as amended) or otherwise and is not intended to be a public offer. This prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or the Dubai Financial Services Authority, or DFSA. If you do not understand the contents of this prospectus, you should consult an authorized financial adviser. This prospectus is provided for the benefit of the recipient only, and should not be delivered to, or relied on by, any other person.

***United Kingdom***

Each of the underwriters severally represents warrants and agrees as follows:

- it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, or FSMA, received by it in connection with the issue or sale of the ADSs in circumstances in which Section 21 of the FSMA does not apply to us; and
- it has complied with, and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the ADSs in, from or otherwise involving the United Kingdom.

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**EXPENSES RELATED TO THIS OFFERING**

Set forth below is an itemization of the total expenses, excluding underwriting discounts and commissions, that are expected to be incurred in connection with the offer and sale of the ADSs by us. With the exception of the SEC registration fee, the New York Stock Exchange listing fee and the Financial Industry Regulatory Authority filing fee, all amounts are estimates.

| | |
|---|---|
| SEC registration fee | US$ |
| Financial Industry Regulatory Authority filing fee | |
| New York Stock Exchange listing fee | |
| Printing and engraving expenses | |
| Accounting fees and expenses | |
| Legal fees and expenses | |
| Miscellaneous | |
| Total | US$ |

These expenses will be borne by us, except for underwriting discounts and commissions, which will be borne by us in proportion to the numbers of ADSs sold in the offering by us.

## LEGAL MATTERS

Certain legal matters with respect to U.S. federal and New York State law in connection with this offering will be passed upon for us by Kirkland & Ellis International LLP. Certain legal matters with respect to U.S. federal and New York State law in connection with this offering will be passed upon for the underwriters by Davis Polk & Wardwell LLP. The validity of the SC Class A Shares represented by the ADSs offered in this offering and other certain legal matters as to Cayman Islands law will be passed upon for us by Walkers. Legal matters as to Macau law will be passed upon for us by Manuela António - Lawyers and Notaries and for the underwriters by Henrique Saldanha Advogados e Notários. Kirkland & Ellis International LLP may rely upon Walkers with respect to matters governed by Cayman Islands law and Manuela António - Lawyers and Notaries with respect to matters governed by Macau law. Davis Polk & Wardwell LLP may rely upon Henrique Saldanha Advogados e Notários with respect to matters governed by Macau law.

## EXPERTS

The consolidated financial statements and the related financial statement schedule of Studio City International Holdings Limited at December 31, 2017 and 2016, and for each of the three years in the period ended December 31, 2017, appearing in this Prospectus and Registration Statement have been audited by Ernst & Young, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The offices of Ernst & Young are located at 22/F, CITIC Tower, 1 Tim Mei Avenue, Central, Hong Kong.

## WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form F-1, including relevant exhibits, under the Securities Act with respect to the underlying SC Class A Shares represented by the ADSs to be sold in this offering. We have also filed with the SEC a related registration statement on Form F-6 to register the ADSs. This prospectus, which constitutes a part of the registration statement on Form F-1, does not contain all of the information contained in the registration statement. You should read our registration statements and their exhibits and schedules for further information with respect to us and the ADSs.

Immediately upon the effectiveness of the registration statement to which this prospectus is a part, we will become subject to periodic reporting and other informational requirements of the Exchange Act as applicable to foreign private issuers. Accordingly, we will be required to file reports, including annual reports on Form 20-F, and other information with the SEC. As a foreign private issuer, we are exempt from the rules of the Exchange Act prescribing, among other things, the furnishing and content of proxy statements to shareholders, and Section 16 short swing profit reporting for our executive officers and directors and for holders of more than 10% of our ordinary shares.

All information filed with the SEC can be obtained over the internet at the SEC's website at www.sec.gov or inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. You can request copies of these documents, upon payment of a duplicating fee, by writing to the SEC. Please call the SEC at 1-800-SEC-0330 or visit the SEC website for further information on the operation of the public reference rooms.

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**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**
**(In thousands of U.S. dollars, except share and per share data)**

| | June 30, 2018 | December 31, 2017 |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | $ 294,878 | $ 348,399 |
| Bank deposits with original maturities over three months | 24,987 | 9,884 |
| Restricted cash | 34,402 | 34,400 |
| Accounts receivable, net | 1,935 | 2,345 |
| Amounts due from affiliated companies | 29,143 | 37,826 |
| Inventories | 9,909 | 10,143 |
| Prepaid expenses and other current assets | 22,510 | 17,930 |
| Total current assets | 417,764 | 460,927 |
| PROPERTY AND EQUIPMENT, NET | 2,226,411 | 2,280,116 |
| LONG-TERM PREPAYMENTS, DEPOSITS AND OTHER ASSETS | 54,825 | 60,722 |
| RESTRICTED CASH | 130 | 130 |
| LAND USE RIGHT, NET | 124,011 | 125,672 |
| TOTAL ASSETS | $2,823,141 | $2,927,567 |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | |
| CURRENT LIABILITIES | | |
| Accounts payable | $ 5,251 | $ 2,722 |
| Accrued expenses and other current liabilities | 65,965 | 155,840 |
| Amounts due to affiliated companies | 21,752 | 19,508 |
| Income tax payable | 33 | — |
| Total current liabilities | 93,001 | 178,070 |
| LONG-TERM DEBT, NET | 2,003,181 | 1,999,354 |
| OTHER LONG-TERM LIABILITIES | 4,216 | 9,512 |
| DEFERRED TAX LIABILITIES | 875 | 588 |
| COMMITMENTS AND CONTINGENCIES (Note 9) | | |
| **SHAREHOLDERS' EQUITY** | | |
| Ordinary shares, par value $1; 200,000 shares authorized; 18,127.94 shares issued and outstanding | 18 | 18 |
| Additional paid-in capital | 1,512,705 | 1,512,705 |
| Accumulated other comprehensive income | 488 | 488 |
| Accumulated losses | (791,343) | (773,168) |
| Total shareholders' equity | 721,868 | 740,043 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | $2,823,141 | $2,927,567 |

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

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**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**
**(In thousands of U.S. dollars, except share and per share data)**

| | Six Months Ended June 30, 2018 | Six Months Ended June 30, 2017 |
|---|---|---|
| OPERATING REVENUES | | |
| Provision of gaming related services from related parties | $ 168,595 | $ 133,352 |
| Rooms (including revenues from related parties of $26,369 and $25,990 for the six months ended June 30, 2018 and 2017, respectively) | 43,583 | 43,107 |
| Food and beverage (including revenues from related parties of $16,589 and $13,611 for the six months ended June 30, 2018 and 2017, respectively) | 31,459 | 29,195 |
| Entertainment (including revenues from related parties of $463 and $512 for the six months ended June 30, 2018 and 2017, respectively) | 6,273 | 9,507 |
| Services fee from related parties | 19,606 | 19,883 |
| Mall | 10,698 | 15,518 |
| Retail and other | 1,956 | 3,294 |
| Total revenues | 282,170 | 253,856 |
| OPERATING COSTS AND EXPENSES | | |
| Provision of gaming related services (including costs to related parties of $9,424 and $10,006 for the six months ended June 30, 2018 and 2017, respectively) | (10,756) | (11,764) |
| Rooms (including costs to related parties of $6,333 and $6,592 for the six months ended June 30, 2018 and 2017, respectively) | (10,954) | (10,707) |
| Food and beverage (including costs to related parties of $13,604 and $15,236 for the six months ended June 30, 2018 and 2017, respectively) | (27,370) | (26,958) |
| Entertainment (including costs to related parties of $2,584 and $3,894 for the six months ended June 30, 2018 and 2017, respectively) | (6,886) | (8,837) |
| Mall (including costs to related parties of $971 and $1,154 for the six months ended June 30, 2018 and 2017, respectively) | (5,382) | (4,451) |
| Retail and other (including costs to related parties of $1,203 and $1,712 for the six months ended June 30, 2018 and 2017, respectively) | (1,274) | (1,900) |
| General and administrative (including expenses to related parties of $36,044 and $34,052 for the six months ended June 30, 2018 and 2017, respectively) | (65,855) | (65,179) |
| Pre-opening costs (including expenses to related parties of $9 and $26 for the six months ended June 30, 2018 and 2017, respectively) | (53) | 40 |
| Amortization of land use right | (1,661) | (1,661) |
| Depreciation and amortization | (83,783) | (86,582) |
| Property charges and other | (3,527) | (4,267) |
| Total operating costs and expenses | (217,501) | (222,266) |
| OPERATING INCOME | 64,669 | 31,590 |
| NON-OPERATING INCOME (EXPENSES) | | |
| Interest income | 1,439 | 800 |
| Interest expenses | (76,159) | (76,159) |
| Amortization of deferred financing costs | (4,025) | (3,735) |
| Loan commitment fees | (208) | (208) |
| Foreign exchange (losses) gains, net | (162) | 394 |
| Other (expenses) income, net | (22) | 287 |
| Total non-operating expenses, net | (79,137) | (78,621) |
| LOSS BEFORE INCOME TAX | (14,468) | (47,031) |
| INCOME TAX (EXPENSE) CREDIT | (375) | 15 |
| NET LOSS | $ (14,843) | $ (47,016) |

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS—(Continued)**
**(In thousands of U.S. dollars, except share and per share data)**

| | Six Months Ended June 30, | |
|---|---|---|
| | 2018 | 2017 |
| LOSS PER SHARE: | | |
| Basic and diluted | $ (819) | $ (2,594) |
| WEIGHTED AVERAGE SHARES OUTSTANDING USED IN LOSS PER SHARE CALCULATION: | | |
| Basic and diluted | 18,127.94 | 18,127.94 |

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

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**
**(In thousands of U.S. dollars)**

| | Six Months Ended June 30, | |
|---|---|---|
| | 2018 | 2017 |
| Net loss | $ (14,843) | $ (47,016) |
| Other comprehensive income | — | — |
| Total comprehensive loss | $ (14,843) | $ (47,016) |

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

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### STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

### UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
**(In thousands of U.S. dollars, except share and per share data)**

| | Ordinary Shares | | Additional Paid-in Capital | Accumulated Other Comprehensive Income | Accumulated Losses | Total Shareholders' Equity |
|---|---|---|---|---|---|---|
| | Shares | Amount | | | | |
| BALANCE AT JANUARY 1, 2017 | 18,127.94 | $ 18 | $1,512,705 | $ 488 | $ (696,731) | $ 816,480 |
| Net loss for the period | — | — | — | — | (47,016) | (47,016) |
| BALANCE AT JUNE 30, 2017 | 18,127.94 | $ 18 | $1,512,705 | $ 488 | $ (743,747) | $ 769,464 |
| BALANCE AT JANUARY 1, 2018 | 18,127.94 | $ 18 | $1,512,705 | $ 488 | $ (773,168) | $ 740,043 |
| Cumulative-effect adjustment upon adoption of New Revenue Standard (as described in Note 2(e)) | — | — | — | — | (3,332) | (3,332) |
| Net loss for the period | — | — | — | — | (14,843) | (14,843) |
| BALANCE AT JUNE 30, 2018 | 18,127.94 | $ 18 | $1,512,705 | $ 488 | $ (791,343) | $ 721,868 |

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

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(In thousands of U.S. dollars)**

| | Six Months Ended June 30, 2018 | Six Months Ended June 30, 2017 |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net cash provided by operating activities | $ 73,345 | $ 23,228 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Payments for acquisition of property and equipment | (108,144) | (28,630) |
| Placement of bank deposits with original maturities over three months | (24,987) | — |
| Funds to an affiliated company | (4,913) | (1,087) |
| Advance payments and deposits for acquisition of property and equipment | (1,468) | (657) |
| Proceeds from sale of property and equipment and other long-term assets | 2,764 | 568 |
| Withdrawal of bank deposits with original maturities over three months | 9,884 | — |
| Net cash used in investing activities | (126,864) | (29,806) |
| CASH FLOW FROM A FINANCING ACTIVITY | | |
| Payments of deferred financing costs | — | (1,259) |
| Cash used in a financing activity | — | (1,259) |
| NET DECREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH | (53,519) | (7,837) |
| CASH, CASH EQUIVALENTS AND RESTRICTED CASH AT BEGINNING OF PERIOD | 382,929 | 371,246 |
| CASH, CASH EQUIVALENTS AND RESTRICTED CASH AT END OF PERIOD | $ 329,410 | $ 363,409 |
| SUPPLEMENTAL DISCLOSURES OF CASH FLOWS | | |
| Cash paid for interest | $ (76,159) | $ (76,159) |
| NON-CASH INVESTING ACTIVITIES | | |
| Change in accrued expenses and other current liabilities related to acquisition of property and equipment | 8,509 | 807 |
| Change in amounts due from/to affiliated companies related to acquisition of property and equipment and other long-term assets | 5,507 | 3,068 |

RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH TO THE UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

| | June 30, 2018 | December 31, 2017 |
|---|---|---|
| Cash and cash equivalents | $294,878 | $ 348,399 |
| Current portion of restricted cash | 34,402 | 34,400 |
| Non-current portion of restricted cash | 130 | 130 |
| Total cash, cash equivalents and restricted cash | $329,410 | $ 382,929 |

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

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In thousands of U.S. dollars, except share and per share data)

## 1. COMPANY INFORMATION

Studio City International Holdings Limited (the "Company") was incorporated in the British Virgin Islands ("BVI"). As of June 30, 2018 and December 31, 2017, the Company was 60% held directly by MCE Cotai Investments Limited ("MCE Cotai"), a subsidiary of Melco Resorts & Entertainment Limited ("Melco") and 40% held directly by New Cotai, LLC ("New Cotai"). Melco's American depositary shares are listed on the NASDAQ Global Select Market in the United States of America. New Cotai is a private company organized in the United States of America.

As of June 30, 2018 and December 31, 2017, Melco International Development Limited ("Melco International"), a company incorporated and listed in the Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong"), is the single largest shareholder of Melco.

The Company conducts its principal activities through its subsidiaries, which are primarily located in the Macau Special Administrative Region of the People's Republic of China ("Macau"). The Company together with its subsidiaries (collectively referred to as the "Group") currently operates the non-gaming operations of Studio City, a cinematically-themed integrated entertainment, retail and gaming resort in Cotai, Macau, which commenced operations on October 27, 2015, and provides gaming related services to Melco Resorts (Macau) Limited ("Melco Resorts Macau"), a subsidiary of Melco which holds the gaming subconcession in Macau, for the operations of the gaming area at Studio City ("Studio City Casino").

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### *(a) Basis of Presentation and Principles of Consolidation*

On May 11, 2007, one of the Company's subsidiaries and Melco Resorts Macau entered into a services and right to use agreement, as amended on June 15, 2012, together with related agreements (together, the "Services and Right to Use Arrangements"). Under these arrangements, Melco Resorts Macau deducts gaming tax and the costs of operation of Studio City Casino. The Group receives the residual gross gaming revenues and recognizes these amounts as revenues from provision of gaming related services.

In December 2015, certain of the Company's subsidiaries entered into a master services agreement and related work agreements (collectively, the "Management and Shared Services Arrangements") with certain of Melco's subsidiaries with respect to services provided to and from Studio City.

Under the Management and Shared Services Arrangements, certain of the corporate and administrative functions as well as operational activities of the Group are administered by staff employed by certain Melco's subsidiaries, including senior management services, centralized corporate functions and operational and venue support services. Payment arrangements for the services are provided for in the individual work agreements and may vary depending on the services provided. Corporate services are charged at pre-negotiated rates, subject to a base fee and cap. Senior management service fees and staff costs on operational services are allocated to the Group based on a percentage of efforts on the services provided to the Group. Other costs in relation to shared office equipment are allocated based on a percentage of usage.

The Group believes the costs incurred under the Services and Right to Use Arrangements and the allocation methods under the Management and Shared Services Arrangements are reasonable and the unaudited condensed consolidated financial statements reflect the Group's cost of doing business. However, such allocations may not be indicative of the actual expenses the Group would have incurred had it operated as an independent company for the periods presented. Details of the services and related charges are disclosed in Note 10.

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NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(In thousands of U.S. dollars, except share and per share data)

The unaudited condensed consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles for interim financial reporting. The results of operations for the six months ended June 30, 2018 and 2017 are not necessarily indicative of the results for the full year. The financial information as of December 31, 2017 presented in the unaudited condensed consolidated financial statements is derived from the Group's audited consolidated financial statements as of December 31, 2017.

The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the Group's audited consolidated financial statements for the year ended December 31, 2017. In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments consisting only of normal recurring adjustments, which are necessary for a fair presentation of financial results of such periods.

The unaudited condensed consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany accounts and transactions have been eliminated on consolidation.

The accompanying unaudited condensed consolidated financial statements have been prepared using the same accounting policies as used in the preparation of the Group's audited consolidated financial statements for the year ended December 31, 2017, except as otherwise disclosed in Note 2(c).

Effective January 1, 2018, the Group adopted the accounting standards update on the classification and presentation of restricted cash in the statement of cash flows, using a retrospective method and the updated disclosures are reflected for the periods presented in the unaudited condensed consolidated statements of cash flows. Details of the adoption of this guidance are disclosed in Note 2(e).

***(b) Accounts Receivable and Credit Risk***

Accounts receivable, including hotel and other receivables, are typically non-interest bearing and are initially recorded at cost. Accounts are written off when management deems it is probable the receivables are uncollectible. Recoveries of accounts previously written off are recorded when received. An estimated allowance for doubtful debts is maintained to reduce the Group's receivables to their carrying amounts, which approximate fair values. The allowance is estimated based on specific reviews of customer accounts as well as management's experience with collection trends in the industry and current economic and business conditions. Management believes that as of June 30, 2018 and December 31, 2017, no significant concentrations of credit risk existed for which an allowance had not already been recorded.

***(c) Revenue Recognition***

On January 1, 2018, the Group adopted Accounting Standards Codification 606, *Revenues from Contracts with Customers*, using the modified retrospective method. The Group's revenue from contracts with customers consists of provision of gaming related services, sales of rooms, food and beverage, entertainment, retail and other goods and services.

Revenues from provision of gaming related services represent revenues arising from the provision of facilities for the operations of Studio City Casino and services related thereto pursuant to the Services and Right to Use Arrangements, under which Melco Resorts Macau operates the Studio City Casino. Melco Resorts Macau deducts gaming tax and the costs incurred in connection with the operations of Studio City Casino pursuant to the Services and Right to Use Arrangements, including the standalone selling prices of complimentary services within Studio City provided to the Studio City gaming patrons, from the Studio City Casino gross gaming

revenues. The Group recognizes the residual amount as revenues from provision of gaming related services. The Group has concluded that it is not the controlling entity to the arrangements and recognizes the revenues from provision of gaming related services on a net basis.

Non-gaming revenues include services provided for cash consideration and services provided on a complimentary basis to the gaming patrons at Studio City. The transaction prices for rooms, food and beverage, entertainment, retail and other goods and services are the net amounts collected from the customers for such goods and services that are recorded as revenues when the goods are provided, services are performed or events are held. Service tax and other applicable taxes collected by the Group are excluded from revenues. Advance deposits on rooms and advance ticket sales are recorded as customer deposits until services are provided to the customers. Revenues from contracts with multiple goods or services provided by the Group are allocated to each good or service based on its relative standalone selling price.

Minimum operating and right to use fees, represented lease revenues, adjusted for contractual base fees and operating fees escalations, are included in mall revenues and are recognized on a straight-line basis over the terms of the related agreements.

*Contract and Contract-Related Liabilities*

In providing goods and services to its customers, there may be a timing difference between cash receipts from customers and recognition of revenue, resulting in a contract or contract-related liability. The Group's primary type of liabilities related to contracts with customers is advance deposits on rooms and advance ticket sales which represent cash received in advance for goods or services to be provided in the future. These amounts are included in accrued expenses and other current liabilities on the unaudited condensed consolidated balance sheets and will be recognized as revenues when the goods or services are provided or the events are held. Decreases in this balance generally represent the recognition of revenues and increases in the balance represent additional deposits made by customers. The deposits are expected to primarily be recognized as revenue within one year. Advance deposits of $4,362 as of June 30, 2018 decreased by $47 from the balance of $4,409 as of December 31, 2017.

The major changes from the previous basis, as a result of the adoption of the new revenue standard are summarized in Note 2(e).

***(d) Loss Per Share***

Basic loss per share is calculated by dividing the net loss available to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted loss per share is calculated by dividing the net loss available to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period adjusted to include the number of additional ordinary shares that would have been outstanding if the potential dilutive securities had been issued. During the six months ended June 30, 2018 and 2017, there were no potentially dilutive securities issued or outstanding.

***(e) Recent Changes in Accounting Standards***

*Newly Adopted Accounting Pronouncements:*

In May 2014, the Financial Accounting Standards Board ("FASB") issued an accounting standards update (as subsequently amended) which outlines a single comprehensive model for entities to use in accounting for

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(In thousands of U.S. dollars, except share and per share data)

revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance ("New Revenue Standard"). The core principle of this new revenue recognition model is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration which the entity expects to be entitled in exchange for those goods or services. This update also requires enhanced disclosures regarding the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

On January 1, 2018, the Group adopted the New Revenue Standard using the modified retrospective method applying to those contracts not yet completed as of January 1, 2018. The Group recognized the cumulated effect of initially applying the New Revenue Standard as an adjustment to the opening balance of accumulated losses. Amounts for the periods beginning on or after January 1, 2018 are presented under the New Revenue Standard, while prior period amounts are not adjusted and continue to be reported in accordance with the previous basis. The major changes as a result of the adoption of the New Revenue Standard are as follows:

(1) Complimentary services provided to Studio City Casino's gaming patrons are deducted from the gross gaming revenues, measured based on stand-alone selling prices under the New Revenue Standard, replacing the previously used retail values, if different. The amounts of non-gaming revenues associated with the provision of these complimentary services by the Group are measured on the same basis. This change impacts the amount of revenues from the provision of gaming related services received by the Group with corresponding changes to the non-gaming revenues.

(2) The New Revenue Standard changes the measurement basis for the non-discretionary incentives (including the loyalty program) provided to Studio City Casino's gaming patrons, as administered by Melco Resorts Macau, from previously used estimated costs to standalone selling prices. Such amount of non-discretionary incentives is deducted from the gross gaming revenues by Melco Resorts Macau and impacts the amount of revenues from provision of gaming related services received by the Group. Similarly, upon redemptions of the non-discretionary incentives for non-gaming services provided by the Group, the associated non-gaming revenues are measured on the same basis. At the adoption date, the Group recognized an increase in opening balance of accumulated losses of $3,332 with a corresponding decrease in amounts due from affiliated companies.

The amounts of affected financial statement line items for the current period before and after the adoption of the New Revenue Standard are as follows:

| | Six Months Ended June 30, 2018 | | |
|---|---|---|---|
| **Statement of Operations** | **Balances under New Revenue Standard (As reported)** | **Balances under previous basis** | **Effect of change higher/ (lower)** |
| *Operating Revenues* | | | |
| Provision of gaming related services | $ 168,595 | $168,527 | $ 68 |
| Rooms | 43,583 | 43,365 | 218 |
| Food and beverage | 31,459 | 31,371 | 88 |
| Entertainment | 6,273 | 6,579 | (306) |
| *Net loss* | 14,843 | 14,911 | (68) |
| *Basic and diluted loss per share* | 819 | 823 | (4) |

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NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(In thousands of U.S. dollars, except share and per share data)

| | As at June 30, 2018 | | |
|---|---|---|---|
| **Balance Sheet** | **Balances under New Revenue Standard (As reported)** | **Balances under previous basis** | **Effect of change higher/ (lower)** |
| *Current Assets* | | | |
| Amounts due from affiliated companies | $ 29,143 | $ 32,407 | $(3,264) |
| *Shareholders' Equity* | | | |
| Accumulated losses | $ 791,343 | $788,079 | $ 3,264 |

In August 2016, the FASB issued an accounting standards update which amends the guidance on the classification of certain cash receipts and payments in the statement of cash flows. The guidance was effective as of January 1, 2018 and the Group adopted this new guidance on a retrospective basis. The adoption of this guidance did not have a material impact on the Group's unaudited condensed consolidated financial statements.

In November 2016, the FASB issued an accounting standards update which amends and clarifies the guidance on the classification and presentation of restricted cash in the statement of cash flows. The guidance requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, restricted cash and restricted cash equivalents. Accordingly, restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The guidance was effective as of January 1, 2018 and the Group adopted this new guidance on a retrospective basis. The adoption of this guidance impacted the presentation and classification of restricted cash in the statements of cash flows. For the six months ended June 30, 2017, the change in restricted cash of $15 was previously reported within net cash used in investing activities in the unaudited condensed consolidated statements of cash flows.

## 3. PROPERTY AND EQUIPMENT, NET

| | June 30, 2018 | December 31, 2017 |
|---|---|---|
| Cost | $2,620,447 | $2,607,593 |
| Less: accumulated depreciation and amortization | (394,036) | (327,477) |
| Property and equipment, net | $2,226,411 | $2,280,116 |

## 4. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

| | June 30, 2018 | December 31, 2017 |
|---|---|---|
| Property and equipment payables | $18,513 | $ 103,503 |
| Operating expense and other accruals and liabilities | 43,090 | 47,928 |
| Customer deposits and ticket sales | 4,362 | 4,409 |
| | $65,965 | $ 155,840 |

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(In thousands of U.S. dollars, except share and per share data)

## 5. LONG-TERM DEBT, NET

Long-term debt, net consisted of the following:

| | June 30, 2018 | December 31, 2017 |
|---|---|---|
| 2012 Studio City Notes (net of unamortized deferred financing costs of $6,339 and $7,493, respectively) | $ 818,661 | $ 817,507 |
| 2016 Studio City Credit Facilities(1) | 129 | 129 |
| 2016 5.875% SC Secured Notes (net of unamortized deferred financing costs of $3,439 and $4,580, respectively) | 346,561 | 345,420 |
| 2016 7.250% SC Secured Notes (net of unamortized deferred financing costs of $12,170 and $13,702, respectively) | 837,830 | 836,298 |
| | $2,003,181 | $1,999,354 |

Note

(1) Unamortized deferred financing costs of $1,488 and $1,686 as of June 30, 2018 and December 31, 2017, respectively, related to the 2016 SC Revolving Credit Facility of 2016 Studio City Credit Facilities are included in long-term prepayments, deposits and other assets in the accompanying unaudited condensed consolidated balance sheets.

During the six months ended June 30, 2018, there is no significant change to the long-term debt as disclosed in the Group’s audited consolidated financial statements as of December 31, 2017.

## 6. FAIR VALUE MEASUREMENTS

The carrying values of cash and cash equivalents, bank deposits with original maturities over three months and restricted cash approximated fair value and were classified as level 1 in the fair value hierarchy. The carrying values of long-term deposits and other long-term liabilities approximated fair value and were classified as level 2 in the fair value hierarchy. The estimated fair value of long-term debt as of June 30, 2018 and December 31, 2017, which included the 2016 Studio City Secured Notes, the 2016 Studio City Credit Facilities, and the 2012 Studio City Notes, were approximately $2,066,027 and $2,108,138, respectively, as compared to its carrying value, excluding unamortized deferred financing costs, of $2,025,129 and $2,025,129, respectively. Fair values were estimated using quoted market prices and were classified as level 1 in the fair value hierarchy for the 2016 Studio City Secured Notes and the 2012 Studio City Notes. Fair value for the 2016 Studio City Credit Facilities approximated the carrying value as the instrument carried variable interest rates approximated the market rates and was classified as level 2 in the fair value hierarchy.

As of June 30, 2018, the Group did not have any non-financial assets or liabilities that are recognized or disclosed at fair value in the unaudited condensed consolidated financial statements.

## 7. CAPITAL STRUCTURE

As of June 30, 2018 and December 31, 2017, the Company’s authorized share capital was 200,000 shares of $1 par value per share and 18,127.94 ordinary shares were issued and fully paid.

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NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(In thousands of U.S. dollars, except share and per share data)

## 8. INCOME TAXES

The income tax expense (credit) consisted of:

| | Six Months Ended June 30, 2018 | Six Months Ended June 30, 2017 |
|---|---|---|
| Under provision of income tax in prior years: | | |
| Macau Complementary Tax | $ 87 | $ — |
| Income tax expense (credit)—deferred: | | |
| Macau Complementary Tax | 288 | (15) |
| Total income tax expense (credit) | $ 375 | $ (15) |

The effective tax rates for the six months ended June 30, 2018 and 2017 were (2.59)% and 0.03%, respectively. Such rates differ from the statutory Macau Complementary Tax rate of 12% primarily due to the effect of profits exempted from Macau Complementary Tax, the effect of expenses for which no income tax benefits are receivable and the effect of changes in valuation allowances for the six months ended June 30, 2018 and 2017.

As of June 30, 2018 and December 31, 2017, valuation allowances of $69,729 and $59,493 were provided, respectively, as management believes that it is more likely than not that these deferred tax assets will not be realized.

As of June 30, 2018, other than the above, there is no significant change to the tax exposures as disclosed in the Group’s audited consolidated financial statements as of December 31, 2017.

## 9. COMMITMENTS AND CONTINGENCIES

***(a) Capital Commitments***

As of June 30, 2018, the Group had capital commitments contracted for but not incurred for the construction and acquisition of property and equipment for Studio City totaling $12,363.

***(b) Lease Commitments***

*As Grantor of Operating Leases*

The Group entered into non-cancellable operating leases agreements mainly for mall spaces in Studio City with various retailers that expire at various dates through October 2025. Certain of the operating leases agreements include minimum base fees with escalated contingent fee clauses. During the six months ended June 30, 2018 and 2017, the Group earned contingent fees of $4,630 and $5,382, respectively.

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NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(In thousands of U.S. dollars, except share and per share data)

As of June 30, 2018, future minimum fees to be received under non-cancellable operating leases agreements were as follows:

| | |
|---|---|
| Six months ending December 31, 2018 | $10,308 |
| Year ending December 31, 2019 | 18,248 |
| Year ending December 31, 2020 | 12,055 |
| Year ending December 31, 2021 | 2,779 |
| Year ending December 31, 2022 | — |
| | $43,390 |

The total future minimum fees do not include the escalated contingent fee clauses.

***(c) Other Commitment***

*Land Concession Contract*

As of June 30, 2018, the Group’s total commitment for government land use fees for the Studio City site to be paid during the initial term of the land concession contract which expires in October 2026 was $8,280.

***(d) Guarantee***

As of June 30, 2018, there is no significant change to the guarantee as disclosed in the Group’s audited consolidated financial statements as of December 31, 2017.

***(e) Litigation***

As of June 30, 2018, the Group is a party to certain legal proceedings which relate to matters arising out of the ordinary course of its business. Management believes that the outcome of such proceedings would have no material impacts on the Group’s unaudited condensed consolidated financial statements as a whole.

**10. RELATED PARTY TRANSACTIONS**

During the six months ended June 30, 2018 and 2017, the Group entered into the following significant related party transactions:

| Related companies | Nature of transactions | Six Months Ended June 30, 2018 | Six Months Ended June 30, 2017 |
|---|---|---|---|
| *Transactions with affiliated companies* | | | |
| Melco and its subsidiaries | **Revenues (services provided by the Group):** | | |
| | Provision of gaming related services | $ 168,595 | $ 133,352 |
| | Rooms and food and beverage(1) | 42,958 | 39,601 |
| | Services fee(2) | 19,606 | 19,883 |
| | Entertainment(1) | 463 | 512 |
| | **Costs and expenses (services provided to the Group):** | | |
| | Staff costs recharges(3) | 45,942 | 50,925 |
| | Corporate services(4) | 17,201 | 16,200 |
| | Other services | 5,567 | 5,310 |
| | Staff and related costs capitalized in property and equipment | 936 | 622 |
| | Purchase of goods and services | 70 | 237 |

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(In thousands of U.S. dollars, except share and per share data)

| Related companies | Nature of transactions | Six Months Ended June 30, 2018 | 2017 |
|---|---|---|---|
| | **Sale and purchase of assets:** | | |
| | Transfer-in of other long-term assets | 5,514 | 1,821 |
| | Sale of property and equipment and other long-term assets | 2,763 | 1,037 |
| A subsidiary of MECOM Power and Construction Limited (“MECOM”)(5) | **Costs and expenses (services provided to the Group):** | | |
| | Consultancy fee | 1,392 | — |
| | **Purchase of assets:** | | |
| | Renovation works performed and purchase of property and equipment | 692 | 1,108 |

Notes

(1) These revenues primarily represented the retail values (before the adoption of the New Revenue Standard) or standalone selling prices (upon the adoption of the New Revenue Standard) of the complimentary services (including rooms, food and beverage and entertainment services) provided to Studio City Casino’s gaming patrons and charged to Melco Resorts Macau. For the six months ended June 30, 2018 and 2017, the related party rooms and food and beverage revenues and entertainment revenues aggregated to $43,421 and $40,113, respectively, of which $38,442 and $35,579 related to Studio City Casino’s gaming patrons and $4,979 and $4,534 related to non-Studio City Casino’s gaming patrons, respectively.

(2) Services provided by the Group to Melco and its subsidiaries mainly include, but are not limited to, certain shared administrative services and shuttle bus transportation services provided to Studio City Casino.

(3) Staff costs are recharged by Melco and its subsidiaries for staff who are solely dedicated to Studio City to carry out activities, including food and beverage management, retail management, hotel management, entertainment projects, mall development and sales and marketing activities and staff costs for certain shared administrative services.

(4) Corporate services are provided to the Group by Melco and its subsidiaries. These services include, but are not limited to, general corporate services and senior executive management services for operational purposes.

(5) A company in which Mr. Lawrence Yau Lung Ho, Melco’s Chief Executive Officer, has shareholding of approximately 20% in MECOM.

### *(a) Amounts Due from Affiliated Companies*

The outstanding balances represent amounts due from Melco’s subsidiaries of $29,143 and $37,826, respectively, as of June 30, 2018 and December 31, 2017 mainly arising from operating income or prepayment of operating expenses, are unsecured, non-interest bearing and repayable on demand.

### *(b) Amounts Due to Affiliated Companies*

The outstanding balances as of June 30, 2018 and December 31, 2017 mainly arising from renovation works performed and operating expenses, are unsecured, non-interest bearing and repayable on demand with details as follows:

| | June 30, 2018 | December 31, 2017 |
|---|---|---|
| Melco and its subsidiaries | $20,073 | $ 17,168 |
| A subsidiary of MECOM | 1,679 | 2,302 |
| Others | — | 38 |
| | $21,752 | $ 19,508 |

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(In thousands of U.S. dollars, except share and per share data)

## 11. SEGMENT INFORMATION

The Group's principal operating activities are engaged in the hospitality business and provision of gaming related services in Macau. The chief operating decision maker monitors its operations and evaluates earnings by reviewing the assets and operations of Studio City as one operating segment. Accordingly, the Group does not present separate segment information. As of June 30, 2018 and December 31, 2017, the Group operated in one geographical area, Macau, where it derives its revenue and its long-lived assets are located.

## 12. SUBSEQUENT EVENT

On September 6, 2018, the Company entered into an implementation agreement (the "Implementation Agreement") with MCE Cotai, Melco and New Cotai to govern the arrangements with respect to a series of organizational transactions in connection with the initial public offering of American depositary shares representing Class A ordinary shares of the Company and the listing of such American depositary shares on the New York Stock Exchange by the Company (the "Offering"). The organizational transactions include, among other things, the following: (i) the Company will transfer substantially all of the assets and liabilities of the Company to MSC Cotai Limited ("MSC Cotai") in exchange of all of the outstanding equity interests in MSC Cotai; (ii) the Company will authorize two classes of ordinary shares, Class A ordinary shares (the "SC Class A Shares") and Class B ordinary shares (the "SC Class B Shares"), in each case with a par value of $0.0001 each. The SC Class A Shares and SC Class B Shares will have the same rights, except that holders of the SC Class B Shares do not have any right to receive dividends or distributions upon the liquidation or winding up of the Company; (iii) MCE Cotai's 60% equity interest in the Company will be reclassified into 108,767,640 SC Class A Shares; (iv) New Cotai's 40% equity interest in the Company will be exchanged for 72,511,760 SC Class B Shares. New Cotai's SC Class B Shares will have only voting and no economic rights and, through its SC Class B Shares, New Cotai will have a 40% voting and non-economic interests in the Company, which will control MSC Cotai; (v) New Cotai will have a non-voting, non-shareholding economic participation interest (the "Participation Interest"), in MSC Cotai, the terms of which will be set forth in a participation agreement (the "Participation Agreement"), that will be entered into by MSC Cotai, New Cotai and the Company. The Participation Interest will entitle New Cotai to receive from MSC Cotai an amount equal to 66 2/3% of the amount of any distribution, dividend or other consideration paid by MSC Cotai to the Company, subject to adjustments, exceptions and conditions as set out in the Participation Agreement. New Cotai will be entitled to exchange all or a portion of the Participation Interest for a number of SC Class A Shares subject to adjustments, exceptions and conditions as set out in the Participation Agreement and a proportionate number of SC Class B Shares will be deemed surrendered and automatically cancelled for no consideration as set out in the Participation Agreement when New Cotai exchanges all or a portion of the Participation Interest for SC Class A Shares; and (vi) the Company will redomicile by way of continuation as an exempted company incorporated with limited liability under the laws of the Cayman Islands prior to the completion of the Offering.

In preparing the unaudited condensed consolidated financial statements, the Group has evaluated events and transactions for potential recognition and disclosure through September 7, 2018, the date the unaudited condensed consolidated financial statements were available to be issued.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Studio City International Holdings Limited

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Studio City International Holdings Limited (the Company) as of December 31, 2017 and 2016, and the related consolidated statements of operations, comprehensive loss, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2017, and the related notes and the financial statement schedule included in Schedule 1 (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2017 and 2016, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2017, in conformity with U.S. generally accepted accounting principles.

As discussed in Note 2(a) to the consolidated financial statements, the accompanying consolidated statements of cash flows and the condensed statements of cash flows included in Schedule 1 for each of the three years in the period ended December 31, 2017 have been adjusted for the retrospective application of the authoritative guidance on the presentation and classification of restricted cash which was adopted by the Company on January 1, 2018.

### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young

We have served as the Company's auditor since 2017.

Hong Kong

March 23, 2018

except for Note 2(a), as to which the date is June 13, 2018,
and Notes 2(v)(vi) and 16, as to which the date is September 7, 2018

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**CONSOLIDATED BALANCE SHEETS**
**(In thousands of U.S. dollars, except share and per share data)**

| | December 31, 2017 | December 31, 2016 |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | $ 348,399 | $ 336,783 |
| Bank deposits with original maturities over three months | 9,884 | — |
| Restricted cash | 34,400 | 34,333 |
| Accounts receivable, net | 2,345 | 2,820 |
| Amounts due from affiliated companies | 37,826 | 1,578 |
| Inventories | 10,143 | 9,484 |
| Prepaid expenses and other current assets | 17,930 | 12,220 |
| Total current assets | 460,927 | 397,218 |
| PROPERTY AND EQUIPMENT, NET | 2,280,116 | 2,419,410 |
| LONG-TERM PREPAYMENTS, DEPOSITS AND OTHER ASSETS | 60,722 | 76,246 |
| RESTRICTED CASH | 130 | 130 |
| LAND USE RIGHT, NET | 125,672 | 128,995 |
| TOTAL ASSETS | $2,927,567 | $3,021,999 |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | |
| CURRENT LIABILITIES | | |
| Accounts payable | $ 2,722 | $ 3,482 |
| Accrued expenses and other current liabilities | 155,840 | 156,495 |
| Amounts due to affiliated companies | 19,508 | 33,462 |
| Total current liabilities | 178,070 | 193,439 |
| LONG-TERM DEBT, NET | 1,999,354 | 1,992,123 |
| OTHER LONG-TERM LIABILITIES | 9,512 | 19,130 |
| DEFERRED TAX LIABILITIES | 588 | 827 |
| COMMITMENTS AND CONTINGENCIES (Note 13) | | |
| **SHAREHOLDERS' EQUITY** | | |
| Ordinary shares, par value $1; 200,000 shares authorized; 18,127.94 shares issued and outstanding | 18 | 18 |
| Additional paid-in capital | 1,512,705 | 1,512,705 |
| Accumulated other comprehensive income | 488 | 488 |
| Accumulated losses | (773,168) | (696,731) |
| Total shareholders' equity | 740,043 | 816,480 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | $2,927,567 | $3,021,999 |

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

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**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**CONSOLIDATED STATEMENTS OF OPERATIONS**
**(In thousands of U.S. dollars, except share and per share data)**

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| OPERATING REVENUES | | | |
| Provision of gaming related services from related parties | $ 295,638 | $ 151,597 | $ 21,427 |
| Rooms (including revenues from related parties of $53,945, $48,917 and $6,479 for the years ended December 31, 2017, 2016 and 2015, respectively) | 88,699 | 84,643 | 14,417 |
| Food and beverage (including revenues from related parties of $28,917, $22,771 and $2,397 for the years ended December 31, 2017, 2016 and 2015, respectively) | 60,705 | 61,536 | 9,457 |
| Entertainment (including revenues from related parties of $1,328, $5,465 and $533 for the years ended December 31, 2017, 2016 and 2015, respectively) | 18,534 | 35,155 | 6,730 |
| Services fee from related parties | 39,971 | 51,842 | 7,968 |
| Mall | 29,498 | 34,020 | 6,999 |
| Retail and other | 6,769 | 5,738 | 2,336 |
| Total revenues | 539,814 | 424,531 | 69,334 |
| OPERATING COSTS AND EXPENSES | | | |
| Provision of gaming related services (including costs to related parties of $20,386, $23,478 and $170 for the years ended December 31, 2017, 2016 and 2015, respectively) | (24,019) | (25,332) | (462) |
| Rooms (including costs to related parties of $12,926, $14,462 and $2,785 for the years ended December 31, 2017, 2016 and 2015, respectively) | (21,750) | (22,752) | (4,113) |
| Food and beverage (including costs to related parties of $28,954, $34,436 and $6,976 for the years ended December 31, 2017, 2016 and 2015, respectively) | (54,266) | (62,200) | (12,549) |
| Entertainment (including costs to related parties of $6,884, $11,446 and $2,169 for the years ended December 31, 2017, 2016 and 2015, respectively) | (16,364) | (41,432) | (7,404) |
| Mall (including costs to related parties of $2,181, $2,201 and $365 for the years ended December 31, 2017, 2016 and 2015, respectively) | (9,098) | (11,083) | (3,653) |
| Retail and other (including costs to related parties of $3,523, $3,475 and $384 for the years ended December 31, 2017, 2016 and 2015, respectively) | (4,750) | (3,696) | (579) |
| General and administrative (including expenses to related parties of $69,043, $65,942 and $16,128 for the years ended December 31, 2017, 2016 and 2015, respectively) | (130,465) | (135,071) | (34,245) |
| Pre-opening costs (including expenses to related parties of $101, $3,509 and $102,388 for the years ended December 31, 2017, 2016 and 2015, respectively) | (116) | (4,044) | (153,515) |
| Amortization of land use right | (3,323) | (3,323) | (9,909) |
| Depreciation and amortization | (173,003) | (168,539) | (31,056) |
| Property charges and other | (22,210) | (1,825) | (1,126) |
| Total operating costs and expenses | (459,364) | (479,297) | (258,611) |
| OPERATING INCOME (LOSS) | $ 80,450 | $ (54,766) | $(189,277) |

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**CONSOLIDATED STATEMENTS OF OPERATIONS—(Continued)**
**(In thousands of U.S. dollars, except share and per share data)**

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| NON-OPERATING INCOME (EXPENSES) | | | |
| Interest income | $ 2,171 | $ 1,152 | $ 4,641 |
| Interest expenses, net of capitalized interest | (152,318) | (133,610) | (23,285) |
| Amortization of deferred financing costs | (7,600) | (25,626) | (16,295) |
| Loan commitment fees | (419) | (1,647) | (1,794) |
| Foreign exchange gains (losses), net | 466 | (3,445) | 435 |
| Other income, net | 574 | 1,163 | 379 |
| Loss on extinguishment of debt | — | (17,435) | — |
| Costs associated with debt modification | — | (8,101) | (7,011) |
| Total non-operating expenses, net | (157,126) | (187,549) | (42,930) |
| LOSS BEFORE INCOME TAX | (76,676) | (242,315) | (232,207) |
| INCOME TAX CREDIT (EXPENSE) | 239 | (474) | (353) |
| NET LOSS | $ (76,437) | $ (242,789) | $ (232,560) |
| LOSS PER SHARE: | | | |
| Basic and diluted | $ (4,217) | $ (13,393) | $ (12,829) |
| WEIGHTED AVERAGE SHARES OUTSTANDING USED IN LOSS PER SHARE CALCULATION: | | | |
| Basic and diluted | 18,127.94 | 18,127.94 | 18,127.94 |

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

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**
**(In thousands of U.S. dollars)**

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Net loss | $(76,437) | $(242,789) | $(232,560) |
| Other comprehensive income (loss): | | | |
| Changes in fair values of interest rate swap agreements, before and after tax | — | 61 | (42) |
| Other comprehensive income (loss) | — | 61 | (42) |
| Total comprehensive loss | $(76,437) | $(242,728) | $(232,602) |

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

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**
**(In thousands of U.S. dollars, except share and per share data)**

| | Ordinary Shares | | Additional Paid-in Capital | Accumulated Other Comprehensive Income | Accumulated Losses | Total Shareholders' Equity |
|---|---|---|---|---|---|---|
| | Shares | Amount | | | | |
| BALANCE AT JANUARY 1, 2015 | 18,127.94 | $ 18 | $1,521,426 | $ 469 | $ (221,382) | $ 1,300,531 |
| Net loss for the year | — | — | — | — | (232,560) | (232,560) |
| Change in fair value of interest rate swap agreements | — | — | — | (42) | — | (42) |
| Loss on purchase of property and equipment from affiliated companies | — | — | (842) | — | — | (842) |
| Loss on transfer of other long-term assets from an affiliated company | — | — | (7,740) | — | — | (7,740) |
| BALANCE AT DECEMBER 31, 2015 | 18,127.94 | 18 | 1,512,844 | 427 | (453,942) | 1,059,347 |
| Net loss for the year | — | — | — | — | (242,789) | (242,789) |
| Change in fair value of interest rate swap agreements | — | — | — | 61 | — | 61 |
| Loss on purchase of property and equipment from an affiliated company | — | — | (139) | — | — | (139) |
| BALANCE AT DECEMBER 31, 2016 | 18,127.94 | 18 | 1,512,705 | 488 | (696,731) | 816,480 |
| Net loss for the year | — | — | — | — | (76,437) | (76,437) |
| BALANCE AT DECEMBER 31, 2017 | 18,127.94 | $ 18 | $1,512,705 | $ 488 | $ (773,168) | $ 740,043 |

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

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(In thousands of U.S. dollars)**

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net loss | $ (76,437) | $(242,789) | $ (232,560) |
| Adjustments to reconcile net loss to net cash provided by (used in) operating activities: | | | |
| Depreciation and amortization | 176,326 | 171,862 | 40,965 |
| Amortization of deferred financing costs | 7,600 | 25,626 | 16,295 |
| Loss (gain) on disposal of property and equipment and other long-term assets | 489 | (444) | — |
| Impairment loss recognized on property and equipment | 19,645 | — | — |
| Provision for doubtful debts | 887 | 588 | — |
| Loss on extinguishment of debt | — | 17,435 | — |
| Costs associated with debt modification | — | 8,101 | 7,011 |
| Changes in operating assets and liabilities: | | | |
| Accounts receivable | 442 | 2,837 | (6,245) |
| Amounts due from affiliated companies | (38,269) | 34,204 | 12,573 |
| Inventories and prepaid expenses and other | (7,223) | 6,125 | (20,638) |
| Long-term prepayments, deposits and other assets | (854) | (5,094) | (12,974) |
| Accounts payable and accrued expenses and other | 5,817 | (4,255) | 33,223 |
| Amounts due to affiliated companies | (13,054) | 3,989 | 28,533 |
| Other long-term liabilities | (7,056) | (3,606) | 20,763 |
| Net cash provided by (used in) operating activities | 68,313 | 14,579 | (113,054) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for acquisition of property and equipment | (42,370) | (111,396) | (827,781) |
| Placement of bank deposits with original maturities over three months | (9,884) | — | — |
| Funds to an affiliated company | (2,839) | (8,492) | (47,033) |
| Advance payments and deposits for acquisition of property and equipment | (1,427) | (335) | (18,915) |
| Insurance proceeds received for damaged property and equipment and other long- term assets | 108 | — | — |
| Proceeds from sale of property and equipment and other long-term assets | 1,067 | 13,513 | 20,481 |
| Payments for transfer of other long-term assets from an affiliated company | — | — | (74,902) |
| Payment for land use right | — | — | (24,376) |
| Net cash used in investing activities | (55,345) | (106,710) | (972,526) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Payments of deferred financing costs | (1,285) | (27,226) | (2,887) |
| Principal payments on long-term debt | — | (95,560) | — |
| Cash used in financing activities | (1,285) | (122,786) | (2,887) |
| NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH | 11,683 | (214,917) | (1,088,467) |
| CASH, CASH EQUIVALENTS AND RESTRICTED CASH AT BEGINNING OF YEAR | 371,246 | 586,163 | 1,674,630 |
| CASH, CASH EQUIVALENTS AND RESTRICTED CASH AT END OF YEAR | $ 382,929 | $ 371,246 | $ 586,163 |
| SUPPLEMENTAL DISCLOSURES OF CASH FLOWS | | | |
| Cash paid for interest, net of amounts capitalized | $(152,318) | $(127,098) | $ (22,948) |
| NON-CASH INVESTING AND FINANCING ACTIVITIES | | | |
| Change in accrued expenses and other current liabilities and other long-term liabilities related to acquisition of property and equipment | 18,817 | 23,690 | 84,463 |
| Change in amounts due from/to affiliated companies related to acquisition of property and equipment and other long-term assets | 4,696 | 11,286 | 5,293 |
| Amounts due from affiliated companies offsetting with amounts due to affiliated companies | 2,950 | — | — |
| Change in amounts due from/to affiliated companies related to sale of property and equipment and other long-term assets | 600 | 153 | 2,417 |
| Deferred financing costs included in accrued expenses and other current liabilities | — | 3,180 | 7,669 |

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**CONSOLIDATED STATEMENTS OF CASH FLOWS—(Continued)**
**(In thousands of U.S. dollars)**

RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH TO THE CONSOLIDATED BALANCE SHEETS

| | December 31, | |
|---|---|---|
| | 2017 | 2016 |
| Cash and cash equivalents | $ 348,399 | $ 336,783 |
| Current portion of restricted cash | 34,400 | 34,333 |
| Non-current portion of restricted cash | 130 | 130 |
| Total cash, cash equivalents and restricted cash | $ 382,929 | $ 371,246 |

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

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In thousands of U.S. dollars, except share and per share data)

## 1. COMPANY INFORMATION

Studio City International Holdings Limited (the “Company”) was incorporated in the British Virgin Islands (“BVI”). As of December 31, 2017 and 2016, the Company was 60% held directly by MCE Cotai Investments Limited (“MCE Cotai”), a subsidiary of Melco Resorts & Entertainment Limited (“Melco”) and 40% held directly by New Cotai, LLC (“New Cotai”). Melco’s American depositary shares are listed on the NASDAQ Global Select Market in the United States of America. New Cotai is a private company organized in the United States of America.

As of December 31, 2015, the major shareholders of Melco were Melco International Development Limited (“Melco International”), a company listed in the Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”), and Crown Resorts Limited (“Crown”), an Australian-listed corporation. As of December 31, 2017 and 2016, Melco International is the single largest shareholder of Melco due to the completion of the share repurchase by Melco from a subsidiary of Crown followed by the cancellation of such shares with certain changes in the composition of the board of directors of Melco in May 2016.

The Company conducts its principal activities through its subsidiaries, which are primarily located in the Macau Special Administrative Region of the People’s Republic of China (“Macau”). The Company together with its subsidiaries (collectively referred to as the “Group”) currently operates the non-gaming operations of Studio City, a cinematically-themed integrated entertainment, retail and gaming resort in Cotai, Macau which commenced operations on October 27, 2015, and provides gaming related services to Melco Resorts (Macau) Limited (formerly known as Melco Crown (Macau) Limited) (“Melco Resorts Macau”), a subsidiary of Melco which holds the gaming subconcession in Macau, for the operations of the gaming area at Studio City (“Studio City Casino”).

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### *(a) Basis of Presentation and Principles of Consolidation*

On May 11, 2007, one of the Company’s subsidiaries and Melco Resorts Macau entered into a services and right to use agreement, as amended on June 15, 2012, together with related agreements (together, the “Services and Right to Use Arrangements”). Under these arrangements, Melco Resorts Macau deducts gaming tax and the costs of operation of Studio City Casino. The Group receives the residual gross gaming revenues and recognizes these amounts as revenues from provision of gaming related services.

In December 2015, certain of the Company’s subsidiaries entered into a master services agreement and related work agreements (collectively, the “Management and Shared Services Arrangements”) with certain of Melco’s subsidiaries with respect to services provided to and from Studio City.

Under the Management and Shared Services Arrangements, certain of the corporate and administrative functions as well as operational activities of the Group are administered by staff employed by certain Melco’s subsidiaries, including senior management services, centralized corporate functions and operational and venue support services. Payment arrangements for the services are provided for in the individual work agreements and may vary depending on the services provided. Corporate services are charged at pre-negotiated rates, subject to a base fee and cap. Senior management service fees and staff costs on operational services are allocated to the Group based on percentages of efforts on the services provided to the Group. Other costs in relation to shared office equipment are allocated based on a percentage of usage.

The Group believes the costs incurred under the Services and Right to Use Arrangements and the allocation methods under the Management and Shared Services Arrangements are reasonable and the consolidated financial statements reflect the Group's cost of doing business. However, such allocations may not be indicative of the actual expenses the Group would have incurred had it operated as an independent company for the periods presented. Details of the services and related charges are disclosed in Note 14.

The consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles ("U.S. GAAP").

Effective January 1, 2018, the Group adopted the accounting standards update on the classification and presentation of restricted cash in the statement of cash flows, using a retrospective method and the updated disclosures are reflected for the periods presented in the statements of cash flows. Details of the adoption of this guidance are disclosed in Note 2(v)(iv).

The consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany accounts and transactions have been eliminated on consolidation.

***(b) Use of Estimates***

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, revenues and expenses and related disclosures of contingent assets and liabilities. These estimates and judgments are based on historical information, information that is currently available to the Group and on various other assumptions that the Group believes to be reasonable under the circumstances. Accordingly, actual results could differ from those estimates.

***(c) Fair Value of Financial Instruments***

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants at the measurement date. The Group estimated the fair values using appropriate valuation methodologies and market information available as of the balance sheet date.

***(d) Cash and Cash Equivalents***

Cash and cash equivalents consist of cash and highly liquid investments with original maturities of three months or less.

Cash equivalents are placed with financial institutions with high-credit ratings and quality.

***(e) Restricted Cash***

The current portion of restricted cash represents cash deposited into bank accounts which are restricted as to withdrawal and use and the Group expects those funds will be released or utilized in accordance with the terms of the respective agreements within the next twelve months, while the non-current portion of restricted cash represents those funds that will not be released or utilized within the next twelve months. Restricted cash mainly consists of i) bank accounts that are restricted for withdrawal and for payment of project costs or debt servicing associated with borrowings under respective senior notes, a senior secured credit facility and other associated agreements; and ii) collateral bank accounts associated with borrowings under credit facilities.

### *(f) Accounts Receivable and Credit Risk*

Accounts receivable, including hotel and other receivables, are typically non-interest bearing and are initially recorded at cost. Accounts are written off when management deems it is probable the receivables are uncollectible. Recoveries of accounts previously written off are recorded when received. An estimated allowance for doubtful debts is maintained to reduce the Group's receivables to their carrying amounts, which approximate fair values. The allowance is estimated based on specific reviews of customer accounts as well as management's experience with collection trends in the industry and current economic and business conditions. Management believes that as of December 31, 2017 and 2016, no significant concentrations of credit risk existed for which an allowance had not already been recorded.

### *(g) Inventories*

Inventories consist of retail merchandise, food and beverage items and certain operating supplies, which are stated at the lower of cost or net realizable value. Cost is calculated using the first-in, first-out, weighted average and specific identification methods.

### *(h) Property and Equipment*

Property and equipment are stated at cost, net of accumulated depreciation and amortization, and impairment losses, if any. Gains or losses on dispositions of property and equipment are included in the consolidated statements of operations. Major additions, renewals and betterments are capitalized, while maintenance and repairs are expensed as incurred.

During the construction and development stage of Studio City, direct and incremental costs related to the design and construction, including costs under the construction contracts, duties and tariffs, equipment installation, shipping costs, payroll and payroll-benefit related costs, applicable portions of interest and amortization of deferred financing costs, are capitalized in property and equipment. The capitalization of such costs begins when the construction and development of a project starts and ceases once the construction is substantially completed or development activity is suspended for more than a brief period.

Depreciation and amortization expense related to capitalized construction costs and other property and equipment is recognized from the time each asset is placed in service. This may occur at different stages as Studio City's facilities are completed and opened.

Property and equipment are depreciated and amortized on a straight-line basis over the asset's estimated useful life. Estimated useful lives are as follows:

| | |
|---|---|
| Buildings | 4 to 40 years |
| Furniture, fixtures and equipment | 2 to 15 years |
| Leasehold improvements | 4 to 10 years or over the lease term, whichever is shorter |
| Motor vehicles | 5 years |

### *(i) Other Long-term Assets*

Other long-term assets, represent the payments for the future economic benefits of certain plant and equipment for the operations of the Studio City Casino transferred from Melco Resorts Macau to the Group

pursuant to the Services and Right to Use Arrangements (the "Studio City Gaming Assets"), are stated at cost, net of accumulated amortization, and impairment losses, if any. The legal ownerships of the Studio City Gaming Assets are retained by Melco Resorts Macau. An item of the Studio City Gaming Assets is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of an item of the Studio City Gaming Assets. Any gain or loss arising on the disposal or retirement of an item of the Studio City Gaming Assets is determined as the difference between the sale proceeds and the carrying amount of an item of the Studio City Gaming Assets and is recognized in the consolidated statements of operations.

Amortization is recognized so as to write off the cost of the Studio City Gaming Assets using straight-line method over the respective estimated useful lives of the Studio City Gaming Assets, ranging from 2 to 10 years.

### *(j) Capitalized Interest and Amortization of Deferred Financing Costs*

Interest and amortization of deferred financing costs associated with major development and construction projects are capitalized and included in the cost of the project. The capitalization of interest and amortization of deferred financing costs cease when the project is substantially completed or the development activity is suspended for more than a brief period. The amount to be capitalized is determined by applying the weighted average interest rate of the Group's outstanding borrowings to the average amount of accumulated qualifying capital expenditures for assets under construction during the year. Total interest expenses incurred amounted to $152,318, $133,610 and $131,716, of which nil, nil and $108,431 were capitalized during the years ended December 31, 2017, 2016 and 2015, respectively. Amortization of deferred financing costs of $7,600, $25,626 and $24,881, net of amortization capitalized of nil, nil and $8,586, were recorded during the years ended December 31, 2017, 2016 and 2015, respectively.

### *(k) Impairment of Long-lived Assets*

The Group evaluates the long-lived assets with finite lives to be held and used for impairment whenever indicators of impairment exist. The Group then compares the estimated future cash flows of the asset, on an undiscounted basis, to the carrying value of the asset. If the undiscounted cash flows exceed the carrying value, no impairment is indicated. If the undiscounted cash flows do not exceed the carrying value, then an impairment charge is recorded based on the fair value of the asset, typically measured using a discounted cash flow model. If an asset is still under development, future cash flows include remaining construction costs.

During the year ended December 31, 2017, impairment loss of $19,645 was recognized mainly due to reconfigurations and renovations at Studio City and included in the consolidated statements of operations. No impairment loss was recognized during the years ended December 31, 2016 and 2015.

### *(l) Deferred Financing Costs*

Direct and incremental costs incurred in obtaining loans or in connection with the issuance of long-term debt are capitalized and amortized over the terms of the related debt agreements using the effective interest method. Deferred financing costs incurred in connection with the issuance of the revolving credit facilities are included in long-term prepayments, deposits and other assets in the consolidated balance sheets. All other deferred financing costs are presented as a direct reduction of long-term debt in the consolidated balance sheets.

### *(m) Land Use Right*

Land use right is recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis over the estimated term of the land use right.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(In thousands of U.S. dollars, except share and per share data)

The land concession contract in Macau has an initial term of 25 years and is renewable for further consecutive periods of 10 years, subject to applicable legislation in Macau. The land use right was originally amortized over the initial term of 25 years, in which the expiry date of the land use right of Studio City is October 2026. The estimated term of the land use right is periodically reviewed. For the review of such estimated term of the land use right under the land concession contract, the Group considered factors such as the business and operating environment of the gaming industry in Macau, laws and regulations in Macau and the Group's development plans. As a result, effective from October 1, 2015, the estimated term of the land use right under the land concession contract for Studio City, in accordance with the relevant accounting standards, has been extended to October 2055 which aligned with the estimated useful lives of certain buildings assets of 40 years as disclosed in Note 2(h). The change in estimated term of the land use right under the land concession contract has resulted in a reduction in amortization of land use right and net loss of $2,195 and a reduction in basic and diluted loss per share of $121 for the year ended December 31, 2015.

***(n) Revenue Recognition***

The Group recognizes revenue at the time persuasive evidence of an arrangement exists, the service is provided or the retail goods are sold, prices are fixed or determinable and collection is reasonably assured. Revenues are recognized net of sales discounts which are required to be recorded as reductions of revenue.

Revenues from provision of gaming related services represent revenues arising from the provision of facilities for the operations of Studio City Casino and services related thereto pursuant to the Services and Right to Use Arrangements, under which Melco Resorts Macau operates the Studio City Casino. Melco Resorts Macau deducts gaming tax and the costs incurred in connection with the operations of Studio City Casino pursuant to the Services and Right to Use Arrangements, including the retail values of complimentary services within Studio City provided to the gaming patrons, from Studio City Casino's gross gaming revenues. The Group recognizes the residual amount as revenues from provision of gaming related services.

Rooms, food and beverage, entertainment, services fee, mall, retail and other revenues are recognized when services are provided or the retail goods are sold. Non-gaming revenues include services provided for cash consideration and services provided on a complimentary basis to the gaming patrons at Studio City Casino. Advance deposits on rooms and advance ticket sales are recorded as customer deposits until services are provided to the customer. Minimum operating and right to use fees, adjusted for contractual base fees and operating fees escalations, are included in mall revenues and are recognized on a straight-line basis over the terms of the related agreements.

***(o) Pre-opening Costs***

Pre-opening costs represent personnel, marketing and other costs incurred prior to the opening of new or start-up operations and are expensed as incurred. During the years ended December 31, 2017, 2016 and 2015, the Group incurred pre-opening costs in connection with the development and other one-off activities related to the marketing of new facilities and operations of Studio City.

***(p) Advertising and Promotional Costs***

The Group expenses advertising and promotional costs the first time the advertising takes place or as incurred. Advertising and promotional costs included in the accompanying consolidated statements of operations were $23,854, $20,989 and $39,722 for the years ended December 31, 2017, 2016 and 2015, respectively.

***(q) Foreign Currency Transactions and Translations***

All transactions in currencies other than functional currencies of the Company during the year are remeasured at the exchange rates prevailing on the respective transaction dates. Monetary assets and liabilities existing at the balance sheet date denominated in currencies other than functional currencies are remeasured at the exchange rates existing on that date. Exchange differences are recorded in the consolidated statements of operations.

The functional currencies of the Company and its major subsidiaries are the United States dollar ("$" or "US$"), the Hong Kong dollar ("HK$") or the Macau Pataca, respectively. All assets and liabilities are translated at the rates of exchange prevailing at the balance sheet date and all income and expense items are translated at the average rates of exchange over the year. All exchange differences arising from the translation of subsidiaries' financial statements are recorded as a component of comprehensive loss.

***(r) Income Tax***

The Group is subject to income taxes in Macau and Hong Kong where it operates.

Deferred income taxes are recognized for all significant temporary differences between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Current income taxes are provided for in accordance with the laws of the relevant taxing authorities.

The Group's income tax returns are subject to examination by tax authorities in the jurisdictions where it operates. The Group assesses potentially unfavorable outcomes of such examinations based on accounting standards for uncertain income taxes. These accounting standards utilize a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates it is more likely than not that the position, based on the technical merits of position, will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount which is more than 50% likely, based on cumulative probability.

***(s) Loss Per Share***

Basic loss per share is calculated by dividing the net loss available to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted loss per share is calculated by dividing the net loss available to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year adjusted to include the number of additional ordinary shares that would have been outstanding if the potential dilutive securities had been issued. During the years ended December 31, 2017, 2016 and 2015, there were no potentially dilutive securities issued or outstanding.

***(t) Accounting for Derivative Instruments and Hedging Activities***

The Group uses derivative financial instruments such as floating-for-fixed interest rate swap agreements to manage its risks associated with interest rate fluctuations in accordance with lenders' requirements under the

Group's Studio City Project Facility (as defined in Note 7). All derivative instruments are recognized in the consolidated financial statements at fair value at the balance sheet date. Any changes in fair value are recorded in the consolidated statements of operations or comprehensive loss, depending on whether the derivative is designated and qualifies for hedge accounting, the type of hedge transaction and the effectiveness of the hedge. The estimated fair values of interest rate swap agreements are based on a standard valuation model that projects future cash flows and discounts those future cash flows to a present value using market-based observable inputs such as interest rate yields. All outstanding interest rate swap agreements expired during the year ended December 31, 2016. Further information on the Group's interest rate swap agreements is included in Note 7.

***(u) Comprehensive Loss and Accumulated Other Comprehensive Income***

Comprehensive loss includes net loss and changes in fair values of interest rate swap agreements and is reported in the consolidated statements of comprehensive loss.

As of December 31, 2017 and 2016, the Group's accumulated other comprehensive income consisted solely of foreign currency translation adjustment.

***(v) Recent Changes in Accounting Standards***

*Newly Adopted Accounting Pronouncements:*

(i) In July 2015, the Financial Accounting Standards Board ("FASB") issued an accounting standards update, which changes the measurement principle for inventories that is measured using other than last-in, first-out or the retail inventory method from the lower of cost or market to the lower of cost and net realizable value. Net realizable value is defined by FASB as estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. The guidance was effective as of January 1, 2017 and the Group adopted this new guidance on a prospective basis. The adoption of this guidance did not have a material impact on the Group's financial statements.

(ii) In November 2015, the FASB issued an accounting standards update which simplifies balance sheet classification of deferred taxes. The guidance requires that all deferred tax assets and liabilities, along with any related valuation allowance, be classified as non-current. The guidance was effective as of January 1, 2017 and the Group adopted this new guidance on a prospective basis, which impacts the classification of deferred tax assets and liabilities on any balance sheet that reports the Group's consolidated financial position for any date after December 31, 2016. Consolidated balance sheets for prior periods have not been adjusted. The adoption of this new guidance did not have any impact on the Group's results of operations or cash flows.

(iii) In August 2016, the FASB issued an accounting standards update which amends the guidance on the classification of certain cash receipts and payments in the statement of cash flows. The guidance was effective as of January 1, 2018 and the Group adopted this new guidance on a retrospective basis. The adoption of this guidance did not have any impact on the Group's consolidated financial statements.

(iv) In November 2016, the FASB issued an accounting standards update which amends and clarifies the guidance on the classification and presentation of restricted cash in the statement of cash flows. The guidance requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, restricted cash and restricted cash equivalents. Accordingly, restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total

amounts shown on the statement of cash flows. The guidance was effective as of January 1, 2018 and the Group adopted this new guidance on a retrospective basis. The adoption of this guidance impacted the presentation and classification of restricted cash in the statements of cash flows. For the years ended December 31, 2017, 2016 and 2015, substantially all of the changes in restricted cash of $67, $266,633 and $1,370,373, respectively, were previously reported within net cash used in investing activities in the consolidated statements of cash flows. For the years ended December 31, 2017, 2016 and 2015, substantially all of the changes in restricted cash of $64, $2,082 and $229,293, respectively, were previously reported within net cash used in investing activities in the condensed statements of cash flows included in Schedule 1.

*Recent Accounting Pronouncements Not Yet Adopted:*

(v) In May 2014, the FASB issued an accounting standards update which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The core principal of this new revenue recognition model is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration which the entity expects to be entitled in exchange for those goods or services. This update also requires enhanced disclosures regarding the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. In August 2015, the FASB issued an accounting standard update which defers the effective date of the new revenue recognition accounting guidance by one year, to interim and annual periods beginning after December 15, 2017 for public business entities, and early adoption is permitted for interim and annual periods beginning after December 15, 2016. From March 2016 through December 2016, the FASB issued accounting standard updates which amend and further clarify the new revenue guidance such as reporting revenue as a principal versus agent, identifying performance obligations, accounting for intellectual property licenses, assessing collectibility and presentation of sales taxes. These accounting standard updates are collectively referred to herein as the "New Revenue Standards".

The Group adopted the New Revenue Standards using the modified retrospective method, recognizing the cumulative effect of initially applying the guidance at the date of initial application, January 1, 2018.

The Group's assessment of the impact of the New Revenue Standards includes a detailed review of all material revenue arrangements and a comparison of its historical accounting policies and practices to the New Revenue Standards.

The Group evaluated the impact of the New Revenue Standards on the principal versus agent consideration on its Services and Right to Use Arrangements. Currently, the revenues from provision of gaming related services received under the Services and Right to Use Arrangements are presented on a net basis. The Group has determined that the New Revenue Standards will not change our previous net presentation.

The Group also determined that under the New Revenue Standards, complimentary services provided to Studio City Casino's gaming patrons that are deducted from the gross gaming revenues, will be measured based on stand-alone selling prices, replacing the currently used retail values, if different. Accordingly, the amount of non-gaming revenues associated with the provision of these complimentary services by the Group will also be measured on the same basis. This change would impact the amount of revenues from the provision of gaming related services received by the Group with corresponding changes to the non-gaming revenues.

Additionally, the Group evaluated the impact of the New Revenue Standards on the non-discretionary incentives (including the loyalty program) provided to Studio City Casino's gaming patrons, which are

administered by Melco Resorts Macau. Currently, the estimated costs of the non-discretionary incentives are deducted from the gross gaming revenues before the residual amount is transferred to the Group. The New Revenue Standards would change Melco Resorts Macau's measurement for the non-discretionary incentives from currently used estimated costs to stand-alone selling prices, which would impact the amount of revenues from provision of gaming related services received by the Group. Similarly, upon redemptions of the non-discretionary incentives which relate to the non-gaming services provided by the Group, the associated non-gaming revenues will be measured on the same basis. At the adoption date, the Group expects to record an increase in the opening balance of accumulated losses by an amount not exceed $3,500.

The Group does not anticipate any significant implementation issues from the adoption of the New Revenue Standards and is continuing its assessment of potential changes to the disclosures under the New Revenue Standards.

(vi) In February 2016, the FASB issued an accounting standards update on leases, which amends various aspects of existing accounting guidance for leases. The guidance requires all lessees to recognize a lease liability and a right-of-use asset, measured at the present value of the future minimum lease payments, at the lease commencement date. Lessor accounting remains largely unchanged under the new guidance. The guidance is effective for public business entities for interim and fiscal years beginning after December 15, 2018, with early adoption permitted. In July 2018, the FASB issued an accounting standards update which provides entities with an additional transition method to adopt the new leases standard. The guidance can be applied using a modified retrospective approach either (a) at the beginning of the earliest period presented or (b) on the adoption date with a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption. The amendments also provide lessors with a practical expedient to not separate nonlease components from the associated lease component if certain conditions are met. Management is currently assessing the potential impact of adopting this guidance on the Group's consolidated financial statements. The Group anticipates the primary effect upon adoption of this guidance is an increase in assets and liabilities on the accompanying consolidated balance sheet.

## 3. ACCOUNTS RECEIVABLE, NET

Components of accounts receivable, net are as follows:

| | December 31, | |
|---|---|---|
| | 2017 | 2016 |
| Hotel | $1,415 | $1,915 |
| Other | 1,518 | 1,493 |
| Sub-total | 2,933 | 3,408 |
| Less: allowance for doubtful debts | (588) | (588) |
| | $2,345 | $2,820 |

During the years ended December 31, 2017, 2016 and 2015, the Group has made additional provision for doubtful debts of $33, $588 and nil, respectively, and $33, nil and nil were written off during the years ended December 31, 2017, 2016 and 2015, respectively.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(In thousands of U.S. dollars, except share and per share data)

## 4. PROPERTY AND EQUIPMENT, NET

| | December 31, 2017 | December 31, 2016 |
|---|---|---|
| Cost | | |
| Buildings | $2,326,063 | $2,326,131 |
| Furniture, fixtures and equipment | 197,934 | 201,721 |
| Leasehold improvements | 72,859 | 58,182 |
| Motor vehicles | 3 | 3 |
| Construction in progress | 10,734 | 8,782 |
| Sub-total | 2,607,593 | 2,594,819 |
| Less: accumulated depreciation and amortization | (327,477) | (175,409) |
| Property and equipment, net | $2,280,116 | $2,419,410 |

As of December 31, 2017 and 2016, construction in progress in relation to Studio City included interest capitalized in accordance with applicable accounting standards and other direct incidental costs capitalized which, in the aggregate, amounted to $2,556 and $2,158, respectively.

## 5. LAND USE RIGHT, NET

| | December 31, 2017 | December 31, 2016 |
|---|---|---|
| Cost | $178,464 | $178,464 |
| Less: accumulated amortization | (52,792) | (49,469) |
| Land use right, net | $125,672 | $128,995 |

## 6. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

| | December 31, 2017 | December 31, 2016 |
|---|---|---|
| Property and equipment payables | $ 103,503 | $ 112,251 |
| Operating expense and other accruals and liabilities | 47,928 | 40,031 |
| Customer deposits and ticket sales | 4,409 | 4,213 |
| | $ 155,840 | $ 156,495 |

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(In thousands of U.S. dollars, except share and per share data)

## 7. LONG-TERM DEBT, NET

Long-term debt, net consisted of the following:

| | December 31, 2017 | December 31, 2016 |
|---|---|---|
| 2012 Studio City Notes (net of unamortized deferred financing costs of $7,493 and $9,657, respectively) | $ 817,507 | $ 815,343 |
| 2016 Studio City Credit Facilities(1) | 129 | 129 |
| 2016 5.875% SC Secured Notes (net of unamortized deferred financing costs of $4,580 and $6,753, respectively) | 345,420 | 343,247 |
| 2016 7.250% SC Secured Notes (net of unamortized deferred financing costs of $13,702 and $16,596, respectively) | 836,298 | 833,404 |
| | $1,999,354 | 1,992,123 |

Note

(1) Unamortized deferred financing costs of $1,686 and $2,055 as of December 31, 2017 and 2016, respectively, related to the 2016 SC Revolving Credit Facility of 2016 Studio City Credit Facilities are included in long-term prepayments, deposits and other assets in the accompanying consolidated balance sheet.

### 2012 Studio City Notes

On November 26, 2012, Studio City Finance Limited (“Studio City Finance”), a subsidiary of the Company, issued $825,000 in aggregate principal amount of 8.5% senior notes due 2020 (the “2012 Studio City Notes”) and priced at 100%. The 2012 Studio City Notes mature on December 1, 2020 and the interest on the 2012 Studio City Notes is accrued at a rate of 8.5% per annum and is payable semi-annually in arrears on June 1 and December 1 of each year, commenced on June 1, 2013. Studio City Finance used the net proceeds from the offering to fund the Studio City project with conditions and sequence for disbursements in accordance with an agreement.

The 2012 Studio City Notes are general obligations of Studio City Finance, secured by a first-priority security interest in certain specified bank accounts incidental to the 2012 Studio City Notes and a pledge of certain intercompany loans as defined under the 2012 Studio City Notes, rank equally in right of payment to all existing and future senior indebtedness of Studio City Finance and rank senior in right of payment to any existing and future subordinated indebtedness of Studio City Finance. The 2012 Studio City Notes are effectively subordinated to all of Studio City Finance’s existing and future secured indebtedness to the extent of the value of the property and assets securing such indebtedness. All of the existing subsidiaries of Studio City Finance and any other future restricted subsidiaries that provide guarantees of certain specified indebtedness (including the 2016 Studio City Credit Facilities (which amended and restated the Studio City Project Facility) as described below) (the “2012 Studio City Notes Guarantors”) jointly, severally and unconditionally guarantee the 2012 Studio City Notes on a senior basis (the “2012 Studio City Notes Guarantees”). The 2012 Studio City Notes Guarantees are general obligations of the 2012 Studio City Notes Guarantors, rank equally in right of payment with all existing and future senior indebtedness of the 2012 Studio City Notes Guarantors and rank senior in right of payment to any existing and future subordinated indebtedness of the 2012 Studio City Notes Guarantors. The 2012 Studio City Notes Guarantees are effectively subordinated to the 2012 Studio City Notes Guarantors’

obligations under the 2016 Studio City Credit Facilities and the 2016 Studio City Secured Notes as described below and any future secured indebtedness that is secured by property and assets of the 2012 Studio City Notes Guarantors to the extent of the value of such property and assets.

At any time on or after December 1, 2015, Studio City Finance has the option to redeem all or a portion of the 2012 Studio City Notes at any time at fixed redemption prices that decline ratably over time and also has the option to redeem in whole, but not in part the 2012 Studio City Notes at fixed redemption prices under certain circumstances and subject to certain exceptions as more fully described in the indenture governing the 2012 Studio City Notes.

The indenture governing the 2012 Studio City Notes contains certain covenants that, subject to certain exceptions and conditions, limit the ability of Studio City Finance and its restricted subsidiaries to, among other things: (i) incur or guarantee additional indebtedness; (ii) make specified restricted payments; (iii) issue or sell capital stock; (iv) sell assets; (v) create liens; (vi) enter into agreements that restrict the restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans; (vii) enter into transactions with shareholders or affiliates; and (viii) effect a consolidation or merger. The indenture governing the 2012 Studio City Notes also contains conditions and events of default customary for such financings.

There are provisions under the indenture governing the 2012 Studio City Notes that limit or prohibit certain payments of dividends and other distributions by Studio City Finance and its restricted subsidiaries to companies or persons who are not Studio City Finance or restricted subsidiaries of Studio City Finance, subject to certain exceptions and conditions. As of December 31, 2017, the net assets of Studio City Finance and its restricted subsidiaries of approximately $731,000 were restricted from being distributed under the terms of the 2012 Studio City Notes.

**Studio City Project Facility**

On January 28, 2013, Studio City Company Limited ("Studio City Company" or the "Studio City Borrower"), a subsidiary of the Company, entered into a HK$10,855,880,000 (equivalent to $1,395,357) senior secured credit facilities agreement, as amended from time to time (the "Studio City Project Facility"), consisted of a HK$10,080,460,000 (equivalent to $1,295,689) term loan facility (the "Studio City Term Loan Facility") and a HK$775,420,000 (equivalent to $99,668) revolving credit facility (the "Studio City Revolving Credit Facility"), both of which were denominated in Hong Kong dollars to fund the Studio City project. On November 18, 2015, the Studio City Borrower amended the Studio City Project Facility including changing the Studio City project opening date condition from 400 to 250 tables, consequential adjustments to the financial covenants, and rescheduling the commencement of financial covenant testing (the "Amendments to the Studio City Project Facility"). The Group recorded a $7,011 costs associated with debt modification during the year ended December 31, 2015 in connection with the Amendments to the Studio City Project Facility.

On November 30, 2016, the Studio City Project Facility was further amended and restated (and defined as the "2016 Studio City Credit Facilities") as described below. On November 30, 2016 (December 1, 2016 Hong Kong time), the Studio City Borrower rolled over HK$1,000,000 (equivalent to $129) of the Studio City Term Loan Facility under the Studio City Project Facility into the 2016 SC Term Loan Facility as described below under the 2016 Studio City Credit Facilities, and repaid in full the remaining outstanding amount of the Studio City Term Loan Facility under the Studio City Project Facility of HK$9,777,046,200 (equivalent to $1,256,690) with net proceeds from the offering of the 2016 Studio City Secured Notes as described below together with cash on hand.

The indebtedness under the Studio City Project Facility was guaranteed by Studio City Investments Limited ("Studio City Investments"), a subsidiary of the Company which holds 100% direct interest in Studio City Company, and its subsidiaries (other than the Studio City Borrower). Security for the Studio City Project Facility included: a first-priority mortgage over the land where Studio City is located, such mortgage will also cover all present and any future buildings on, and fixtures to, the relevant land; an assignment of any land use rights under land concession agreements, leases or equivalent; all bank accounts of Studio City Investments and its subsidiaries; as well as other customary security. All bank accounts of Melco Resorts Macau related solely to the operations of the Studio City gaming area which were funded from the proceeds of the Studio City Project Facility were pledged as security for the Studio City Project Facility and related finance documents. Upon the amendment to the Studio City Project Facility to 2016 Studio City Credit Facilities on November 30, 2016 as described below, those restricted bank accounts pledged under Studio City Project Facility and related finance documents were reclassified from restricted cash to cash and cash equivalents in the consolidated balance sheets. As of December 31, 2017, all bank accounts of Melco Resorts Macau related solely to the operations of the Studio City gaming area are pledged under 2016 Studio City Credit Facilities and related finance documents.

The Studio City Project Facility contained certain covenants for such financings and there were provisions that limited or prohibited certain payments of dividends and other distributions by Studio City Investments, the Studio City Borrower and its subsidiaries (together, the "Studio City Borrowing Group") to companies or persons who were not members of the Studio City Borrowing Group.

Borrowings under the Studio City Project Facility bore interest at Hong Kong Interbank Offered Rate ("HIBOR") plus a margin of 4.50% per annum until September 30, 2016, at which time the Studio City Project Facility bore interest at HIBOR plus a margin ranging from 3.75% to 4.50% per annum as determined in accordance with the total leverage ratio in respect of the Studio City Borrowing Group. The Studio City Borrower was obligated to pay a commitment fee on the undrawn amount of the Studio City Project Facility and recognized loan commitment fees on the Studio City Project Facility of $1,647 and $1,794 during the years ended December 31, 2016 and 2015, respectively.

In connection with the Studio City Project Facility, the Company was required to procure a contingent equity undertaking or similar (with a liability cap of $225,000) granted in favor of the security agent for the Studio City Project Facility to, amongst other things, pay agreed project costs (i) associated with construction of Studio City and (ii) for which the facility agent under the Studio City Project Facility has determined there was no other available funding under the terms of the Studio City Project Facility. In support of such contingent equity undertaking, the Company had deposited a bank balance of $225,000 in an account secured in favor of the security agent for the Studio City Project Facility ("Cash Collateral"), which was required to be maintained until the construction completion date of the Studio City had occurred, certain debt service reserve and accrual accounts had been funded to the required balance and the financial covenants had been complied with. The Amendments to the Studio City Project Facility on November 18, 2015 included a creation of a new secured liquidity account ("Liquidity Account") to be held in the name of the Studio City Borrower and to be credited with the Cash Collateral as a liquidity amount for the general corporate and working capital purposes of the Studio City group. On November 30, 2015, the Cash Collateral was transferred to the Liquidity Account and was released from restricted cash.

The Studio City Borrower was required in accordance with the terms of the Studio City Term Loan Facility to enter into agreements to ensure that at least 50% of the aggregate of drawn Studio City Term Loan Facility and the 2012 Studio City Notes were subject to interest rate protection, by way of interest rate swap agreements, caps, collars or other agreements agreed with the facility agent under the Studio City Project Facility to limit the

impact of increases in interest rates on its floating rate debt, for a period of not less than three years from the date of the first drawdown of the Studio City Term Loan Facility on July 28, 2014. During the years ended December 31, 2016 and 2015, the Studio City Borrower entered into certain floating-for-fixed interest rate swap agreements to limit its exposure to interest rate risk. Under the interest rate swap agreements, the Studio City Borrower paid a fixed interest rate of the notional amount, and received variable interest which was based on the applicable HIBOR for each of the payment dates. The interest rate protection requirement was removed upon the 2016 Studio City Credit Facilities became effective on November 30, 2016. As of December 31, 2016, there were no outstanding interest rate swap agreements entered by the Studio City Borrower.

**2016 Studio City Credit Facilities**

On November 30, 2016, the Studio City Borrower amended and restated the Studio City Project Facility (the "2016 Studio City Credit Facilities"), among other things: (i) reduced the size of the then total available facilities from HK$10,855,880,000 (equivalent to $1,395,357) to HK$234,000,000 (equivalent to $30,077), comprising a HK$1,000,000 (equivalent to $129) term loan facility (the "2016 SC Term Loan Facility") which is rolled over from the Studio City Term Loan Facility under the Studio City Project Facility and a HK$233,000,000 (equivalent to $29,948) revolving credit facility (the "2016 SC Revolving Credit Facility"); (ii) removed certain lenders originally under the Studio City Project Facility; (iii) extended the repayment maturity date; and (iv) reduced and removed certain restrictions imposed by the covenants in the Studio City Project Facility, including but not limited to, increased flexibility to move cash within borrowing group which included Studio City Investments, the Studio City Borrower and its subsidiaries as defined under the 2016 Studio City Credit Facilities (the "2016 Studio City Borrowing Group"), removed all maintenance financial covenants and reduced reporting requirements. The amendment of the Studio City Project Facility to the 2016 Studio City Credit Facilities and the issuance of 2016 Studio City Secured Notes (as described below) are connected to the refinancing of the Studio City Project Facility. In determining whether the refinancing of the Studio City Project Facility was to be accounted for as a debt extinguishment or modification, the Group considered whether creditors remained the same or changed and whether the change in debt terms was substantial. Accordingly, the Group recorded a $17,435 loss on extinguishment of debt and a $8,101 costs associated with debt modification during the year ended December 31, 2016 in connection with such amendments. As of December 31, 2017, the 2016 SC Term Loan Facility had been fully drawn down with an outstanding amount of HK$1,000,000 (equivalent to $129), and the entire 2016 SC Revolving Credit Facility of HK$233,000,000 (equivalent to $29,948) remains available for future drawdown as of December 31, 2017.

The 2016 SC Term Loan Facility and the 2016 SC Revolving Credit Facility mature on November 30, 2021 (December 1, 2021 Hong Kong time). The 2016 SC Term Loan Facility has to be repaid at maturity with no interim amortization payments. The 2016 SC Revolving Credit Facility is available from January 1, 2017 up to the date that is one month prior to the 2016 SC Revolving Credit Facility's final maturity date. The 2016 SC Term Loan Facility is collateralized by cash collateral equal to HK$1,012,500 (equivalent to $130) (representing the principal amount of the 2016 SC Term Loan Facility plus expected interest expense in respect of the 2016 SC Term Loan Facility for one financial quarter). The Studio City Borrower is subject to mandatory prepayment requirements in respect of various amounts of the 2016 SC Revolving Credit Facility as specified in the 2016 Studio City Credit Facilities; in the event of the disposal of all or substantially all of the business and assets of the 2016 Studio City Borrowing Group, the 2016 Studio City Credit Facilities are required to be repaid in full. In the event of a change of control, the Studio City Borrower may be required, at the election of any lender under the 2016 Studio City Credit Facilities, to repay such lender in full (other than in respect of the principal amount of the 2016 SC Term Loan Facility).

The indebtedness under the 2016 Studio City Credit Facilities is guaranteed by Studio City Investments and its subsidiaries (other than the Studio City Borrower), which apply on and from November 30, 2016. Security for the 2016 Studio City Credit Facilities includes a first-priority mortgage over any rights under land concession contract of Studio City and an assignment of certain leases or rights to use agreements; as well as other customary security. The 2016 Studio City Credit Facilities contain certain affirmative and negative covenants customary for such financings, as well as affirmative, negative and financial covenants equivalent to those contained in the 2016 Studio City Secured Notes. The 2016 Studio City Credit Facilities are secured, on an equal basis with the 2016 Studio City Secured Notes, by substantially all of the material assets of Studio City Investments and its subsidiaries (other than the Studio City Borrower) (although obligations under the 2016 Studio City Credit Facilities that are secured by common collateral securing the 2016 Studio City Secured Notes will have priority over the 2016 Studio City Secured Notes with respect to any proceeds received upon any enforcement action of such common collateral). In addition, the 2016 Studio City Secured Notes are also separately secured by certain specified bank accounts.

The 2016 Studio City Credit Facilities contain certain covenants that, subject to certain exceptions and conditions, limit the ability of Studio City Company, Studio City Investments and their respective restricted subsidiaries to, among other things: (i) incur or guarantee additional indebtedness and issue certain preferred stock; (ii) make specified restricted payments (including dividends and distribution with respect to shares of Studio City Company) and investments; (iii) prepay or redeem subordinated debt or equity and make payments of principal of the 2012 Studio City Notes; (iv) issue or sell capital stock; (v) transfer, lease or sell assets; (vi) create or incur certain liens; (vii) impair the security interests in the Collateral as defined below; (viii) enter into agreements that restrict the restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans; (ix) change the nature of the business of the relevant group; (x) enter into transactions with shareholders or affiliates; and (xi) effect a consolidation or merger. The 2016 Studio City Credit Facilities also contains conditions and events of default customary for such financings.

There are provisions that limit certain payments of dividends and other distributions by the 2016 Studio City Borrowing Group to companies or persons who are not members of the 2016 Studio City Borrowing Group. As of December 31, 2017, the net assets of Studio City Investments and its restricted subsidiaries of approximately $761,000 were restricted from being distributed under the terms of the 2016 Studio City Credit Facilities.

Borrowings under the 2016 Studio City Credit Facilities bear interest at HIBOR plus a margin of 4% per annum. The Studio City Borrower may select an interest period for borrowings under the 2016 Studio City Credit Facilities of one, two, three or six months or any other agreed period. The Studio City Borrower is obligated to pay a commitment fee from January 1, 2017 on the undrawn amount of the 2016 SC Revolving Credit Facility and recognized loan commitment fees on the 2016 SC Revolving Credit Facility of $419 during the year ended December 31, 2017.

**2016 Studio City Secured Notes**

On November 30, 2016, Studio City Company issued $350,000 in aggregate principal amount of 5.875% senior secured notes due 2019 (the "2016 5.875% SC Secured Notes") and $850,000 in aggregate principal amount of 7.250% senior secured notes due 2021 (the "2016 7.250% SC Secured Notes" and together with the 2016 5.875% SC Secured Notes, the "2016 Studio City Secured Notes") and both priced at 100%. The 2016 5.875% SC Secured Notes and 2016 7.250% SC Secured Notes mature on November 30, 2019 and November 30, 2021, respectively, and the interest on the 2016 5.875% SC Secured Notes and 2016 7.250% SC Secured Notes is accrued at a rate of 5.875% and 7.250% per annum, respectively, and is payable semi-annually in arrears on May 30 and November 30 of each year, commenced on May 30, 2017.

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The 2016 Studio City Secured Notes are senior secured obligations of Studio City Company, rank equally in right of payment with all existing and future senior indebtedness of Studio City Company (although any liabilities in respect of obligations under the 2016 Studio City Credit Facilities that are secured by common collateral securing the 2016 Studio City Secured Notes will have priority over the 2016 Studio City Secured Notes with respect to any proceeds received upon any enforcement action of such common collateral) and rank senior in right of payment to any existing and future subordinated indebtedness of Studio City Company and effectively subordinated to Studio City Company's existing and future secured indebtedness that is secured by assets that do not secure the 2016 Studio City Secured Notes, to the extent of the assets securing such indebtedness. All of the existing subsidiaries of Studio City Investments (other than Studio City Company) and any other future restricted subsidiaries that provide guarantees of certain specified indebtedness (including the 2016 Studio City Credit Facilities) (the "2016 Studio City Secured Notes Guarantors") jointly, severally and unconditionally guarantee the 2016 Studio City Secured Notes on a senior basis (the "2016 Studio City Secured Notes Guarantees"). The 2016 Studio City Secured Notes Guarantees are senior obligations of the 2016 Studio City Secured Notes Guarantors, rank equally in right of payment with all existing and future senior indebtedness of the 2016 Studio City Secured Notes Guarantors and rank senior in right of payment to any existing and future subordinated indebtedness of the 2016 Studio City Secured Notes Guarantors. The 2016 Studio City Secured Notes Guarantees are pari passu to the 2016 Studio City Secured Notes Guarantors' obligations under the 2016 Studio City Credit Facilities, and effectively subordinated to any future secured indebtedness that is secured by assets that do not secure the 2016 Studio City Secured Notes and the 2016 Studio City Secured Notes Guarantees, to the extent of the value of the assets.

The common collateral (shared with the 2016 Studio City Credit Facilities) includes a first-priority mortgage over any rights under land concession contract of Studio City and an assignment of certain leases or rights to use agreements; as well as other customary security. Each series of the 2016 Studio City Secured Notes is secured by the common collateral and, in addition, certain bank accounts (together with the common collateral, the "Collateral").

On November 30, 2016 (December 1, 2016 Hong Kong time), the Group used the net proceeds from the offering, together with cash on hand, to fund the repayment of the Studio City Project Facility.

Studio City Company has the option to redeem all or a portion of the 2016 5.875% SC Secured Notes at any time prior to November 30, 2019, at a "make-whole" redemption price. In addition, Studio City Company has the option to redeem up to 35% of the 2016 5.875% SC Secured Notes with the net cash proceeds of certain equity offerings at a fixed redemption price at any time prior to November 30, 2019. Further, under certain circumstances and subject to certain exceptions as more fully described in the indenture governing the 2016 Studio City Secured Notes, Studio City Company also has the option to redeem in whole, but not in part the 2016 5.875% SC Secured Notes at fixed redemption prices.

Studio City Company has the option to redeem all or a portion of the 2016 7.250% SC Secured Notes at any time prior to November 30, 2018, at a "make-whole" redemption price. Thereafter, Studio City Company has the option to redeem all or a portion of the 2016 7.250% SC Secured Notes at any time at fixed redemption prices that decline ratably over time. In addition, Studio City Company has the option to redeem up to 35% of the 2016 7.250% SC Secured Notes with the net cash proceeds of certain equity offerings at a fixed redemption price at any time prior to November 30, 2018. Further, under certain circumstances and subject to certain exceptions as more fully described in the indenture governing the 2016 Studio City Secured Notes, Studio City Company also has the option to redeem in whole, but not in part the 2016 7.250% SC Secured Notes at fixed redemption prices.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
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In the event that the 2012 Studio City Notes are not refinanced or repaid in full by June 1, 2020 in accordance with the terms of the 2016 7.250% SC Secured Notes (and in the case of a refinancing, with refinancing indebtedness with a weighted average life to maturity no earlier than 90 days after the stated maturity date of the 2016 7.250% SC Secured Notes), each holder of the 2016 7.250% SC Secured Notes will have the right to require Studio City Company to repurchase all or any part of such holder's 2016 7.250% SC Secured Notes at a fixed redemption price.

The indenture governing the 2016 Studio City Secured Notes contains certain covenants that, subject to certain exceptions and conditions, limit the ability of Studio City Company, Studio City Investments and their respective restricted subsidiaries to, among other things: (i) incur or guarantee additional indebtedness and issue certain preferred stock; (ii) make specified restricted payments (including dividends and distribution with respect to shares of Studio City Company) and investments; (iii) prepay or redeem subordinated debt or equity and make payments of principal of the 2012 Studio City Notes; (iv) issue or sell capital stock; (v) transfer, lease or sell assets; (vi) create or incur certain liens; (vii) impair the security interests in the Collateral; (viii) enter into agreements that restrict the restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans; (ix) change the nature of the business of the relevant group; (x) enter into transactions with shareholders or affiliates; and (xi) effect a consolidation or merger. The indenture governing the 2016 Studio City Secured Notes also contains conditions and events of default customary for such financings.

There are provisions under the indenture governing the 2016 Studio City Secured Notes that limit or prohibit certain payments of dividends and other distributions by Studio City Company, Studio City Investments and their respective restricted subsidiaries to companies or persons who are not Studio City Company, Studio City Investments and their respective restricted subsidiaries, subject to certain exceptions and conditions. As of December 31, 2017, the net assets of Studio City Investments and its restricted subsidiaries of approximately $761,000 were restricted from being distributed under the terms of the 2016 Studio City Secured Notes.

During the years ended December 31, 2017, 2016 and 2015, the Group's average borrowing rates were approximately 7.52%, 6.33% and 6.20% per annum, respectively.

Scheduled maturities of the long-term debt (excluding unamortized deferred financing costs) as of December 31, 2017 are as follows:

| Year ending December 31, | |
|---|---|
| 2018 | $ — |
| 2019 | 350,000 |
| 2020 | 825,000 |
| 2021 | 850,129 |
| 2022 | — |
| | $ 2,025,129 |

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
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## 8. FAIR VALUE MEASUREMENTS

Authoritative literature provides a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The level in the hierarchy within which the fair value measurement in its entirety falls is based upon the lowest level of input that is significant to the fair value measurement as follows:

- Level 1—inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.
- Level 2—inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3—inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models and similar techniques.

The carrying values of cash and cash equivalents, bank deposits with original maturities over three months and restricted cash approximated fair value and were classified as level 1 in the fair value hierarchy. The carrying values of long-term deposits and other long-term liabilities approximated fair value and were classified as level 2 in the fair value hierarchy. The estimated fair value of long-term debt as of December 31, 2017 and 2016, which included the 2016 Studio City Secured Notes, the 2016 Studio City Credit Facilities and the 2012 Studio City Notes, were approximately $2,108,138 and $2,103,432, respectively, as compared to its carrying value, excluding unamortized deferred financing costs, of $2,025,129 and $2,025,129, respectively. Fair values were estimated using quoted market prices and were classified as level 1 in the fair value hierarchy for the 2016 Studio City Secured Notes and the 2012 Studio City Notes. Fair value for the 2016 Studio City Credit Facilities approximated the carrying value as the instrument carried variable interest rates approximated the market rates and was classified as level 2 in the fair value hierarchy.

As of December 31, 2017 and 2016, the Group did not have any non-financial assets or liabilities that are recognized or disclosed at fair value in the consolidated financial statements.

## 9. CAPITAL STRUCTURE

As of December 31, 2017 and 2016, the Company's authorized share capital was 200,000 shares of $1 par value per share and 18,127.94 ordinary shares were issued and fully paid.

## 10. INCOME TAXES

Loss before income tax consisted of:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Macau operations | $ 83,201 | $ (50,983) | $(184,375) |
| Hong Kong and other jurisdictions' operations | (159,877) | (191,332) | (47,832) |
| Loss before income tax | $ (76,676) | $(242,315) | $(232,207) |

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(In thousands of U.S. dollars, except share and per share data)

The income tax (credit) expense consisted of:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Income tax (credit) expense—deferred: | | | |
| Macau Complementary Tax | $ (239) | $ 474 | $ 353 |

A reconciliation of the income tax (credit) expense from loss before income tax per the consolidated statements of operations is as follows:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Loss before income tax | $(76,676) | $(242,315) | $(232,207) |
| Macau Complementary Tax rate | 12% | 12% | 12% |
| Income tax credit at Macau Complementary Tax rate | (9,201) | (29,078) | (27,865) |
| Effect of income for which no income tax expense is payable | — | (1) | (283) |
| Effect of expenses for which no income tax benefit is receivable | 20,190 | 23,820 | 7,295 |
| Effect of profits exempted from Macau Complementary Tax | (29,833) | (11,890) | — |
| Losses that cannot be carried forward | — | — | 979 |
| Change in valuation allowance | 18,605 | 17,623 | 20,227 |
| | $ (239) | $ 474 | $ 353 |

The Company and certain of its subsidiaries are exempt from tax in BVI, where they are incorporated. The Company's remaining subsidiaries incorporated in Macau and Hong Kong are subject to Macau Complementary Tax and Hong Kong Profits Tax, respectively, during the years ended December 31, 2017, 2016 and 2015.

Macau Complementary Tax and Hong Kong Profits Tax are provided at 12% and 16.5% on the estimated taxable income earned in or derived from Macau and Hong Kong, respectively, during the years ended December 31, 2017, 2016 and 2015, if applicable.

One of the Company's subsidiaries in Macau has been exempted from Macau Complementary Tax on profits generated from income received from Melco Resorts Macau under the Services and Right to Use Arrangements until 2016, to the extent that such income is derived from Studio City gaming operations and has been subject to gaming tax pursuant to a notice issued by the Macau Government in January 2015. Additionally, this subsidiary received an exemption for an additional five years from 2017 to 2021 pursuant to the approval notice issued by the Macau Government in January 2017. The non-gaming profits and dividend distributions of such subsidiary to its shareholders continue to be subject to Macau Complementary Tax.

During the years ended December 31, 2017 and 2016, had the Group not received the income tax exemption on profits generated from income received from Melco Resorts Macau under the Services and Right to Use Arrangements, the Group's consolidated net loss for the years ended December 31, 2017 and 2016 would have been increased by $29,833 and $11,890, and diluted loss per share would have been increased by $1,646 and $656 per share, respectively. During the year ended December 31, 2015, the Company's subsidiary in Macau reported net loss generated from income received from Melco Resorts Macau under the Services and Right to Use Arrangements and there was no effect of the tax holiday on the Group's consolidated net loss and on the diluted loss per share for the year ended December 31, 2015.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
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The effective tax rates for the years ended December 31, 2017, 2016 and 2015 were positive rate of 0.3%, negative rate of 0.2% and negative rate of 0.2%, respectively. Such rates for the years ended December 31, 2017, 2016 and 2015 differ from the statutory Macau Complementary Tax rate of 12% primarily due to the effect of expenses for which no income tax benefits are receivable and the effect of changes in valuation allowances for the relevant years together with the effect of profits exempted from Macau Complementary Tax for the years ended December 31, 2017 and 2016.

The net deferred tax liabilities as of December 31, 2017 and 2016 consisted of the following:

| | December 31, | |
|---|---|---|
| | 2017 | 2016 |
| Deferred tax assets | | |
| Net operating losses carried forward | $ 48,751 | $ 35,830 |
| Depreciation and amortization | 9,690 | 4,037 |
| Deferred deductible expenses | 1,052 | 2,454 |
| Sub-total | 59,493 | 42,321 |
| Valuation allowances | (59,493) | (42,321) |
| Total deferred tax assets | — | — |
| Deferred tax liabilities | | |
| Unrealized capital allowances | (588) | (827) |
| Total deferred tax liabilities | (588) | (827) |
| Deferred tax liabilities, net | $ (588) | $ (827) |

As of December 31, 2017 and 2016, valuation allowances of $59,493 and $42,321 were provided, respectively, as management believes that it is more likely than not that these deferred tax assets will not be realized. As of December 31, 2017, adjusted operating tax losses carry forward, amounting to $169,549, $124,029 and $112,684 will expire in 2018, 2019 and 2020, respectively. Adjusted operating tax losses carried forward of $5,097 expired during the year ended December 31, 2017.

Deferred tax, where applicable, is provided under the asset and liability method at the enacted statutory income tax rate of the respective tax jurisdictions, applicable to the respective financial years, on the difference between the consolidated financial statements carrying amounts and income tax base of assets and liabilities.

Undistributed earnings of a foreign subsidiary of the Company available for distribution to the Company of approximately $337,024 and $88,419 as at December 31, 2017 and 2016, respectively, are considered to be indefinitely reinvested. Accordingly, no provision has been made for the dividend withholding taxes that would be payable upon the distribution of those amounts to the Company. If those earnings were to be distributed or they were determined to be no longer permanently reinvested, the Company would have to record a deferred income tax liability in respect of those undistributed earnings of approximately $40,443 and $10,610 as at December 31, 2017 and 2016, respectively.

An evaluation of the tax positions for recognition was conducted by the Group by determining if the weight of available evidence indicates it is more likely than not that the positions will be sustained on audit, including resolution of related appeals or litigation processes, if any. Uncertain tax benefits associated with the tax

positions were measured based solely on the technical merits of being sustained on examinations. The Group concluded that there was no significant uncertain tax positions requiring recognition in the consolidated financial statements for the years ended December 31, 2017, 2016 and 2015 and there are no material unrecognized tax benefits which would favorably affect the effective income tax rates in future periods. As of December 31, 2017 and 2016, there were no interest and penalties related to uncertain tax positions recognized in the consolidated financial statements. The Group does not anticipate any significant increases or decreases to its liability for unrecognized tax benefits within the next twelve months.

The income tax returns of the Company's subsidiaries remain open and subject to examination by the tax authorities of Macau and Hong Kong until the statute of limitations expire in each corresponding jurisdiction. The statute of limitations in Macau and Hong Kong are five years and six years, respectively.

## 11. EMPLOYEE BENEFIT PLANS

The Group provides defined contribution plans for its employees in Macau. Certain executive officers of the Group are members of defined contribution plan in Hong Kong operated by Melco. During the years ended December 31, 2017, 2016 and 2015, the Group's contributions into these plans were $85, $11 and $176, respectively.

## 12. DISTRIBUTION OF PROFITS

All subsidiaries of the Company incorporated in Macau are required to set aside a minimum of 25% of the entity's profit after taxation to the legal reserve until the balance of the legal reserve reaches a level equivalent to 50% of the entity's share capital in accordance with the provisions of the Macau Commercial Code. The legal reserve sets aside an amount from the subsidiaries' statements of operations and is not available for distribution to the shareholders of the subsidiaries. The appropriation of legal reserve is recorded in the subsidiaries' financial statements in the year in which it is approved by the board of directors of the relevant subsidiaries. As of December 31, 2017 and 2016, the balance of the reserve amounted to $6 and nil, respectively.

The Group's borrowings, subject to certain exceptions and conditions, contain certain restrictions on paying dividends and other distributions, as defined in the respective indentures governing the relevant senior notes, credit facility agreements and other associated agreements, details of which are disclosed in Note 7 under each of the respective borrowings.

During the years ended December 31, 2017, 2016 and 2015, the Company did not declare or pay any cash dividends on the ordinary shares. No dividends have been proposed since the end of the reporting period.

## 13. COMMITMENTS AND CONTINGENCIES

### *(a) Capital Commitments*

As of December 31, 2017, the Group had capital commitments contracted for but not incurred for the construction and acquisition of property and equipment for Studio City totaling $10,668.

### *(b) Lease Commitments*

*As Grantor of Operating Leases*

The Group entered into non-cancellable operating agreements mainly for mall spaces in Studio City with various retailers that expire at various dates through October 2025. Certain of the operating agreements include

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(In thousands of U.S. dollars, except share and per share data)

minimum base fees with escalated contingent fee clauses. During the years ended December 31, 2017, 2016 and 2015, the Group earned contingent fees of $10,216, $9,732 and $1,330, respectively.

As of December 31, 2017, minimum future fees to be received under all non-cancellable operating agreements were as follows:

| Year ending December 31, | |
|---|---|
| 2018 | $19,868 |
| 2019 | 18,383 |
| 2020 | 12,055 |
| 2021 | 2,779 |
| 2022 | — |
| | $53,085 |

The total minimum future fees do not include the escalated contingent fee clauses.

***(c) Other Commitment***

*Land Concession Contract*

One of the Company's subsidiaries has entered into a concession contract for the land in Macau on which Studio City is located ("Studio City Land"). The title to the land lease right is obtained once the related land concession contract is published in the Macau official gazette. The contract has a term of 25 years, which is renewable for further consecutive periods of 10 years, subject to applicable legislation in Macau. The Company's land holding subsidiary is required to i) pay an upfront land premium, which is recognized as land use right in the consolidated balance sheets and a nominal annual government land use fee, which is recognized as general and administrative expense and may be adjusted every five years; and ii) place a guarantee deposit upon acceptance of the land lease terms, which is subject to adjustments from time to time in line with the amounts paid as annual land use fee. During the land concession term, amendments have been sought which have or will result in revisions to the development conditions, land premium and government land use fees.

On September 23, 2015, the Macau Government published in the Macau official gazette the final amendment for revision of the land concession contract for Studio City Land. Such amendment reflected the change to build a five-star hotel to a four-star hotel. According to the revised land amendment, the government land use fees were $490 per annum during the development period of Studio City; and $1,131 per annum after the development period. In February 2018, the Macau Government granted an extension of the development period under the land concession contract for Studio City Land to July 24, 2021. As of December 31, 2017, the Group's total commitment for government land use fees for Studio City Land to be paid during the remaining term of the land concession contract which expires in October 2026 was $9,203.

***(d) Guarantee***

Except as disclosed in Note 7, the Group has made the following significant guarantee as of December 31, 2017:

**Trade Credit Facility**

In October 2013, one of the Company's subsidiaries entered into a trade credit facility agreement of HK$200,000,000 (equivalent to $25,707) ("Trade Credit Facility") with a bank to meet certain payment

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(In thousands of U.S. dollars, except share and per share data)

obligations of the Studio City project. The Trade Credit Facility matured on August 31, 2017, was further extended to August 31, 2019, and is guaranteed by Studio City Company. As of December 31, 2017, approximately $643 of the Trade Credit Facility had been utilized.

### *(e) Litigation*

As of December 31, 2017, the Group is a party to certain legal proceedings which relate to matters arising out of the ordinary course of its business. Management believes that the outcome of such proceedings would have no material impact on the Group's consolidated financial statements as a whole.

## 14. RELATED PARTY TRANSACTIONS

During the years ended December 31, 2017, 2016 and 2015, the Group entered into the following significant related party transactions:

| Related companies | Nature of transactions | Year Ended December 31, 2017 | 2016 | 2015 |
|---|---|---|---|---|
| *Transactions with affiliated companies* | | | | |
| Melco and its subsidiaries | **Revenues (services provided by the Group):** | | | |
| | Provision of gaming related services | $295,638 | $151,597 | $21,427 |
| | Rooms and food and beverage(1) | 82,862 | 71,688 | 8,876 |
| | Services fee(2) | 39,971 | 51,842 | 7,968 |
| | Entertainment and other(1) | 1,328 | 5,465 | 546 |
| | **Costs and expenses (services provided to the Group):** | | | |
| | Staff costs recharges(3) | 98,622 | 111,327 | 74,130 |
| | Corporate services(4) | 33,453 | 34,131 | 5,567 |
| | Pre-opening costs and other services | 11,043 | 13,188 | 37,338 |
| | Staff and related costs capitalized in construction in progress | 1,504 | 3,183 | 15,577 |
| | Purchase of goods and services | 312 | 303 | 1,601 |
| | Advertising and promotional expense | — | — | 12,729 |
| | **Sale and purchase of assets:** | | | |
| | Transfer-in of other long-term assets(5) | 2,584 | 11,150 | 74,902 |
| | Purchase of property and equipment(6) | 282 | 457 | 4,272 |
| | Sale of property and equipment and other long-term assets | 1,667 | 7,752 | 22,898 |
| A subsidiary of MECOM Power and Construction Limited ("MECOM")(7) | **Costs and expenses (services provided to the Group):** | | | |
| | Consultancy fee | 568 | — | — |
| | **Purchase of assets:** | | | |
| | Renovation works performed and recognized as property and equipment | 5,101 | — | — |

Notes

(1) These revenues primarily represented the retail values of the complimentary services (including rooms, food and beverage and entertainment services) provided to Studio City Casino's gaming patrons and charged to

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(In thousands of U.S. dollars, except share and per share data)

Melco Resorts Macau. For the years ended December 31, 2017, 2016 and 2015, the related party rooms and food and beverage revenues and entertainment and other revenues aggregated to $84,190, $77,153, and $9,422, respectively, of which $74,326, $61,784, and $7,056 related to Studio City Casino's gaming patrons and $9,864, $15,369 and $2,366 related to non-Studio City Casino's gaming patrons, respectively.

(2) Services provided by the Group to Melco and its subsidiaries mainly include, but are not limited to, certain shared administrative services and shuttle bus transportation services provided to Studio City Casino.

(3) Staff costs are recharged by Melco and its subsidiaries for staff who are solely dedicated to Studio City to carry out activities, including food and beverage management, retail management, hotel management, entertainment projects, mall development and sales and marketing activities and staff costs for certain shared administrative services.

(4) Corporate services are provided to the Group by Melco and its subsidiaries. These services include, but are not limited to, general corporate services and senior executive management services for operational purposes.

(5) During the year ended December 31, 2015, the future economic benefits of the Studio City Gaming Assets recognized as other long-term assets with aggregate carrying amounts of $67,162 were transferred from an affiliated company to the Group at a total consideration of $74,902. A loss on transfer of other long-term assets of $7,740, representing the cash paid in excess of the other long-term assets carrying value, was recognized during the year ended December 31, 2015 as additional paid-in capital.

(6) During the years ended December 31, 2016 and 2015, certain property and equipment with aggregate carrying amounts of nil and $35, respectively, were purchased from an affiliated company at a total consideration of $139 and $877, respectively, and the Group recognized a loss on purchase of property and equipment of $139 and $842, respectively, as additional paid-in capital.

(7) A company in which Mr. Lawrence Yau Lung Ho, Melco's Chief Executive Officer, has shareholding of approximately 20% in MECOM.

***(a) Amounts Due from Affiliated Companies***

| | December 31, 2017 | December 31, 2016 |
|---|---|---|
| Melco's subsidiaries | $37,826 | $1,576 |
| Others | — | 2 |
| | $37,826 | $1,578 |

The outstanding balances due from affiliated companies as of December 31, 2017 and 2016 as mentioned above, mainly arising from operating income or prepayment of operating expenses, are unsecured, non-interest bearing and repayable on demand.

***(b) Amounts Due to Affiliated Companies***

| | December 31, 2017 | December 31, 2016 |
|---|---|---|
| Melco and its subsidiaries | $17,168 | $33,213 |
| A subsidiary of MECOM | 2,302 | — |
| A subsidiary of Crown | — | 76 |
| Others | 38 | 173 |
| | $19,508 | $33,462 |

The outstanding balances due to affiliated companies as of December 31, 2017 and 2016 as mentioned above, mainly arising from renovation works performed and operating expenses, are unsecured, non-interest bearing and repayable on demand.

## 15. SEGMENT INFORMATION

The Group's principal operating activities are engaged in the hospitality business and provision of gaming related services in Macau. The chief operating decision maker monitors its operations and evaluates earnings by reviewing the assets and operations of Studio City as one operating segment. Accordingly, the Group does not present separate segment information. As of December 31, 2017 and 2016, the Group operated in one geographical area, Macau, where it derives its revenue and its long-lived assets are located.

## 16. SUBSEQUENT EVENT

On September 6, 2018, the Company entered into an implementation agreement (the "Implementation Agreement") with MCE Cotai, Melco and New Cotai to govern the arrangements with respect to a series of organizational transactions in connection with the initial public offering of American depositary shares representing Class A ordinary shares of the Company and the listing of such American depositary shares on the New York Stock Exchange by the Company (the "Offering"). The organizational transactions include, among other things, the following: (i) the Company will transfer substantially all of the assets and liabilities of the Company to MSC Cotai Limited ("MSC Cotai") in exchange of all of the outstanding equity interests in MSC Cotai; (ii) the Company will authorize two classes of ordinary shares, Class A ordinary shares (the "SC Class A Shares") and Class B ordinary shares (the "SC Class B Shares"), in each case with a par value of $0.0001 each. The SC Class A Shares and SC Class B Shares will have the same rights, except that holders of the SC Class B Shares do not have any right to receive dividends or distributions upon the liquidation or winding up of the Company; (iii) MCE Cotai's 60% equity interest in the Company will be reclassified into 108,767,640 SC Class A Shares; (iv) New Cotai's 40% equity interest in the Company will be exchanged for 72,511,760 SC Class B Shares. New Cotai's SC Class B Shares will have only voting and no economic rights and, through its SC Class B Shares, New Cotai will have a 40% voting and non-economic interests in the Company, which will control MSC Cotai; (v) New Cotai will have a non-voting, non-shareholding economic participation interest (the "Participation Interest"), in MSC Cotai, the terms of which will be set forth in a participation agreement (the "Participation Agreement"), that will be entered into by MSC Cotai, New Cotai and the Company. The Participation Interest will entitle New Cotai to receive from MSC Cotai an amount equal to 66 2/3% of the amount of any distribution, dividend or other consideration paid by MSC Cotai to the Company, subject to adjustments, exceptions and conditions as set out in the Participation Agreement. New Cotai will be entitled to exchange all or a portion of the Participation Interest for a number of SC Class A Shares subject to adjustments, exceptions and conditions as set out in the Participation Agreement and a proportionate number of SC Class B Shares will be deemed surrendered and automatically cancelled for no consideration as set out in the Participation Agreement when New Cotai exchanges all or a portion of the Participation Interest for SC Class A Shares; and (vi) the Company will redomicile by way of continuation as an exempted company incorporated with limited liability under the laws of the Cayman Islands prior to the completion of the Offering.

In preparing the consolidated financial statements, the Group has evaluated events and transactions for potential recognition and disclosure through September 7, 2018, the date the consolidated financial statements were available to be issued.

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**ADDITIONAL INFORMATION—FINANCIAL STATEMENT SCHEDULE 1**
**FINANCIAL INFORMATION OF PARENT COMPANY**
**CONDENSED BALANCE SHEETS**
**(In thousands of U.S. dollars, except share and per share data)**

| | December 31, | |
|---|---|---|
| | 2017 | 2016 |
| **ASSETS** | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | $ 14 | $ 5,405 |
| Bank deposit with original maturity over three months | 5,000 | — |
| Restricted cash | 21,703 | 21,639 |
| Amounts due from subsidiaries | 129 | 112 |
| Prepaid expenses and other current assets | 24 | — |
| Total current assets | 26,870 | 27,156 |
| INVESTMENTS IN SUBSIDIARIES | 491,284 | 567,432 |
| LOAN TO A SUBSIDIARY | 225,000 | 225,000 |
| OTHER LONG-TERM ASSETS | 4,270 | — |
| TOTAL ASSETS | $ 747,424 | $ 819,588 |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | |
| CURRENT LIABILITIES | | |
| Accrued expenses and other current liabilities | $ 4,302 | $ 61 |
| Amounts due to affiliated companies | 70 | 83 |
| Amounts due to subsidiaries | 3,009 | 2,964 |
| Total current liabilities | 7,381 | 3,108 |
| **SHAREHOLDERS' EQUITY** | | |
| Ordinary shares, par value $1; 200,000 shares authorized; 18,127.94 shares issued and outstanding | 18 | 18 |
| Additional paid-in capital | 1,512,705 | 1,512,705 |
| Accumulated other comprehensive income | 488 | 488 |
| Accumulated losses | (773,168) | (696,731) |
| Total shareholders' equity | 740,043 | 816,480 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | $ 747,424 | $ 819,588 |

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**ADDITIONAL INFORMATION—FINANCIAL STATEMENT SCHEDULE 1**
**FINANCIAL INFORMATION OF PARENT COMPANY**
**CONDENSED STATEMENTS OF OPERATIONS**
**(In thousands of U.S. dollars)**

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| REVENUE | $ — | $ — | $ — |
| OPERATING COSTS AND EXPENSES | | | |
| General and administrative | (412) | (174) | (659) |
| Pre-opening costs | — | — | (1,216) |
| Property charges and other | — | (852) | (1,120) |
| Total operating costs and expenses | (412) | (1,026) | (2,995) |
| OPERATING LOSS | (412) | (1,026) | (2,995) |
| NON-OPERATING INCOME (EXPENSES) | | | |
| Interest income | 129 | 17 | 2,362 |
| Foreign exchange gains, net | — | — | 7 |
| Share of results of subsidiaries | (76,154) | (241,780) | (231,934) |
| Total non-operating expenses, net | (76,025) | (241,763) | (229,565) |
| LOSS BEFORE INCOME TAX | (76,437) | (242,789) | (232,560) |
| INCOME TAX EXPENSE | — | — | — |
| NET LOSS | $(76,437) | $(242,789) | $(232,560) |

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**ADDITIONAL INFORMATION—FINANCIAL STATEMENT SCHEDULE 1**
**FINANCIAL INFORMATION OF PARENT COMPANY**
**CONDENSED STATEMENTS OF COMPREHENSIVE LOSS**
**(In thousands of U.S. dollars)**

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Net loss | $(76,437) | $(242,789) | $(232,560) |
| Other comprehensive income (loss): | | | |
| Changes in fair values of interest rate swap agreements, before and after tax | — | 61 | (42) |
| Other comprehensive income (loss) | — | 61 | (42) |
| Total comprehensive loss | $(76,437) | $(242,728) | $(232,602) |

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**ADDITIONAL INFORMATION—FINANCIAL STATEMENT SCHEDULE 1**
**FINANCIAL INFORMATION OF PARENT COMPANY**
**CONDENSED STATEMENTS OF CASH FLOWS**
**(In thousands of U.S. dollars)**

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net cash (used in) provided by operating activities | $ (321) | $ (1,142) | $ 6,554 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Placement of bank deposit with original maturity over three months | (5,000) | — | — |
| Advances to subsidiaries | (6) | (2,088) | (4,294) |
| Loan to a subsidiary | — | — | (225,000) |
| Net cash used in investing activities | (5,006) | (2,088) | (229,294) |
| NET DECREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH | (5,327) | (3,230) | (222,740) |
| CASH, CASH EQUIVALENTS AND RESTRICTED CASH AT BEGINNING OF YEAR | 27,044 | 30,274 | 253,014 |
| CASH, CASH EQUIVALENTS AND RESTRICTED CASH AT END OF YEAR | $21,717 | $27,044 | $ 30,274 |

RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH TO THE CONDENSED CONSOLIDATED BALANCE SHEETS

| | December 31, | |
|---|---|---|
| | 2017 | 2016 |
| Cash and cash equivalents | $ 14 | $ 5,405 |
| Restricted cash | 21,703 | 21,639 |
| Total cash, cash equivalents and restricted cash | $21,717 | $27,044 |

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**ADDITIONAL INFORMATION—FINANCIAL STATEMENT SCHEDULE 1**
**FINANCIAL INFORMATION OF PARENT COMPANY**
**NOTES TO CONDENSED FINANCIAL STATEMENT SCHEDULE 1**
**(In thousands of U.S. dollars, except share and per share data)**

1. Schedule 1 has been provided pursuant to the requirements of Rule 12-04(a) and 4-08(e)(3) of Regulation S-X, which require condensed financial information as to financial position, cash flows and results and operations of a parent company as of the same dates and for the same periods for which audited consolidated financial statements have been presented when the restricted net assets of the consolidated and unconsolidated subsidiaries together exceed 25 percent of consolidated net assets as of end of the most recently completed fiscal year. As of December 31, 2017, approximately $761,000 of the restricted net assets were not available for distribution, and as such, the condensed financial information of the Company has been presented for the years ended December 31, 2017, 2016 and 2015. The Company did not receive any cash dividend from its subsidiary during the years ended December 31, 2017, 2016 and 2015.

2. Basis of Presentation

   The condensed financial information has been prepared using the same accounting policies as set out in the Company's consolidated financial statements except that the parent company has used equity method to account for its investments in subsidiaries.

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# PART II
# INFORMATION NOT REQUIRED IN PROSPECTUS

## ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime. Under our post-IPO memorandum and articles of association, which will become effective immediately upon the completion of this offering, to the fullest extent permissible under Cayman Islands law, every director and officer of our company shall be indemnified against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by him, other than by reason of such person's own dishonesty, willful default or fraud, in connection with the execution or discharge of his duties, powers, authorities or discretions as a director or officer of our company, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by him in defending (whether successfully or otherwise) any civil proceedings concerning our company or its affairs in any court whether in the Cayman Islands or elsewhere.

Pursuant to the form of indemnification agreements filed as Exhibit 10.1 to this Registration Statement, we will agree to indemnify our directors and executive officers against certain liabilities and expenses that they incur in connection with claims made by reason of their being a director or an executive officer of our company.

The Underwriting Agreement, the form of which is filed as Exhibit 1.1 to this Registration Statement, will also provide for indemnification of us and our officers and directors.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to directors, officers or persons controlling us pursuant to the foregoing provisions, we have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

## ITEM 7. RECENT SALES OF UNREGISTERED SECURITIES.

Set forth below is information regarding securities sold by us within the past three years that were not registered under the Securities Act. Also included is the consideration, if any, received by us for such securities and information relating to the section of the Securities Act, or rule of the SEC, under which exemption from registration was claimed.

Prior to the completion of this offering, as part of the Organizational Transactions, all of our ordinary shares issued and outstanding will be reclassified into SC Class A Shares. In addition, the Registrant will issue 72,511,760 shares of SC Class B Shares to New Cotai in exchange for such SC Class A Shares held by New Cotai after the reclassification.

We believe such share reclassification, and issuance and exchange are exempt from registration pursuant to Section 4(2) of the Securities Act, regarding transactions not involving a public offering or in reliance on Regulation S under the Securities Act regarding sales by an issuer in offshore transactions.

Pursuant to Practice Note 15 under the Rules Governing The Listing of Securities on The Stock Exchange of Hong Kong Limited, in connection with this offering, Melco International intends to make available to its shareholders an "assured entitlement" to a certain portion of our ordinary shares. As our ordinary shares are not expected to be listed on any stock exchange, Melco International intends to effect the Assured Entitlement Distribution by providing to its shareholders a "distribution in specie," or distribution of our ADSs in kind. The distribution will be made without any consideration being paid by Melco International's shareholders.

Concurrently with this offering as a separate transaction, Melco International intends to purchase from us new SC Class A Shares needed for the distribution in specie at the public offering price per SC Class A Share, which is the public offering price per ADS divided by the number of SC Class A Shares represented by one ADS. Melco International currently intends to purchase from us new SC Class A Shares with an aggregate purchase price of US$ million, for the purpose of the assured entitlement distribution in specie. The Assured Entitlement Distribution will only be made if this offering is completed and does not involve an underwriter. The purchase of SC Class A Shares and distribution in specie of ADSs by Melco International are not part of this offering.

We believe that the Assured Entitlement Distribution described above is exempt from registration pursuant to Section 4(2) of the Securities Act, regarding transactions not involving a public offering or in reliance on Regulation S under the Securities Act regarding sales by an issuer in offshore transactions.

**ITEM 8. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.**

(a) Exhibits

See Exhibit Index for a complete list of all exhibits filed as part of this registration, which Exhibit Index is incorporated herein by reference.

(b) Financial Statement Schedules

Schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the Combined and Consolidated Financial Statements or the Notes thereto.

**ITEM 9. UNDERTAKINGS.**

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described in Item 6, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant under Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Table of Contents

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**
**EXHIBIT INDEX**

| Exhibit Number | Description of Document |
|---|---|
| 1.1* | Form of Underwriting Agreement |
| 3.1 | Memorandum and Articles of Association of the Registrant, as currently in effect |
| 3.2 | Form of Amended and Restated Memorandum and Articles of Association of the Registrant, as effective upon the completion of this offering |
| 3.3 | Form of Memorandum and Articles of Association of MSC Cotai Limited, as effective upon the completion of this offering |
| 4.1* | Form of Registrant's Specimen American Depositary Receipt (included in Exhibit 4.3) |
| 4.2* | Registrant's Specimen Certificate for Ordinary Shares |
| 4.3* | Form of Deposit Agreement between the Registrant, the depositary and owners and holders of the ADSs |
| 4.4 | Indenture relating to 8.500% senior secured notes due 2020 dated November 26, 2012, among Studio City Finance Limited, certain subsidiaries of Studio City Finance Limited from time to time as parties thereto, DB Trustees (Hong Kong) Limited, as trustee and collateral agent, Deutsche Bank Trust Company Americas, as principal paying agent, U.S. registrar and transfer agent, and Deutsche Bank Luxembourg S.A., as European registrar |
| 4.5 | Supplemental Indenture relating to 8.500% senior secured notes due 2020 and dated December 7, 2012, among Studio City Holdings Three Limited and Studio City Holdings Four Limited, as new guarantors, Studio City Finance Limited, the subsidiary guarantors parties thereto, DB Trustees (Hong Kong) Limited, as trustee and collateral agent, Deutsche Bank Trust Company Americas, as principal paying agent, U.S. registrar and transfer agent and Deutsche Bank Luxembourg S.A., as European registrar |
| 4.6 | Second Supplemental Indenture relating to 8.500% senior secured notes due 2020 and dated January 21, 2013, among Studio City Retail Services Limited, as a new guarantor, Studio City Finance Limited, the subsidiary guarantors parties thereto, DB Trustees (Hong Kong) Limited, as trustee and collateral agent, Deutsche Bank Trust Company Americas, as principal paying agent, U.S. registrar and transfer agent and Deutsche Bank Luxembourg S.A., as European registrar |
| 4.7 | Third Supplemental Indenture relating to 8.500% senior secured notes due 2020 and dated September 26, 2013, among SCIP Holdings Limited, as a new guarantor, Studio City Finance Limited, the subsidiary guarantors parties thereto, DB Trustees (Hong Kong) Limited, as trustee and collateral agent, Deutsche Bank Trust Company Americas, as principal paying agent, U.S. registrar and transfer agent and Deutsche Bank Luxembourg S.A., as European registrar |
| 4.8 | Fourth Supplemental Indenture relating to 8.500% senior secured notes due 2020 and dated July 30, 2018, among Studio City (HK) Two Limited, as a new guarantor, Studio City Finance Limited, the subsidiary guarantors parties thereto, DB Trustees (Hong Kong) Limited, as trustee and collateral agent, Deutsche Bank Trust Company Americas, as principal paying agent, U.S. registrar and transfer agent and Deutsche Bank Luxembourg S.A., as European registrar |
| 4.9 | Indenture relating to 5.875% senior secured notes due 2019 and dated November 30, 2016, among Studio City Company Limited as issuer, Studio City Investments Limited, as parent guarantor, the subsidiary guarantors parties thereto, and Deutsche Bank Trust Company Americas, as trustee |
| 4.10 | Supplemental Indenture relating to 5.875% senior secured notes due 2019 and dated November 30, 2016, among Studio City Company Limited, Industrial and Commercial Bank of China (Macau) Limited, as the security agent, DB Trustees (Hong Kong) Limited, as the intercreditor agent and Deutsche Bank Trust Company Americas, as trustee |

| Exhibit Number | Description of Document |
|---|---|
| 4.11 | Second Supplemental Indenture relating to 5.875% senior secured notes due 2019 and dated July 30, 2018, among Studio City Company Limited, Studio City (HK) Two Limited, as a new guarantor, Studio City Investments Limited, as parent guarantor, the subsidiary guarantors parties thereto and Deutsche Bank Trust Company Americas, as the trustee |
| 4.12 | Indenture relating to 7.250% senior secured notes due 2021 and dated November 30, 2016, among Studio City Company Limited, as issuer, Studio City Investments Limited, as parent guarantor, the subsidiary guarantors parties thereto, and Deutsche Bank Trust Company Americas, as trustee |
| 4.13 | Supplemental Indenture relating to 7.250% senior secured notes due 2021 and dated November 30, 2016, among Studio City Company Limited, Industrial and Commercial Bank of China (Macau) Limited, as the security agent, DB Trustees (Hong Kong) Limited, as the intercreditor agent and Deutsche Bank Trust Company Americas, as the trustee |
| 4.14 | Second Supplemental Indenture relating to 7.250% senior secured notes due 2021 and dated July 30, 2018, among Studio City (HK) Two Limited, as a new guarantor, Studio City Company Limited, Studio City Investments Limited, as parent guarantor, the subsidiary guarantors parties thereto and Deutsche Bank Trust Company Americas, as the trustee |
| 4.15 | Amended and Restated Credit Agreement relating to HK$233 million revolving credit facility and HK$1 million term loan facility dated November 23, 2016, among Studio City Company Limited and certain of its subsidiaries and affiliates with Bank of China Limited, Macau Branch, among others |
| 4.16 | Intercreditor Agreement dated December 1, 2016, among Studio City Company Limited, the guarantors of the 5.875% senior secured notes due 2019 and 7.250% senior secured notes due 2021, the lenders and agent for Studio City Company Limited's HK$233 million revolving credit facility and HK$1 million term loan facility, the security agent and intercreditor agent named therein, among others |
| 4.17 | Shareholders' Agreement dated July 27, 2011, among the Registrant, Melco Resorts & Entertainment Limited, MCE Cotai Investments Limited and New Cotai LLC |
| 4.18 | Amendment No. 1 to the Shareholders' Agreement dated September 25, 2012, among MCE Cotai Investments Limited, New Cotai, LLC, Melco Resorts & Entertainment Limited and the Registrant |
| 4.19 | Amendment No. 2 to the Shareholders' Agreement dated May 17, 2013, among MCE Cotai Investments Limited, New Cotai, LLC, Melco Resorts & Entertainment Limited and the Registrant |
| 4.20 | Amendment No. 3 to the Shareholders' Agreement dated June 3, 2014, among MCE Cotai Investments Limited, New Cotai, LLC, Melco Resorts & Entertainment Limited and the Registrant |
| 4.21 | Amendment No. 4 to the Shareholders' Agreement dated July 21, 2014, among MCE Cotai Investments Limited, New Cotai, LLC, Melco Resorts & Entertainment Limited and the Registrant |
| 4.22 | Form of Amended and Restated Shareholders' Agreement, among MCE Cotai Investments Limited, New Cotai, LLC, Melco Resorts & Entertainment Limited and the Registrant |
| 5.1* | Opinion of Walkers regarding the validity of the SC Class A Shares being registered |
| 8.1* | Opinion of Walkers regarding certain Cayman Islands tax matters (included in Exhibit 5.1) |
| 10.1 | Form of Indemnification Agreement between the Registrant and each of its directors and executive officers |
| 10.2 | Form of Employment Agreement with the Executive Officers of the Registrant |
| 10.3 | English Translation of subconcession contract for operating casino games of chance or games of other forms in the Macau Special Administrative Region dated September 8, 2006, between Wynn Resorts (Macau) S.A. and Melco Resorts (Macau) Limited, which was formerly known as Melco Crown (Macau) Limited |
| 10.4 | Registration Rights Agreement dated July 27, 2011, between New Cotai, LLC and the Registrant |

| Exhibit Number | Description of Document |
| --- | --- |
| 10.5 | Form of Amended and Restated Registration Rights Agreement, between New Cotai, LLC and the Registrant |
| 10.6* | Form of Subscription Agreement between Melco International Development Limited and the Registrant |
| 10.7† | Services and Right to Use Agreement dated May 11, 2007, as amended, between Studio City Entertainment Limited and Melco Resorts (Macau) Limited, which was formerly known as Melco Crown (Macau) Limited |
| 10.8 | Reimbursement Agreement dated June 15, 2012, between Studio City Entertainment Limited and Melco Resorts (Macau) Limited, which was formerly known as Melco Crown (Macau) Limited; |
| 10.9† | Services and Right to Use Direct Agreement dated November 26, 2013, among Studio City Company Limited as borrower, Melco Resorts (Macau) Limited, which was formerly known as Melco Crown (Macau) Limited, Studio City Holdings Five Limited, Industrial and Commercial Bank of China (Macau) Limited as security agent and POA agent and Deutsche Bank AG, Hong Kong Branch as agent, among others |
| 10.10 | Master Services Agreement dated December 21, 2015, among Studio City Entertainment Limited, Melco Resorts (Macau) Limited, which was formerly known as Melco Crown (Macau) Limited, and other subsidiaries and affiliates of the Registrant |
| 10.11 | Work Agreement No. 1 dated December 21, 2015, related to sale and purchase of certain property, plant and equipment and inventory and supplies among Studio City Entertainment Limited and other subsidiaries and affiliates of the Registrant |
| 10.12† | Work Agreement No. 2 dated December 21, 2015, related to corporate services among Studio City Entertainment Limited and other subsidiaries and affiliates of the Registrant |
| 10.13 | Work Agreement No. 3 dated December 21, 2015, related to certain pay-as-used charges among Studio City Entertainment Limited and other subsidiaries and affiliates of the Registrant |
| 10.14 | Work Agreement No. 4 dated December 21, 2015, related to operational and property sharing services among Studio City Entertainment Limited and other subsidiaries and affiliates of the Registrant |
| 10.15 | Work Agreement No. 5 dated December 21, 2015, related to limousine transportation services among Studio City Hotels Limited and other subsidiaries and affiliates of the Registrant |
| 10.16 | Work Agreement No. 6 dated December 21, 2015, related to aviation services among Studio City Entertainment Limited and other subsidiaries and affiliates of the Registrant |
| 10.17 | Work Agreement No. 7 dated December 21, 2015, related to collection and payment services among Studio City Entertainment Limited and other subsidiaries and affiliates of the Registrant |
| 10.18 | Work Agreement No. 8 dated December 21, 2015, related to limousine transportation services among Studio City Hotels Limited and other subsidiaries and affiliates of the Registrant |
| 10.19 | English Translation of the Order of Secretary for Public Works and Transportation published in Macau Official Gazette No. 100/2001 dated October 9, 2001, in relation to the Studio City Land Concession |
| 10.20 | English Translation of the amended Order of Secretary for Public Works and Transportation published in Macau Official Gazette No. 31/2012 dated July 19, 2012, in relation to the Studio City Land Concession |
| 10.21 | English Translation of the amended Order of Secretary for Public Works and Transportation published in Macau Official Gazette No. 92/2015 dated September 10, 2015, in relation to the Studio City Land Concession |
| 10.22 | Form of Participation Agreement among MSC Cotai Limited, New Cotai, LLC and the Registrant |

| Exhibit Number | Description of Document |
| --- | --- |
| 10.23 | Form of Implementation Agreement, among MCE Cotai Investments Limited, New Cotai, LLC, Melco Resorts & Entertainment Limited and the Registrant |
| 21.1 | Principal Subsidiaries of the Registrant |
| 23.1 | Consent of Ernst & Young, Independent Registered Public Accounting Firm |
| 23.2* | Consent of Walkers (included in Exhibit 5.1) |
| 24.1 | Powers of Attorney (included on signature page) |
| 99.1* | Code of Business Conduct and Ethics of the Registrant |
| 99.2 | Letter from Deloitte Touche Tohmatsu regarding the change in independent registered public accounting firm |
| 99.3 | Consent of Mr. Clarence Yuk Man Chung |
| 99.4 | Consent of Mr. Geoffrey Stuart Davis |
| 99.5 | Consent of Ms. Stephanie Cheung |
| 99.6 | Consent of Ms. Akiko Takahashi |
| 99.7 | Consent of Mr. Timothy Paul Lavelle |
| 99.8 | Consent of Ms. Dominique Mielle |
| 99.9 | Consent of Mr. Kevin F. Sullivan |

* To be filed by amendment.

† Confidential treatment is being requested with respect to portions of these exhibits that have been redacted pursuant to Rule 406 under the Securities Act of 1933, as amended.

## SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-1 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Macau, China, on September 7, 2018.

Studio City International Holdings Limited

By: /s/ Geoffry Philip Andres
Name: Geoffry Philip Andres
Title: Property President

## POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints each of Geoffry Philip Andres and Timothy Green Nauss as an attorney-in-fact with full power of substitution, for him or her in any and all capacities, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the registrant to comply with the Securities Act of 1933, as amended, or the Securities Act, and any rules, regulations and requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Securities Act of ordinary shares of the registrant, or the Shares, including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form F-1, or the Registration Statement, to be filed with the Securities and Exchange Commission with respect to such Shares, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462(b) under the Securities Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

| Signature | Title | Date |
|---|---|---|
| /s/ Geoffry Philip Andres<br>Name: Geoffry Philip Andres | Property President (principal executive officer) | September 7, 2018 |
| /s/ Lawrence Yau Lung Ho<br>Name: Lawrence Yau Lung Ho | Director | September 7, 2018 |
| /s/ Evan Andrew Winkler<br>Name: Evan Andrew Winkler | Director | September 7, 2018 |
| /s/ David Anthony Reganato<br>Name: David Anthony Reganato | Director | September 7, 2018 |
| /s/ Timothy Green Nauss<br>Name: Timothy Green Nauss | Property Chief Financial Officer (principal financial and accounting officer) | September 7, 2018 |

**SIGNATURE OF AUTHORIZED REPRESENTATIVE IN THE UNITED STATES**

Pursuant to the Securities Act of 1933, the undersigned, the duly authorized representative in the United States of Studio City International Holdings Limited, has signed this registration statement or amendment thereto in New York on September 7, 2018.

**Authorized U.S. Representative**

Cogency Global Inc.

By: /s/ Colleen A. De Vries
Name: Colleen A. De Vries
Title: Senior Vice President

**Exhibit 3.1**

**BC NO: 399970**

**TERRITORY OF THE BRITISH VIRGIN ISLANDS**

**BVI BUSINESS COMPANIES ACT, 2004**

**Memorandum of Association**

**and**

**Articles of Association**

**of**

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**Incorporated on 2 August 2000**

TERRITORY OF THE BRITISH VIRGIN ISLANDS

THE BVI BUSINESS COMPANIES ACT 2004

# MEMORANDUM OF ASSOCIATION

# OF

# STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

A COMPANY LIMITED BY SHARES

## 1. DEFINITIONS AND INTERPRETATION

1.1. In this Memorandum of Association and the attached Articles of Association, if not inconsistent with the subject or context:

"**Act**" means the BVI Business Companies Act (No. 16 of 2004) and includes the regulations made under the Act;

"**Articles**" means the attached Articles of Association of the Company;

"**Chairman of the Board**" has the meaning specified in Regulation 13;

"**Distribution**" in relation to a distribution by the Company means the direct or indirect transfer of an asset, other than Shares, to or for the benefit of the Shareholder in relation to Shares held by a Shareholder, and whether by means of a purchase of an asset, the redemption or other acquisition of Shares, a distribution of indebtedness or otherwise, and includes a dividend;

"**Eligible Person**" means individuals, corporations, trusts, the estates of deceased individuals, partnerships and unincorporated associations of persons;

"**Memorandum**" means this Memorandum of Association of the Company;

"**Resolution of Directors**" means either:

(a) a resolution approved at a duly convened and constituted meeting of directors of the Company or of a committee of directors of the Company by the affirmative vote of a majority of the directors present at the meeting who voted except that where a director is given more than one vote, he shall be counted by the number of votes he casts for the purpose of establishing a majority; or

(b) a resolution consented to in writing by all directors or by all members of a committee of directors of the Company, as the case may be;

"**Resolution of Shareholders**" means either:

(a) a resolution approved at a duly convened and constituted meeting of the Shareholders of the Company by the affirmative vote of a majority of the votes of the Shares entitled to vote thereon which were present at the meeting and were voted; or

(b) a resolution consented to in writing by a majority of the votes of Shares entitled to vote thereon;

“**Seal**” means any seal which has been duly adopted as the common seal of the Company;

“**Share**” means a share issued or to be issued by the Company;

“**Shareholder**” means an Eligible Person whose name is entered in the register of members of the Company as the holder of one or more Shares or fractional Shares;

“**Shareholders Agreement**” means the shareholders agreement attached as Schedule 1, dated on or around 27 July 2011 between MCE Cotai Investments Limited, New Cotai, LLC, Melco Crown Entertainment Limited and the Company, as amended from time to time in accordance with the terms thereof;

“**Treasury Share**” means a Share that was previously issued but was repurchased, redeemed or otherwise acquired by the Company and not cancelled; and

“**written**” or any term of like import includes information generated, sent, received or stored by electronic, electrical, digital, magnetic, optical, electromagnetic, biometric or photonic means, including electronic data interchange, electronic mail, telegram, telex or telecopy, and “**in writing**” shall be construed accordingly.

1.2. In the Memorandum and the Articles, unless the context otherwise requires a reference to:

(a) a “**Regulation**” is a reference to a regulation of the Articles;

(b) a “**Clause**” is a reference to a clause of the Memorandum;

(c) voting by Shareholders is a reference to the casting of the votes attached to the Shares held by the Shareholder voting;

(d) the Act, the Memorandum or the Articles is a reference to the Act or those documents as amended; and

(e) the singular includes the plural and vice versa.

1.3. Any words or expressions defined in the Act unless the context otherwise requires bear the same meaning in the Memorandum and Articles unless otherwise defined herein.

1.4. Headings are inserted for convenience only and shall be disregarded in interpreting the Memorandum and Articles.

## 2. NAME

The name of the Company is **STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**.

## 3. RE-REGISTRATION

The Company was first incorporated on 2 August 2000 under the International Business Companies Act, 1984 and was automatically re-registered under the Act on 1 January 2007. Immediately before its re-registration under the Act, it was governed by the International Business Companies Act, 1984.

## 4. STATUS

The Company is a company limited by shares.

## 5. REGISTERED OFFICE AND REGISTERED AGENT

5.1. The first registered office of the Company is at Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands, the office of the first registered agent.

5.2. The first registered agent of the Company is Offshore Incorporations Limited of Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands.

5.3. At the date of filing the notice of election to disapply Part IV of Schedule 2 of the Act the registered office of the Company was situated at the office of the registered agent, Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands.

## 6. CAPACITY AND POWERS

6.1. Subject to the Act and any other British Virgin Islands legislation, the Company has, irrespective of corporate benefit:

(a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and

(b) for the purposes of paragraph (a), full rights, powers and privileges.

6.2. For the purposes of section 9(4) of the Act, there are no limitations on the business that the Company may carry on.

## 7. NUMBER AND CLASSES OF SHARES

7.1. The Company is authorised to issue a maximum of 200,000 Shares of par value USD1.00 each.

7.2. The Company may issue fractional Shares and a fractional Share shall have the corresponding fractional rights, obligations and liabilities of a whole share of the same class or series of shares.

7.3. Shares shall be issued in the currency of the United States of America.

## 8. DESIGNATIONS, POWERS, PREFERENCES, ETC. OF SHARES

8.1. Each Share in the Company confers upon the Shareholder:

(a) the right to one vote at a meeting of the Shareholders of the Company or on any Resolution of Shareholders;

(b) the right to an equal share in any dividend paid by the Company; and

(c) the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

8.2. The directors may at their discretion by Resolution of Directors redeem, purchase or otherwise acquire all or any of the Shares in the Company subject to Regulation 3 of the Articles.

## 9. VARIATION OF RIGHTS

The rights attached to Shares as specified in Clause 8 may only, whether or not the Company is being wound up, be varied with the consent in writing of or by a resolution passed at a meeting by the holders of more than 50 per cent of the issued Shares of that class.

## 10. RIGHTS NOT VARIED BY THE ISSUE OF SHARES PARI PASSU

The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

## 11. REGISTERED SHARES

11.1. The Company shall issue registered shares only.

11.2. The Company is not authorised to issue bearer shares, convert registered shares to bearer shares or exchange registered shares for bearer shares.

## 12. TRANSFER OF SHARES

12.1. The Company shall, on receipt of an instrument of transfer complying with Sub-Regulation 7.1 of the Articles, enter the name of the transferee of a Share in the register of members unless the directors resolve to refuse or delay the registration of the transfer for reasons that shall be specified in a Resolution of Directors.

12.2. The directors may not resolve to refuse or delay the transfer of a Share unless the Shareholder has failed to pay an amount due in respect of the Share.

## 13. AMENDMENT OF MEMORANDUM AND ARTICLES

Subject to Clause 9, the Company may amend its Memorandum or Articles by a Resolution of Shareholders or by a Resolution of Directors, save that no amendment may be made by a Resolution of Directors:

(a) to restrict the rights or powers of the Shareholders to amend the Memorandum or Articles;

(b) to change the percentage of Shareholders required to pass a Resolution of Shareholders to amend the Memorandum or Articles;

(c) in circumstances where the Memorandum or Articles cannot be amended by the Shareholders; or

(d) to Clauses 8, 9 or 10 or this Clause 13.

Notwithstanding the foregoing no amendment may be made to the Memorandum or Articles without the approval of each Minority Shareholder (as defined in the Shareholders Agreement) holding 20% or more of the Shares on issue.

## 14. PARAMOUNT EFFECT OF SHAREHOLDERS AGREEMENT

14.1. To the extent not prohibited by the Act the provisions of the Shareholders Agreement are hereby incorporated into the Memorandum, and for the avoidance of doubt and without limiting the generality of this clause 14.1:

(a) notwithstanding anything contained in the Memorandum, if the Shareholders Agreement prohibits an act being done, the act shall not be done; and

(b) nothing contained in the Memorandum prevents an act being done that the Shareholders Agreement requires to be done.

14.2. To the extent not prohibited by the Act if any provision of the Memorandum is or becomes inconsistent with the Shareholders Agreement, the Shareholders Agreement shall prevail.

We, Offshore Incorporations Limited of Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands hereby sign this Memorandum of Association the 3rd day of July 2007 .

Incorporator:

Offshore Incorporations Limited

Sgd: Richard Parsons

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Authorised Signatory

TERRITORY OF THE BRITISH VIRGIN ISLANDS

THE BVI BUSINESS COMPANIES ACT 2004

**ARTICLES OF ASSOCIATION**

**OF**

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

A COMPANY LIMITED BY SHARES

## 1. PARAMOUNT EFFECT OF SHAREHOLDERS AGREEMENT

1.1. To the extent not prohibited by the Act the provisions of the Shareholders Agreement are hereby incorporated into the Articles and, for the avoidance of doubt and without limiting the generality of this Regulation 1:

(a) notwithstanding anything contained in these Articles, if the Shareholders Agreement prohibits an act being done, the act shall not be done; and

(b) nothing contained in these Articles prevents an act being done that the Shareholders Agreement requires to be done.

1.2. To the extent not prohibited by the Act if any provision of these Articles is or becomes inconsistent with the Shareholders Agreement, the Shareholders Agreement shall prevail.

## 2. REGISTERED SHARES

2.1. Every Shareholder is entitled to a certificate signed by a director of the Company or under the Seal specifying the number of Shares held by him and the signature of the director and the Seal may be facsimiles.

2.2. Any Shareholder receiving a certificate shall indemnify and hold the Company and its directors and officers harmless from any loss or liability which it or they may incur by reason of any wrongful or fraudulent use or representation made by any person by virtue of the possession thereof. If a certificate for Shares is worn out or lost it may be renewed on production of the worn out certificate or on satisfactory proof of its loss together with such indemnity as may be required by a Resolution of Directors.

2.3. If several Eligible Persons are registered as joint holders of any Shares, any one of such Eligible Persons may give an effectual receipt for any Distribution.

## 3. SHARES

3.1. Shares may be issued at such times, to such Eligible Persons, for such consideration and on such terms as the directors may by Resolution of Directors determine.

3.2. Section 46 of the Act (*Pre-emptive rights*) does not apply to the Company.

3.3. A Share may be issued for consideration in any form, including money, a promissory note, real property, personal property (including goodwill and know-how) or a contract for future services.

3.4. No Shares may be issued for a consideration other than money, unless a Resolution of Directors has been passed stating:

(a) the amount to be credited for the issue of the Shares;

(b) their determination of the reasonable present cash value of the non-money consideration for the issue; and

(c) that, in their opinion, the present cash value of the non-money consideration for the issue is not less than the amount to be credited for the issue of the Shares.

3.5. The Company shall keep a register (the "**register of members**") containing:

(a) the names and addresses of the Eligible Persons who hold Shares;

(b) the number of each class and series of Shares held by each Shareholder;

(c) the date on which the name of each Shareholder was entered in the register of members; and

(d) the date on which any Eligible Person ceased to be a Shareholder.

3.6. The register of members may be in any such form as the directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until the directors otherwise determine, the magnetic, electronic or other data storage form shall be the original register of members.

3.7. A Share is deemed to be issued when the name of the Shareholder is entered in the register of members.

## 4. REDEMPTION OF SHARES AND TREASURY SHARES

4.1. The Company may purchase, redeem or otherwise acquire and hold its own Shares save that the Company may not purchase, redeem or otherwise acquire its own Shares without the consent of Shareholders whose Shares are to be purchased, redeemed or otherwise acquired unless the Company is permitted by the Act or any other provision in the Memorandum or Articles to purchase, redeem or otherwise acquire the Shares without their consent.

4.2. The Company may only offer to acquire Shares if at the relevant time the directors determine by Resolution of Directors that immediately after the acquisition the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

4.3. Sections 60 (*Process for acquisition of own shares*), 61 (*Offer to one or more shareholders*) and 62 (*Shares redeemed otherwise than at the option of company*) of the Act shall not apply to the Company.

4.4. Shares that the Company purchases, redeems or otherwise acquires pursuant to this Regulation may be cancelled or held as Treasury Shares except to the extent that such Shares are in excess of 50 percent of the issued Shares in which case they shall be cancelled but they shall be available for reissue.

4.5. All rights and obligations attaching to a Treasury Share are suspended and shall not be exercised by the Company while it holds the Share as a Treasury Share.

4.6. Treasury Shares may be disposed of by the Company on such terms and conditions (not otherwise inconsistent with the Memorandum and Articles) as the Company may by Resolution of Directors determine.

4.7. Where Shares are held by another body corporate of which the Company holds, directly or indirectly, shares having more than 50 per cent of the votes in the election of directors of the other body corporate, all rights and obligations attaching to the Shares held by the other body corporate are suspended and shall not be exercised by the other body corporate.

**5. MORTGAGES AND CHARGES OF SHARES**

5.1. Shareholders may mortgage or charge their Shares.

5.2. There shall be entered in the register of members at the written request of the Shareholder:

(a) a statement that the Shares held by him are mortgaged or charged;

(b) the name of the mortgagee or chargee; and

(c) the date on which the particulars specified in subparagraphs (a) and (b) are entered in the register of members.

5.3. Where particulars of a mortgage or charge are entered in the register of members, such particulars may be cancelled:

(a) with the written consent of the named mortgagee or chargee or anyone authorised to act on his behalf; or

(b) upon evidence satisfactory to the directors of the discharge of the liability secured by the mortgage or charge and the issue of such indemnities as the directors shall consider necessary or desirable.

5.4. Whilst particulars of a mortgage or charge over Shares are entered in the register of members pursuant to this Regulation:

(a) no transfer of any Share the subject of those particulars shall be effected;

(b) the Company may not purchase, redeem or otherwise acquire any such Share; and

(c) no replacement certificate shall be issued in respect of such Shares,

without the written consent of the named mortgagee or chargee.

**6. FORFEITURE**

6.1. Shares that are not fully paid on issue are subject to the forfeiture provisions set forth in this Regulation and for this purpose Shares issued for a promissory note or a contract for future services are deemed to be not fully paid.

6.2. A written notice of call specifying the date for payment to be made shall be served on the Shareholder who defaults in making payment in respect of the Shares.

6.3. The written notice of call referred to in Sub-Regulation 6.2 shall name a further date not earlier than the expiration of 14 days from the date of service of the notice on or before which the payment required by the notice is to be made and shall contain a statement that in the event of non-payment at or before the time named in the notice the Shares, or any of them, in respect of which payment is not made will be liable to be forfeited.

6.4. Where a written notice of call has been issued pursuant to Sub-Regulation 6.3 and the requirements of the notice have not been complied with, the directors may, at any time before tender of payment, forfeit and cancel the Shares to which the notice relates.

6.5. The Company is under no obligation to refund any moneys to the Shareholder whose Shares have been cancelled pursuant to Sub-Regulation 6.4 and that Shareholder shall be discharged from any further obligation to the Company.

**7. TRANSFER OF SHARES**

7.1. Shares may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee, which shall be sent to the Company at the office of its registered agent for registration.

7.2. The transfer of a Share is effective when the name of the transferee is entered on the register of members.

7.3. If the directors of the Company are satisfied that an instrument of transfer relating to Shares has been signed but that the instrument has been lost or destroyed, they may resolve by Resolution of Directors:

(a) to accept such evidence of the transfer of Shares as they consider appropriate; and

(b) that the transferee’s name should be entered in the register of members notwithstanding the absence of the instrument of transfer.

7.4. Subject to the Memorandum, the personal representative of a deceased Shareholder may transfer a Share even though the personal representative is not a Shareholder at the time of the transfer.

**8. MEETINGS AND CONSENTS OF SHAREHOLDERS**

8.1. Any director of the Company may convene meetings of the Shareholders at such times and in such manner and places within or outside the British Virgin Islands as the director considers necessary or desirable.

8.2. Upon the written request of Shareholders entitled to exercise 30 per cent or more of the voting rights in respect of the matter for which the meeting is requested the directors shall convene a meeting of Shareholders.

8.3. The director convening a meeting shall give not less than seven days’ notice of a meeting of Shareholders to:

(a) those Shareholders whose names on the date the notice is given appear as Shareholders in the register of members of the Company and are entitled to vote at the meeting; and

(b) the other directors.

8.4. The director convening a meeting of Shareholders may fix as the record date for determining those Shareholders that are entitled to vote at the meeting the date notice is given of the meeting, or such other date as may be specified in the notice, being a date not earlier than the date of the notice.

8.5. A meeting of Shareholders held in contravention of the requirement to give notice is valid if Shareholders holding at least 90 per cent of the total voting rights on all the matters to be considered at the meeting have waived notice of the meeting and, for this purpose, the presence of a Shareholder at the meeting shall constitute waiver in relation to all the Shares which that Shareholder holds.

8.6. The inadvertent failure of a director who convenes a meeting to give notice of a meeting to a Shareholder or another director, or the fact that a Shareholder or another director has not received notice, does not invalidate the meeting.

8.7. A Shareholder may be represented at a meeting of Shareholders by a proxy who may speak and vote on behalf of the Shareholder.

8.8. The instrument appointing a proxy shall be produced at the place designated for the meeting before the time for holding the meeting at which the person named in such instrument proposes to vote. The notice of the meeting may specify an alternative or additional place or time at which the proxy shall be presented.

8.9. The instrument appointing a proxy shall be in substantially the following form or such other form as the chairman of the meeting shall accept as properly evidencing the wishes of the Shareholder appointing the proxy.

> [ Name of Company ]
>
> I/We being a Shareholder of the above Company HEREBY APPOINT of or failing him of to be my/our proxy to vote for me/us at the meeting of Shareholders to be held on the day of , 20 and at any adjournment thereof.
>
> (Any restrictions on voting to be inserted here.)
>
> Signed this day of , 20
>
> Shareholder

8.10. The following applies where Shares are jointly owned:

(a) if two or more persons hold Shares jointly each of them may be present in person or by proxy at a meeting of Shareholders and may speak as a Shareholder;

(b) if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners; and

(c) if two or more of the joint owners are present in person or by proxy they must vote as one.

8.11. A Shareholder shall be deemed to be present at a meeting of Shareholders if he participates by telephone or other electronic means and all Shareholders participating in the meeting are able to hear each other.

8.12. A meeting of Shareholders is duly constituted if, at the commencement of the meeting, there are present in person or by proxy not less than 50 per cent of the votes of the Shares or class or series of Shares entitled to vote on Resolutions of Shareholders to be considered at the meeting. A quorum may comprise a single Shareholder or proxy and then such person may pass a Resolution of Shareholders and a certificate signed by such person accompanied where such person be a proxy by a copy of the proxy instrument shall constitute a valid Resolution of Shareholders

8.13. If within two hours from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Shareholders, shall be dissolved; in any other case it shall stand adjourned to the next business day in the jurisdiction in which the meeting was to have been held at the same time and place or to such other time and place as the directors may determine, and if at the adjourned meeting there are present within one hour from the time appointed for the meeting in person or by proxy not less than one third of the votes of the Shares or each class or series of Shares entitled to vote on the matters to be considered by the meeting, those present shall constitute a quorum but otherwise the meeting shall be dissolved.

8.14. At every meeting of Shareholders, the Chairman of the Board shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present at the meeting, the Shareholders present shall choose one of their number to be the chairman. If the Shareholders are unable to choose a chairman for any reason, then the person representing the greatest number of voting Shares present in person or by proxy at the meeting shall preside as chairman failing which the oldest individual Shareholder or representative of a Shareholder present shall take the chair.

8.15. The chairman may, with the consent of the meeting, adjourn any meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

8.16. At any meeting of the Shareholders the chairman is responsible for deciding in such manner as he considers appropriate whether any resolution proposed has been carried or not and the result of his decision shall be announced to the meeting and recorded in the minutes of the meeting. If the chairman has any doubt as to the outcome of the vote on a proposed resolution, he shall cause a poll to be taken of all votes cast upon such resolution. If the chairman fails to take a poll then any Shareholder present in person or by proxy who disputes the announcement by the chairman of the result of any vote may immediately following such announcement demand that a poll be taken and the chairman shall cause a poll to be taken. If a poll is taken at any meeting, the result shall be announced to the meeting and recorded in the minutes of the meeting.

8.17. Any Eligible Person other than an individual which is a Shareholder may by resolution of its directors or other governing body authorise such individual as it thinks fit to act as its representative at any meeting of Shareholders or of any class of Shareholders, and the individual so authorised shall be entitled to exercise the same rights on behalf of the Eligible Person which he represents as that Eligible Person could exercise if it were an individual.

8.18. The chairman of any meeting at which a vote is cast by proxy or on behalf of any Eligible Person other than an individual may call for a notarially certified copy of such proxy or authority which shall be produced within seven days of being so requested or the votes cast by such proxy or on behalf of such Eligible Person shall be disregarded.

8.19. Directors of the Company may attend and speak at any meeting of Shareholders and at any separate meeting of the holders of any class or series of Shares.

8.20. An action that may be taken by the Shareholders at a meeting may also be taken by a Resolution of Shareholders consented to in writing, without the need for any notice, but if any Resolution of Shareholders is adopted otherwise than by the unanimous written consent of all Shareholders, a copy of such resolution shall forthwith be sent to all Shareholders not consenting to such resolution. The consent may be in the form of counterparts, each counterpart being signed by one or more Shareholders. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the earliest date upon which Eligible Persons holding a sufficient number of votes of Shares to constitute a Resolution of Shareholders have consented to the resolution by signed counterparts.

## 9. DIRECTORS

9.1. The first directors of the Company shall be appointed by the first registered agent within six months of the date of incorporation of the Company; and thereafter, the directors shall be elected by Resolution of Shareholders or by Resolution of Directors for such term as the Shareholders or directors determine.

9.2. No person shall be appointed as a director of the Company unless he has consented in writing to act as a director.

9.3. The minimum number of directors shall be one and the maximum number shall be five.

9.4. Each director holds office for the term, if any, fixed by the Resolution of Shareholders or Resolution of Directors appointing him, or until his earlier death, resignation or removal. If no term is fixed on the appointment of a director, the director serves indefinitely until his earlier death, resignation or removal.

9.5. A director may be removed from office only in accordance with the Shareholders Agreement.

9.6. A director may resign his office by giving written notice of his resignation to the Company and the resignation has effect from the date the notice is received by the Company at the office of its registered agent or from such later date as may be specified in the notice. A director shall resign forthwith as a director if he is, or becomes, disqualified from acting as a director under the Act.

9.7. The directors may at any time appoint any person to be a director either to fill a vacancy or as an addition to the existing directors. Where the directors appoint a person as director to fill a vacancy, the term shall not exceed the term that remained when the person who has ceased to be a director ceased to hold office.

9.8. A vacancy in relation to directors occurs if a director dies or otherwise ceases to hold office prior to the expiration of his term of office.

9.9. The Company shall keep a register of directors containing:

(a) the names and addresses of the persons who are directors of the Company;

(b) the date on which each person whose name is entered in the register was appointed as a director of the Company;

(c) the date on which each person named as a director ceased to be a director of the Company; and

(d) such other information as may be prescribed by the Act.

9.10. The register of directors may be kept in any such form as the directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until a Resolution of Directors determining otherwise is passed, the magnetic, electronic or other data storage shall be the original register of directors.

9.11. The directors may, by a Resolution of Directors, fix the emoluments of directors with respect to services to be rendered in any capacity to the Company.

9.12. A director is not required to hold a Share as a qualification to office.

## 10. POWERS OF DIRECTORS

10.1. The business and affairs of the Company shall be managed by, or under the direction or supervision of, the directors of the Company. The directors of the Company have all the powers necessary for managing, and for directing and supervising, the business and affairs of the Company. The directors may pay all expenses incurred preliminary to and in connection with the incorporation of the Company and may exercise all such powers of the Company as are not by the Act or by the Memorandum or the Articles required to be exercised by the Shareholders.

10.2. Each director shall exercise his powers for a proper purpose and shall not act or agree to the Company acting in a manner that contravenes the Memorandum, the Articles or the Act. Each director, in exercising his powers or performing his duties, shall act honestly and in good faith in what the director believes to be the best interests of the Company.

10.3. If the Company is the wholly owned subsidiary of a holding company, a director of the Company may, when exercising powers or performing duties as a director, act in a manner which he believes is in the best interests of the holding company even though it may not be in the best interests of the Company.

10.4. Any director which is a body corporate may appoint any individual as its duly authorised representative for the purpose of representing it at meetings of the directors, with respect to the signing of consents or otherwise.

10.5. The continuing directors may act notwithstanding any vacancy in their body.

10.6. The directors may by Resolution of Directors exercise all the powers of the Company to incur indebtedness, liabilities or obligations and to secure indebtedness, liabilities or obligations whether of the Company or of any third party.

10.7. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as shall from time to time be determined by Resolution of Directors.

10.8. For the purposes of Section 175 (*Disposition of assets*) of the Act, the directors may by Resolution of Directors determine that any sale, transfer, lease, exchange or other disposition is in the usual or regular course of the business carried on by the Company and such determination is, in the absence of fraud, conclusive.

## 11. PROCEEDINGS OF DIRECTORS

11.1. Any one director of the Company may call a meeting of the directors by sending a written notice to each other director.

11.2. The directors of the Company or any committee thereof may meet at such times and in such manner and places within or outside the British Virgin Islands as the directors may determine to be necessary or desirable.

11.3. A director is deemed to be present at a meeting of directors if he participates by telephone or other electronic means and all directors participating in the meeting are able to hear each other.

11.4. A director shall be given not less than three days' notice of meetings of directors, but a meeting of directors held without three days' notice having been given to all directors shall be valid if all the directors entitled to vote at the meeting who do not attend waive notice of the meeting, and for this purpose the presence of a director at a meeting shall constitute waiver by that director. The inadvertent failure to give notice of a meeting to a director, or the fact that a director has not received the notice, does not invalidate the meeting.

11.5. A director may by a written instrument appoint an alternate who need not be a director and the alternate shall be entitled to attend meetings in the absence of the director who appointed him and to vote or consent in place of the director until the appointment lapses or is terminated.

11.6. A meeting of directors is duly constituted for all purposes if at the commencement of the meeting there are present in person or by alternate not less than one-half of the total number of directors, unless there are only two directors in which case the quorum is two.

11.7. If the Company has only one director the provisions herein contained for meetings of directors do not apply and such sole director has full power to represent and act for the Company in all matters as are not by the Act, the Memorandum or the Articles required to be exercised by the Shareholders. In lieu of minutes of a meeting the sole director shall record in writing and sign a note or memorandum of all matters requiring a Resolution of Directors. Such a note or memorandum constitutes sufficient evidence of such resolution for all purposes.

11.8. At meetings of directors at which the Chairman of the Board is present, he shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present, the directors present shall choose one of their number to be chairman of the meeting.

11.9. An action that may be taken by the directors or a committee of directors at a meeting may also be taken by a Resolution of Directors or a resolution of a committee of directors consented to in writing by all directors or by all members of the committee, as the case may be, without the need for any notice. The consent may be in the form of counterparts each counterpart being signed by one or more directors. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the date upon which the last director has consented to the resolution by signed counterparts.

## 12. COMMITTEES

12.1. The directors may, by Resolution of Directors, designate one or more committees, each consisting of one or more directors, and delegate one or more of their powers, including the power to affix the Seal, to the committee.

12.2. The directors have no power to delegate to a committee of directors any of the following powers:

(a) to amend the Memorandum or the Articles;

(b) to designate committees of directors;

(c) to delegate powers to a committee of directors;

(d) to appoint directors;

(e) to appoint an agent;

(f) to approve a plan of merger, consolidation or arrangement; or

(g) to make a declaration of solvency or to approve a liquidation plan.

12.3. Sub-Regulation 12.2(b) and (c) do not prevent a committee of directors, where authorised by the Resolution of Directors appointing such committee or by a subsequent Resolution of Directors, from appointing a sub-committee and delegating powers exercisable by the committee to the sub-committee.

12.4. The meetings and proceedings of each committee of directors consisting of two or more directors shall be governed *mutatis mutandis* by the provisions of the Articles regulating the proceedings of directors so far as the same are not superseded by any provisions in the Resolution of Directors establishing the committee.

12.5. Where the directors delegate their powers to a committee of directors they remain responsible for the exercise of that power by the committee, unless they believed on reasonable grounds at all times before the exercise of the power that the committee would exercise the power in conformity with the duties imposed on directors of the Company under the Act.

## 13. OFFICERS AND AGENTS

13.1. The Company may by Resolution of Directors appoint officers of the Company at such times as may be considered necessary or expedient. Such officers may consist of a Chairman of the Board of Directors, a president and one or more vice-presidents, secretaries and treasurers and such other officers as may from time to time be considered necessary or expedient. Any number of offices may be held by the same person.

13.2. The officers shall perform such duties as are prescribed at the time of their appointment subject to any modification in such duties as may be prescribed thereafter by Resolution of Directors. In the absence of any specific prescription of duties it shall be the responsibility of the Chairman of the Board to preside at meetings of directors and Shareholders, the president to manage the day to day affairs of the Company, the vice-presidents to act in order of seniority in the absence of the president but otherwise to perform such duties as may be delegated to them by the president, the secretaries to maintain the register of members, minute books and records (other than financial records) of the Company and to ensure compliance with all procedural requirements imposed on the Company by applicable law, and the treasurer to be responsible for the financial affairs of the Company.

13.3. The emoluments of all officers shall be fixed by Resolution of Directors.

13.4. The officers of the Company shall hold office until their successors are duly appointed, but any officer elected or appointed by the directors may be removed at any time, with or without cause, by Resolution of Directors. Any vacancy occurring in any office of the Company may be filled by Resolution of Directors.

13.5. The directors may, by a Resolution of Directors, appoint any person, including a person who is a director, to be an agent of the Company. An agent of the Company shall have such powers and authority of the directors, including the power and authority to affix the Seal, as are set forth in the Articles or in the Resolution of Directors appointing the agent, except that no agent has any power or authority with respect to the matters specified in Sub-Regulation 12.2. The Resolution of Directors appointing an agent may authorise the agent to appoint one or more substitutes or delegates to exercise some or all of the powers conferred on the agent by the Company. The directors may remove an agent appointed by the Company and may revoke or vary a power conferred on him.

## 14. CONFLICT OF INTERESTS

14.1. A director of the Company shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to all other directors of the Company.

14.2. For the purposes of Sub-Regulation 14.1, a disclosure to all other directors to the effect that a director is a member, director or officer of another named entity or has a fiduciary relationship with respect to the entity or a named individual and is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered into with that entity or individual, is a sufficient disclosure of interest in relation to that transaction.

14.3. Provided that the Board of directors of the Company has given prior authorisation by way of a Resolution of Directors (for which purposes the interested director shall not be able to vote), a director of the Company who is interested in a transaction entered into or to be entered into by the Company may:

(a) vote on a matter relating to the transaction;

(b) attend a meeting of directors at which a matter relating to the transaction arises and be included among the directors present at the meeting for the purposes of a quorum; and

(c) sign a document on behalf of the Company, or do any other thing in his capacity as a director, that relates to the transaction,

and, subject to compliance with the Act shall not, by reason of his office be accountable to the Company for any benefit which he derives from such transaction and no such transaction shall be liable to be avoided on the grounds of any such interest or benefit.

## 15. INDEMNIFICATION

15.1. Subject to the limitations hereinafter provided the Company shall indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any person who:

(a) is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director of the Company; or

(b) is or was, at the request of the Company, serving as a director of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise.

15.2. The indemnity in Sub-Regulation 15.1 only applies if the person acted honestly and in good faith with a view to the best interests of the Company and, in the case of criminal proceedings, the person had no reasonable cause to believe that their conduct was unlawful.

15.3. The decision of the directors as to whether the person acted honestly and in good faith and with a view to the best interests of the Company and as to whether the person had no reasonable cause to believe that his conduct was unlawful is, in the absence of fraud, sufficient for the purposes of the Articles, unless a question of law is involved.

15.4. The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a *nolle prosequi* does not, by itself, create a presumption that the person did not act honestly and in good faith and with a view to the best interests of the Company or that the person had reasonable cause to believe that his conduct was unlawful.

15.5. The Company may purchase and maintain insurance in relation to any person who is or was a director, officer or liquidator of the Company, or who at the request of the Company is or was serving as a director, officer or liquidator of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability as provided in the Articles.

**16. RECORDS**

16.1. The Company shall keep the following documents at the office of its registered agent:

(a) the Memorandum and the Articles;

(b) the register of members, or a copy of the register of members;

(c) the register of directors, or a copy of the register of directors; and

(d) copies of all notices and other documents filed by the Company with the Registrar of Corporate Affairs in the previous 10 years.

16.2. If the Company maintains only a copy of the register of members or a copy of the register of directors at the office of its registered agent, it shall:

(a) within 15 days of any change in either register, notify the registered agent in writing of the change; and

(b) provide the registered agent with a written record of the physical address of the place or places at which the original register of members or the original register of directors is kept.

16.3. The Company shall keep the following records at the office of its registered agent or at such other place or places, within or outside the British Virgin Islands, as the directors may determine:

(a) minutes of meetings and Resolutions of Shareholders and classes of Shareholders;

(b) minutes of meetings and Resolutions of Directors and committees of directors; and

(c) an impression of the Seal, if any.

16.4. Where any original records referred to in this Regulation are maintained other than at the office of the registered agent of the Company, and the place at which the original records is changed, the Company shall provide the registered agent with the physical address of the new location of the records of the Company within 14 days of the change of location.

16.5. The records kept by the Company under this Regulation shall be in written form or either wholly or partly as electronic records complying with the requirements of the Electronic Transactions Act (No. 5 of 2001).

## 17. REGISTERS OF CHARGES

The Company shall maintain at the office of its registered agent a register of charges in which there shall be entered the following particulars regarding each mortgage, charge and other encumbrance created by the Company:

(a) the date of creation of the charge;

(b) a short description of the liability secured by the charge;

(c) a short description of the property charged;

(d) the name and address of the trustee for the security or, if there is no such trustee, the name and address of the chargee;

(e) unless the charge is a security to bearer, the name and address of the holder of the charge; and

(f) details of any prohibition or restriction contained in the instrument creating the charge on the power of the Company to create any future charge ranking in priority to or equally with the charge.

## 18. SEAL

The Company may have more than one Seal and references herein to the Seal shall be references to every Seal which shall have been duly adopted by Resolution of Directors. The directors shall provide for the safe custody of the Seal and for an imprint thereof to be kept at the registered office. Except as otherwise expressly provided herein the Seal when affixed to any written instrument shall be witnessed and attested to by the signature of any one director or other person so authorised from time to time by Resolution of Directors. Such authorisation may be before or after the Seal is affixed, may be general or specific and may refer to any number of sealings. The directors may provide for a facsimile of the Seal and of the signature of any director or authorised person which may be reproduced by printing or other means on any instrument and it shall have the same force and validity as if the Seal had been affixed to such instrument and the same had been attested to as hereinbefore described.

## 19. DISTRIBUTIONS BY WAY OF DIVIDEND

19.1. The directors of the Company may, by Resolution of Directors, authorise a distribution by way of dividend at a time and of an amount they think fit if they are satisfied, on reasonable grounds, that, immediately after the distribution, the value of the Company’s assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

19.2. Dividends may be paid in money, shares, or other property.

19.3. Notice of any dividend that may have been declared shall be given to each Shareholder as specified in Sub-Regulation 21.1 and all dividends unclaimed for 3 years after having been declared may be forfeited by Resolution of Directors for the benefit of the Company.

19.4. No dividend shall bear interest as against the Company and no dividend shall be paid on Treasury Shares.

## 20. ACCOUNTS AND AUDIT

20.1. The Company shall keep records that are sufficient to show and explain the Company's transactions and that will, at any time, enable the financial position of the Company to be determined with reasonable accuracy.

20.2. The Company may by Resolution of Shareholders call for the directors to prepare periodically and make available a profit and loss account and a balance sheet. The profit and loss account and balance sheet shall be drawn up so as to give respectively a true and fair view of the profit and loss of the Company for a financial period and a true and fair view of the assets and liabilities of the Company as at the end of a financial period.

20.3. The Company may by Resolution of Shareholders call for the accounts to be examined by auditors.

20.4. The first auditors shall be appointed by Resolution of Directors; subsequent auditors shall be appointed by a Resolution of Shareholders.

20.5. The auditors may be Shareholders, but no director or other officer shall be eligible to be an auditor of the Company during their continuance in office.

20.6. The remuneration of the auditors of the Company:

(a) in the case of auditors appointed by the directors, may be fixed by Resolution of Directors; and

(b) subject to the foregoing, shall be fixed by Resolution of Shareholders or in such manner as the Company may by Resolution of Shareholders determine.

20.7. The auditors shall examine each profit and loss account and balance sheet required to be laid before a meeting of the Shareholders or otherwise given to Shareholders and shall state in a written report whether or not:

(a) in their opinion the profit and loss account and balance sheet give a true and fair view respectively of the profit and loss for the period covered by the accounts, and of the assets and liabilities of the Company at the end of that period; and

(b) all the information and explanations required by the auditors have been obtained.

20.8. The report of the auditors shall be annexed to the accounts and shall be read at the meeting of Shareholders at which the accounts are laid before the Company or shall be otherwise given to the Shareholders.

20.9. Every auditor of the Company shall have a right of access at all times to the books of account and vouchers of the Company, and shall be entitled to require from the directors and officers of the Company such information and explanations as he thinks necessary for the performance of the duties of the auditors.

20.10. The auditors of the Company shall be entitled to receive notice of, and to attend any meetings of Shareholders at which the Company's profit and loss account and balance sheet are to be presented.

## 21. NOTICES

21.1. Any notice, information or written statement to be given by the Company to Shareholders may be given by personal service or by mail addressed to each Shareholder at the address shown in the register of members.

21.2. Any summons, notice, order, document, process, information or written statement to be served on the Company may be served by leaving it, or by sending it by registered mail addressed to the Company, at its registered office, or by leaving it with, or by sending it by registered mail to, the registered agent of the Company.

21.3. Service of any summons, notice, order, document, process, information or written statement to be served on the Company may be proved by showing that the summons, notice, order, document, process, information or written statement was delivered to the registered office or the registered agent of the Company or that it was mailed in such time as to admit to its being delivered to the registered office or the registered agent of the Company in the normal course of delivery within the period prescribed for service and was correctly addressed and the postage was prepaid.

## 22. VOLUNTARY WINDING UP AND DISSOLUTION

The Company may by a Resolution of Shareholders or by a Resolution of Directors appoint a voluntary liquidator.

## 23. CONTINUATION

The Company may by Resolution of Shareholders or by a resolution passed unanimously by all directors of the Company continue as a company incorporated under the laws of a jurisdiction outside the British Virgin Islands in the manner provided under those laws.

We, Offshore Incorporations Limited of Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands hereby sign these Articles of Association the 3rd day of July 2007.

Incorporator:

Offshore Incorporations Limited

Sgd: Richard Parsons

Authorised Signatory

**Exhibit 3.2**

**THE COMPANIES LAW (2018 REVISION) (AS AMENDED)**
**OF THE CAYMAN ISLANDS**

**COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED**

**MEMORANDUM AND ARTICLES OF ASSOCIATION**

**OF**

# STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

**(adopted by a Special Resolution dated [Date] 2018 upon the continuation of Studio City International Holdings Limited from the British Virgin Islands to the Cayman Islands)**

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**THE COMPANIES LAW (2018 REVISION) (AS AMENDED)**
**OF THE CAYMAN ISLANDS**

**COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED**

**MEMORANDUM OF ASSOCIATION**

**OF**

# STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

**(adopted by a Special Resolution dated [Date] 2018 upon the continuation of Studio City International Holdings Limited from the British Virgin Islands to the Cayman Islands)**

1. The name of the company is **Studio City International Holdings Limited** (the "**Company**").

2. The registered office of the Company will be situated at the offices of Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands or at such other location as the Directors may from time to time determine.

3. The Company was first incorporated on 2 August 2000 under the name of CYBER ONE AGENTS LIMITED in the British Virgin Islands. The Company registered by way of continuation as an exempted company limited by shares under the Companies Law (2018 Revision) (as amended) of the Cayman Islands (the "**Law**") on [●] 2018.

4. The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Law.

5. The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by Section 27(2) of the Law.

6. The Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands; provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.

7. The liability of the members of the Company is limited to the amount, if any, unpaid on the shares respectively held by them.

8. The authorised share capital of the Company is US$200,000 divided into 2,000,000,000 shares comprising of (i) 1,927,488,240 Class A Ordinary Shares of a par value of US$0.0001 each and (ii) 72,511,760 Class B Ordinary Shares of a par value of US$0.0001 each; provided always that subject to the provisions of the Law and the Articles, the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority, special privilege or other rights or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be ordinary, preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.

9. The Company may exercise the power contained in Section 206 of the Law to deregister in the Cayman Islands and be registered by way of continuation in some other jurisdiction.

**THE COMPANIES LAW (2018 REVISION) (AS AMENDED)**
**OF THE CAYMAN ISLANDS**

**COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED**

**ARTICLES OF ASSOCIATION**

**OF**

# STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

**(adopted by a Special Resolution dated [Date] 2018 upon the continuation of the Company from the British Virgin Islands to the Cayman Islands)**

## TABLE A

The Regulations contained or incorporated in Table “A” in the First Schedule of the Law shall not apply to the Company and the following Articles shall comprise the Articles of Association of the Company:

## INTERPRETATION

1. In these Articles, the following defined terms will have the meanings ascribed to them, if not inconsistent with the subject or context:

“**ADS**” means an American Depositary Share, each representing [●] Class A Ordinary Shares;

“**Affiliate”** means a Person who, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, a specified Person. For the purpose of the definition of Affiliate, “control”, “controlled by” and “under common control with” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting shares, by agreement, contract or otherwise;

“**Affiliated Companies**” means those partnerships, corporations, limited liability companies, trusts or other entities that are Affiliates of the Company, including, without limitation, subsidiaries, holding companies and intermediary companies (as those and similar terms are defined in the Gaming Laws of the applicable Gaming Jurisdictions) that are registered or licensed under applicable Gaming Laws;

“**Applicable Law**” means any law or legal or regulatory compliance requirement, including at common law, in equity, under any statute, regulation or by-law and any decision, directive, guidance, guideline or requirement of any Governmental Agency or the relevant stock exchange;

“**Articles**” means these articles of association of the Company as amended or substituted from time to time;

“**Branch Register**” means any branch Register of such category or categories of Members as the Company may from time to time determine;

“**capital**” means the share capital from time to time of the Company;

“**Class A Ordinary Shares**” means the Class A Ordinary Shares of a par value of US$0.0001 per share in the capital of the Company, having the rights provided for in these Articles;

“**Class B Ordinary Shares**” means Class B Ordinary Shares of a par value of US$0.0001 per share in the capital of the Company, having the rights provided for in these Articles;

“**clear days**” means in relation to the period of a notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

“**clearing house**” means a clearing house or central depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction;

“**Commission**” means Securities and Exchange Commission of the United States of America or any other federal agency for the time being administering the Securities Act;

“**Company**” means Studio City International Holdings Limited, a Cayman Islands exempted company;

“**Company Subsidiary**” means any company which is or becomes a Subsidiary of the Company from time to time;

“**Company’s Website**” means the website of the Company;

“**Directors**” and “**Board of Directors**” and “**Board**” means the Directors of the Company for the time being, or as the case may be, the Directors assembled as a Board or as a committee thereof;

“**electronic**” shall have the meaning given to it in the Electronic Transactions Law (2003 Revision) of the Cayman Islands;

“**electronic communication**” means electronic posting to the Company’s Website, transmission to any number, address or internet website or other electronic delivery methods as otherwise decided and approved by not less than two-thirds of the vote of the Board;

“**Equity Securities**” means, with respect to any Person, equity securities or any securities convertible into or exchangeable or exercisable for any equity securities of such Person;

“**Gaming Activities**” mean the conduct of gaming and gambling activities by the Company or its Affiliated Companies, or the use of gaming devices, equipment and supplies in the operation of a casino or other enterprise by the Company or its Affiliated Companies;

“**Gaming Authority**” means any regulatory and licensing body or agency with authority over gaming including, but not limited to, the conduct of Gaming Activities, to whose jurisdiction the Company, its Subsidiaries or Affiliates are subject;

“**Gaming Jurisdiction**” means all jurisdictions, including their political subdivisions, in which Gaming Activities are lawfully conducted;

“**Gaming Laws**” means all laws, statutes, ordinances and regulations pursuant to which any Gaming Authority possesses regulatory and licensing authority over Gaming Activities within any Gaming Jurisdiction, and all orders, decrees, rules and regulations promulgated by such Gaming Authority thereunder;

“**Gaming License**” means all licenses, permits, approvals, authorizations, registrations, findings of suitability, franchises, concessions, subconcessions, entitlements or other authorizations issued by a Gaming Authority necessary for or relating to the conduct of Gaming Activities;

"**Governmental Agency**" means:

(a) a government, whether foreign, federal, state, territorial or local;

(b) a department, office, or minister of a government acting in that capacity; or

(c) a commission, delegate, instrumentality, agency, board or other governmental or semi-governmental, judicial, administrative, monetary, regulatory, fiscal or tax authority, whether statutory or not;

"**Group**" means the Company and the Company Subsidiaries from time to time and the expression **Group Company** means any one of them;

"**Independent Director**" means a Director who is an independent director as defined in the NYSE Rules as amended from time to time;

"**Initial Shareholders Agreement**" means the Shareholders Agreement dated July 27, 2011, as subsequently amended on September 25, 2012, May 17, 2013, June 3, 2014 and July 21, 2014, between MCE Cotai Investments Limited, an exempted company incorporated in the Cayman Islands, New Cotai, Melco Resorts & Entertainment Limited (formerly known as Melco Crown Entertainment Limited), an exempted company incorporated in the Cayman Islands, and the Company (formerly known as CYBER ONE AGENTS LIMITED). For the avoidance of doubt, the Initial Shareholders Agreement shall not include any other amendments, restatements or amended and restated agreement thereto;

"**Law**" means the Companies Law (2018 Revision) of the Cayman Islands;

"**Melco Members**" means, collectively, Melco Resorts & Entertainment Limited (formerly known as Melco Crown Entertainment Limited), an exempted company incorporated in the Cayman Islands, and all Members who are Affiliates of Melco Resorts & Entertainment Limited;

"**Melco Original Share Amount**" means the number of Securities held by the Melco Members immediately following completion of an initial underwritten public offering of the Company's Equity Securities, or American depositary shares representing the Company's Equity Securities, as adjusted for any split, subdivision, reverse split, consolidation, dividend or distribution in respect of Securities, including any Adjustment Event (as defined in the Participation Agreement).

"**Member**" means a person who is registered as the holder of shares in the Register and includes each subscriber to the Memorandum of Association pending entry in the Register of such subscriber;

"**Memorandum of Association**" means the Memorandum of Association of the Company, as amended and restated from time to time;

"**Memorandum and Articles of Association**" means collectively the Memorandum of Association and the Articles;

"**month**" means a calendar month;

"**NYSE**" means the New York Stock Exchange in the United States;

"**NYSE Rules**" means the relevant code, rules and regulations, as amended, from time to time, applicable as a result of the original and continued listing of any shares or ADSs on NYSE, including without limitation, the NYSE Rules;

"**Newco**" means MSC Cotai Limited, a business company limited by shares incorporated in the British Virgin Islands;

“**New Cotai**” means New Cotai, LLC, a limited liability company formed in Delaware, United States of America;

“**New Cotai Original Share Amount**” means the number of Securities held by New Cotai immediately following the completion of an initial underwritten public offering of the Company’s Equity Securities, or American depositary shares representing the Company’s Equity Securities, as adjusted for any split, subdivision, reverse split, consolidation, dividend or distribution in respect of such Securities, including any Adjustment Event (as defined in the Participation Agreement).

“**Observer**” means an observer appointed to the Board in accordance with Article 100;

“**Office**” means the registered office of the Company as required by the Law;

“**Officer**” means the officers of the Company for the time appointed pursuant to Article 163 and Article 164;

“**Ordinary Resolution**” means a resolution:

(a) passed by a simple majority of such Members as, being entitled to do so, vote in person or, in the case of such Members being corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of the Company of which notice has been duly given in accordance with these Articles and where a poll is taken regard shall be had in computing a majority to the number of votes to which each Member is entitled; or

(b) approved in writing by all of the Members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Members and the effective date of the resolution so adopted shall be the date on which the instrument, or the last of such instruments if more than one, is executed;

“**Own**”, “**Ownership**” or “**Control**” mean ownership of record, beneficial ownership or the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person or the disposition of shares, by agreement, contract, agency or other manner;

“**paid up**” means paid up as to the par value in respect of the issue of any shares and includes credited as paid up;

“**Participation Agreement**” means the participation agreement dated [●] between New Cotai, LLC, Newco and the Company, as the same may be amended from time to time;

“**Participation Interest**” means the participation interest right in Newco provided by the Participation Agreement;

“**Person**” or “**person**” means an individual, partnership, corporation, limited liability company, trust or any other entity;

“**Principal Register**”, where the Company has established one or more Branch Registers pursuant to the Law and these Articles, means the Register maintained by the Company pursuant to the Law and these Articles that is not designated by the Directors as a Branch Register;

“**Redemption Date**” means the date, as reasonably determined by the Company, on which the relevant Gaming Authority requires that the shares Owned or Controlled by an Unsuitable Person or an Affiliate of an Unsuitable Person be redeemed by the Company;

“**Redemption Notice**” means that notice of redemption given by the Company to an Unsuitable Person or an Affiliate of an Unsuitable Person pursuant to Article 187. Each Redemption Notice shall set forth (i) the Redemption Date, (ii) the number and type of shares to be redeemed, (iii) the Redemption Price and the manner of payment therefor, (iv) the place where any certificates, if any, for such shares shall be surrendered against payment of the Redemption Price, and (v) any other requirements for the valid surrender of the certificates;

"**Redemption Price**" means the price to be paid by the Company for the shares to be redeemed pursuant to Article 187, which shall be that price (if any) required to be paid by the Gaming Authority making the finding of Unsuitability, or if such Gaming Authority does not require a certain price to be paid, that amount determined by the Board of Directors to be the fair value of the shares to be redeemed; *provided*, *however*, that the price per share represented by the Redemption Price shall in no event be less than (i) the VWAP per Class A Ordinary Share over the twenty (20) consecutive Trading Day period ending on the Trading Day immediately preceding the date of the Redemption Notice or (ii) if the VWAP is not available, then the market value per share of Class A Ordinary Shares as determined in good faith and in the reasonable discretion of the Board of Directors. The Redemption Price shall be paid in cash, by promissory note, or both, as required by the applicable Gaming Authority and, if not so required, as the Board of Directors otherwise determines. Any promissory note shall contain such terms and conditions permitted by the applicable Gaming Authority as the Board of Directors reasonably determines to be necessary or advisable, including without limitation, subordination provisions, to comply with any law or regulation then applicable to the Company or any Affiliate of the Company or to prevent a default under, breach of, event of default under or acceleration of any loan, promissory note, mortgage, indenture, line of credit, or other debt or financing agreement of the Company or any Affiliate of the Company. Subject to the foregoing, the promissory note shall have a term of not more than ten years, bear interest at a rate to be reasonably determined by the Board of Directors and amortize in equal monthly or quarterly installments, and shall contain such other terms and conditions as the Board of Directors reasonably determines to be necessary or advisable.

"**Register**" means the register of Members of the Company wherein holders of the shares are registered as required to be kept pursuant to the Law and includes any Branch Register(s) established by the Company in accordance with the Law;

**"Seal"** means the common seal of the Company (if adopted) including any facsimile thereof;

"**Securities Act**" means the Securities Act of 1933 of the United States of America, as amended, or any similar federal statute and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time;

"**Security**" means a fully paid share in the capital of the Company carrying the rights and obligations set out in this document, which shall include Class A Ordinary Shares and Class B Ordinary Shares.

"**share**" means a share in the capital of the Company of any or all classes including Class A Ordinary Shares and Class B Ordinary Shares unless otherwise provided in these Articles;

"**signed**" means a signature or representation of a signature affixed by mechanical means;

"**Special Resolution**" means a special resolution passed in accordance with the Law, being a resolution:

(a) passed by a majority of not less than two-thirds of such Members as, being entitled to do so, vote in person or, in the case of such Members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of the Company of which notice specifying the intention to propose the resolution as a Special Resolution has been duly given in accordance with these Articles and where a poll is taken regard shall be had in computing a majority to the number of votes to which each Member is entitled; or

(b) approved in writing by all of the Members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Members and the effective date of the Special Resolution so adopted shall be the date on which the instrument or the last of such instruments if more than one, is executed;

"**Subsidiary**" means, with respect to any Person:

(a) any corporation, association or other business entity of which (i) more than 50% of the total voting power of shares of capital stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or shareholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity that is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person (or a combination thereof), or (ii) the composition of its board of directors is directly or indirectly controlled by such Person; and

(b) any partnership or limited liability company of which (i) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (ii) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity;

"**Trading Day**" means a day on which the Class A Ordinary Shares: (a) are not suspended from trading on any national or regional securities exchange or association or over-the-counter market at the close of business; and (b) have traded at least once on the national or regional securities exchange or association or over-the-counter market that is the primary market for the trading of the Class A Ordinary Shares;

"**Treasury Shares**" means shares that were previously issued but were purchased, redeemed, surrendered or otherwise acquired by the Company and not cancelled;

"**Unsuitable Person**" means a Person who (i) is determined by a Gaming Authority to be Unsuitable to Own or Control any shares in the Company, whether directly or indirectly, or (ii) causes the Company or any Affiliated Company to lose or to be threatened by a Gaming Authority with the loss of any Gaming License, or (iii) is determined, in good faith by the Board of Directors, to be likely to jeopardize the Company's or any Affiliated Company's application for, receipt of approval for, right to the use of, or entitlement to, any Gaming License, and "**Unsuitability**" and "**Unsuitable**" shall be construed accordingly.

"**VWAP**" means volume-weighted average trading price of an ADS based on quotations as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if such ADSs are not listed or admitted to trading on the New York Stock Exchange, as reported on the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which such ADSs are listed or admitted to trading, in each case, divided by the number of Class A Ordinary Shares that one ADS represents; and

"**year**" means a calendar year.

2. In these Articles, save where the context requires otherwise:

(a) words importing the singular number shall include the plural number and vice versa;

(b) words importing the masculine gender only shall include the feminine gender and vice versa;

(c) words importing persons only shall include companies or associations or bodies of persons, whether corporate or not;

(d) the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative;

(e) expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing words or figures in a visible form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the Member's election comply with all applicable law, rules and regulations;

(f) references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not;

(g) reference to "**US$**" is a reference to dollars of the United States of America;

(h) reference to a statutory enactment shall include reference to any amendment or re-enactment thereof for the time being in force;

(i) any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;

(j) reference to any determination by the Directors shall be construed as a determination by the Directors in their sole and absolute discretion and shall be applicable either generally or in any particular case; and

(k) reference to "in writing" shall be construed as written or represented by any means reproducible in writing, including any form of print, lithograph, email, facsimile or photograph or represented by any other substitute or format for storage or transmission for writing or partly one and partly another.

3. Subject to the last two preceding Articles, any words defined in the Law shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

## PRELIMINARY

4. The Office shall be at such address in the Cayman Islands as the Directors may from time to time determine. The Company may in addition establish and maintain such other offices and places of business and agencies in such places as the Directors may from time to time determine.

5. The expenses incurred in the formation of the Company shall be paid by the Company or any Subsidiary. If paid by the Company, such expenses may be amortised over such period as the Directors may determine and the amount so paid shall be charged against income and/or capital in the accounts of the Company as the Directors shall determine.

6. The Directors shall keep, or cause to be kept, the Register at such place or (subject to compliance with the Law and these Articles) places as the Directors may from time to time determine. In the absence of any such determination, the Register shall be kept at the Office. The Directors may keep, or cause to be kept, one or more Branch Registers as well as the Principal Register in accordance with the Law, provided always that a duplicate of such Branch Register(s) shall be maintained with the Principal Register in accordance with the Law.

## ISSUE OF SHARES

7. Subject to these Articles, the Law, any direction that may be given by the Company in general meeting and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, all shares for the time being unissued shall be under the control of the Directors who may:

   (a) designate, re-designate, offer, issue, allot and dispose of the same to such persons, in such manner, on such terms and having such rights and being subject to such restrictions as they may from time to time determine but so that no shares shall be issued at a discount; and

   (b) grant options with respect to such shares and issue warrants, convertible securities or securities of similar nature conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as they may from time to time determine;

   and, for such purposes, the Directors may reserve an appropriate number of shares for the time being unissued, PROVIDED THAT, notwithstanding anything set forth in these Articles to the contrary, no Class B Ordinary Shares in addition to the Class B Ordinary Shares in issue as of the date of adoption of these Articles may be issued except as required pursuant to Articles 11(e) or 12(e).

8. No share shall be issued to bearer.

9. The Board of Directors of the Company is authorized, subject to any limitations prescribed by Law and Article 11(e), to classify or reclassify any unissued shares (including any unissued Class A Ordinary Shares and Class B Ordinary Shares) into one or more classes or series of shares, with such voting powers, full or limited, or no voting powers, and with such designations, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions thereon as set forth in a resolution adopted by the Board of Directors.

10. Subject to the provisions of the Law, the Memorandum and Articles of Association, and to any special rights conferred on the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Company may by Ordinary Resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board of Directors may determine.

## CLASS A ORDINARY SHARES

11. The preferences, limitations, voting powers and relative rights of the Class A Ordinary Shares are as follows:

   (a) Voting Rights. The Class A Ordinary Shares shall carry the right to receive notice of and to attend, to speak at and to vote at any general meeting of the Company. Each Class A Ordinary Share shall entitle the registered holder thereof to one (1) vote for each Class A Ordinary Share held on all matters subject to a vote by poll at general meetings of the Company.

   (b) Dividend Rights. Class A Ordinary Shares shall be entitled to share in any dividends and other distributions paid or distributed by the Company.

   (c) Liquidation. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, after payment or provision for payment of the debts of the Company, the holders of all outstanding Class A Ordinary Shares shall be entitled to share in the remaining assets of the Company legally available for distribution.

(d) Equal Status. Each Class A Ordinary Share shall have the same rights and privileges and rank equally, share ratably and be identical in all respects as to all matters.

(e) Share Adjustment. In no event should any share dividend, share split, reverse share split, combination of shares, sub-division, reclassification or recapitalization be declared or made in respect of the Class A Ordinary Shares (each, a "**Share Adjustment**") unless a corresponding Share Adjustment is made to the Class B Ordinary Shares in the same proportion and the same manner (to the extent such Share Adjustment is not already required pursuant to Article 12(e)). Share dividends with respect to each class of shares of the Company may only be made with the shares of the same class as such class of shares of the Company.

**CLASS B ORDINARY SHARES**

12. The preferences, limitations, voting powers and relative rights of the Class B Ordinary Shares are as follows:

(a) Voting Rights.

i. The Class B Ordinary Shares shall carry the right to receive notice of and to attend, to speak at and to vote at any general meeting of the Company.

ii. Except as otherwise provided in these Articles, holders of Class A Ordinary Shares and Class B Ordinary Shares shall at all times vote together as one class on all resolutions submitted to a vote of the Members. Each Class B Ordinary Share shall entitle the registered holder thereof to one (1) vote for each Class B Ordinary Share held on all matters subject to vote by poll at general meetings of the Company.

(b) No Dividend Rights. Holders of the Class B Ordinary Shares do not have any right to any dividends paid or distributed by the Company or to otherwise share in the profits or surplus assets of the Company.

(c) No Distribution upon Liquidation. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, holders of Class B Ordinary Shares shall not be entitled to receive any assets of the Company.

(d) Transfer of Class B Ordinary Shares.

i. No Class B Ordinary Share may be transferred except in connection with the transfer of Participation Interest in accordance with the terms of the Participation Agreement.

ii. Any purported transfer of Class B Ordinary Shares in violation of this Article 12(d) shall be null and void.

iii. Transfers of Class B Ordinary Shares that comply with the terms of Section 7.1 of the Participation Agreement shall occur automatically as provided in the Participation Agreement.

(e) Share Adjustment. In the event that the Participation Agreement requires an adjustment to the number of issued and outstanding Class B Ordinary Shares in connection with a Class B Adjustment (as defined in the Participation Agreement), the following shall apply:

i where the Class B Adjustment requires, pursuant to the Participation Agreement, an increase in the number of issued and outstanding Class B Ordinary Shares, the Company shall on the date of the Class B Adjustment issue to the relevant Participant(s) such number of Class B Ordinary Shares as is required pursuant to the Class B Adjustment at their par value, credited as fully paid, and the Company's registered office service provider shall update the Register on that date to reflect such issuance; and

ii. where the Class B Adjustment requires, pursuant to the Participation Agreement, a decrease in the number of issued and outstanding Class B Ordinary Shares, each relevant Participant shall on the date of the Class B Adjustment be deemed to have surrendered to the Company for cancellation, for no consideration, such number of Class B Ordinary Shares as is required pursuant to the Class B Adjustment and the Company's registered office service provider shall update the Register on that date to reflect such surrender and cancellation.

## REGISTER OF MEMBERS AND SHARE CERTIFICATES

13. The Company shall maintain a Register of its Members and every person whose name is entered as a member in the Register shall, without payment, be entitled to a certificate (except in the case of Class B Ordinary Shares) within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) in the form determined by the Directors. All certificates shall specify the share or shares held by that person and the amount paid up thereon, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all. All certificates for shares shall be delivered personally or sent through the post addressed to the member entitled thereto at the Member's registered address as appearing in the register. No share certificates shall be issued in respect of the Class B Ordinary Shares.

14. Every share certificate of the Company shall bear legends required under the applicable laws, including the Securities Act.

15. Any two or more certificates representing shares of any one class held by any Member may at the Member's request be cancelled and a single new certificate for such shares issued in lieu on payment (if the Directors shall so require) of US$1.00 or such smaller sum as the Directors shall determine.

16. If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the relevant Member upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such terms (if any) as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in connection with the request as the Directors may think fit.

17. In the event that shares are held jointly by several persons, any request may be made by any one of the joint holders and if so made shall be binding on all of the joint holders.

## TRANSFER OF SHARES

18. The instrument of transfer of any share shall be in writing and in such usual or common form or such other form as the Directors may in their discretion approve and be executed by or on behalf of the transferor and shall be accompanied by the certificate of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register in respect thereof.

19. All instruments of transfer which are registered shall be retained by the Company, but any instrument of transfer which the Directors decline to register shall (except in any case of fraud) be returned to the person depositing the same.

20. The Board may, in its absolute discretion, and without assigning any reason, refuse to register a transfer of any share which is not fully paid up or on which the Company has a lien.

21. The Board shall, pursuant to Article 12(d), refuse to register any purported transfer of Class B Ordinary Shares made otherwise than in compliance with the Participation Agreement.

22. Subject to Article 21, the Board may also decline to register any transfer of any shares unless (as is applicable), subject to Article 13:

    (a) the instrument of transfer is lodged with the Company accompanied by the certificate for the shares to which it relates (which shall upon registration of the transfer be cancelled) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;

    (b) the instrument of transfer is in respect of only one class of shares;

    (c) the instrument of transfer is properly stamped (in circumstances where stamping is required); and

    (d) in the case of a transfer to joint holders, the number of joint holders to which the share is to be transferred does not exceed four.

23. If the Directors refuse to register a transfer of any shares, they shall within two months after the date on which the transfer was lodged with the Company send to each of the transferor and the transferee notice of the refusal.

**REDEMPTION AND PURCHASE OF OWN SHARES**

24. Subject to the provisions of the applicable law and these Articles, the Company may:

    (a) issue shares on terms that they are to be redeemed or are liable to be redeemed at the option of the Company or the Member on such terms and in such manner as the Directors may, before the issue of such shares, determine;

    (b) purchase its own shares (including any redeemable shares) on such terms and in such manner as the Directors may determine; and

    (c) make a payment in respect of the redemption or purchase of its own shares otherwise than out of profits or the proceeds of a fresh issue of shares.

    Notwithstanding the foregoing and subject to Article 187 and the terms of the Participation Agreement, the Company shall not purchase or redeem any Class B Ordinary Shares.

25. Upon exchange of all or part of a holder's Participation Interest (as defined in the Participation Agreement), all Class B Ordinary Shares that correspond to the Exchanged Participation Interest (as defined in the Participation Agreement) shall be deemed surrendered and automatically cancelled (without any further action being required on the part of the holder of such Class B Ordinary Shares) and the Register shall be updated to reflect such surrender and cancellation and to record that the holder is no longer the holder of such Class B Ordinary Shares.

26. Any share in respect of which any notice of redemption (including for the avoidance of doubt a Redemption Notice) has been given shall not be entitled to participate in the profits of the Company in respect of the period after the date specified as the date of redemption in the notice of redemption (or Redemption Date).

27. The redemption or purchase of any share shall not be deemed to give rise to the redemption or purchase of any other share.

28. The Directors may when making payments in respect of redemption or purchase of shares, if authorised by the terms of issue of the shares being redeemed or purchased or with the agreement of the holder of such shares, make such payment in any form of consideration.

## VARIATIONS OF RIGHTS ATTACHING TO SHARES

29. If at any time the share capital is divided into different classes of shares, the rights, powers and preferences attaching to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to these Articles, be varied or abrogated by the Company with the written consent of the holders of a majority of the issued shares of that class, or with the sanction of a resolution passed by at least a majority of the holders of shares of the class present in person or by proxy at a separate general meeting of the holders of the shares of the class, provided that the Company may, without any consent or sanction of the holders of a majority of the issued shares of that class, make any adjustments, cancellations or updates required under Article 11(e) or Article 12(e). Without limiting the foregoing and to the extent that the Participation Agreement is in effect, any amendment to:

   (a) the second sentence of Article 12(a)ii, Article 12(e) or to the Memorandum or these Articles (other than any action in connection with any adjustment or other matter required under Article 11(e) or Article 12(e)) that would increase or decrease the aggregate number of authorised Class A Ordinary Shares or increase or decrease the par value of the Class A Ordinary Shares, or alter or change the powers, preferences, or special rights of the Class A Ordinary Shares shall require the approval of the holders of a majority of the issued Class A Ordinary Shares; and

   (b) the second sentence of Article 11(a) or to the Memorandum or these Articles (other than any action in connection with any adjustment or other matter required under Article 11(e) or Article 12(e)) that would increase or decrease the aggregate number of authorised Class B Ordinary Shares or increase or decrease the par value of the Class B Ordinary Shares, or alter or change the powers, preferences, or special rights of the Class B Ordinary Shares (including as set out in Article 7 and Article 12) shall require the approval of the holders of a majority of the issued Class B Ordinary Shares.

30. The provisions of these Articles relating to general meetings shall apply to every such general meeting of the holders of one class of shares except that the necessary quorum shall be one person holding or representing by proxy at least one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.

31. Subject to Article 29, the rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied or abrogated by the creation or issue of further shares ranking *pari passu* therewith or the redemption or purchase of shares of any class by the Company.

## COMMISSION ON SALE OF SHARES

32. The Company may in so far as may be permitted by law, pay a commission to any person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally for any shares of the Company. Such commissions may be satisfied by the payment of cash or the lodgement of fully or partly paid-up shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

## FRACTIONAL SHARES

33. The Directors may issue fractions of a share of any class of shares, and, if so issued, a fraction of a share (calculated to three decimal points) shall be subject to and carry the corresponding fraction of liabilities (whether with respect to any unpaid amount thereon, contribution, calls or otherwise), limitations, preferences, privileges, qualifications, restrictions, rights (including, without limitation, voting and participation rights) and other attributes of a whole share of the same class of shares.

## LIEN

34. The Company shall have a first priority lien and charge on every partly paid share for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first priority lien and charge on all partly paid shares standing registered in the name of a Member (whether held solely or jointly with another person) for all moneys presently payable by him or his estate to the Company, but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all distributions payable thereon. The Board of Directors may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Article.

35. The Company may sell, in such manner as the Directors in their absolute discretion think fit, any shares on which the Company has a lien, but no sale shall be made unless an amount in respect of which the lien exists is presently payable nor until the expiration of 14 clear days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the persons entitled thereto by reason of his death or bankruptcy.

36. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

37. The proceeds of the sale after deduction of expenses, fees and commission incurred by the Company shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue shall (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the date of the sale.

## CALLS ON SHARES

38. Subject to these Articles and to the terms of allotment, the Directors may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value for the shares or by way of premium), and each Member shall (subject to receiving at least 14 clear days' notice specifying the time or times of payment) pay to the Company at the time or times so specified the amount called on such shares. A call may be extended, postponed or revoked in whole or in part as the Board of Directors determines but no Member shall be entitled to any such extension, postponement or revocation except as a matter of grace and favour.

39. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made. The joint holders of a share shall be jointly and severally liable to pay calls in respect thereof.

40. If a sum called in respect of a share is not paid on or before the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate of eight per cent. per annum from the day appointed for the payment thereof to the time of the actual payment, but the Directors shall be at liberty to waive payment of that interest wholly or in part.

41. The provisions of these Articles as to the liability of joint holders and as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

42. The Directors may make arrangements on the issue of partly paid shares for a difference between the Members, or the particular shares, in the amount of calls to be paid and in the times of payment.

43. The Directors may, if they think fit, receive from any Member willing to advance the same either in money or money's worth all or any part of the moneys uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding without the sanction of an Ordinary Resolution, eight per cent. per annum) as may be agreed upon between the Member paying the sum in advance and the Directors. The Board of Directors may at any time repay the amount so advanced upon giving to such Member not less than one month's notice of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. Such payment in advance shall not entitle the holder of such share or shares to participate in respect thereof in a dividend subsequently declared.

**FORFEITURE OF SHARES**

44. If a Member fails to pay any call or instalment of a call in respect of partly paid shares on the day appointed for payment, the Directors may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

45. The notice shall name a further day (not earlier than the expiration of 14 clear days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited. Such forfeiture will include all dividends and bonuses declared in respect of the forfeited shares and not actually paid before the date of forfeiture.

46. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by notice has been made, be forfeited by a resolution of the Directors to that effect.

47. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit.

48. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of forfeiture were payable by him to the Company in respect of the shares forfeited, but his liability shall cease if and when the Company receives payment in full of the amount unpaid on the shares forfeited.

49. A statutory declaration in writing that the declarant is a Director, and that a share has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts in the declaration as against all persons claiming to be entitled to the share.

50. The Company may receive the consideration, if any, given for a share on any sale or disposition thereof pursuant to the provisions of these Articles as to forfeiture and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and that person shall be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the disposition or sale.

51. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share becomes due and payable, whether on account of the amount of the share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

## REGISTRATION OF EMPOWERING INSTRUMENTS

52. The Company shall be entitled to charge a fee not exceeding one dollar (US$1.00) on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, notice in lieu of distringas, or other instrument.

## TRANSMISSION OF SHARES

53. The legal personal representative of a deceased sole holder of a share shall be the only person recognised by the Company as having any title to the share. In the case of a share registered in the name of two or more holders, the survivors or survivor, or the legal personal representatives of the deceased survivor, shall be the only person recognised by the Company as having any title to the share.

54. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall upon such evidence being produced as may from time to time be required by the Directors, have the right either to be registered as a Member in respect of the share or, instead of being registered himself, to make such transfer of the share as the deceased or bankrupt person could have made; but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt person before the death or bankruptcy.

55. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of such share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

## ALTERATION OF CAPITAL

56. Subject to Article 29, the Company may from time to time by Ordinary Resolution:

(a) increase its share capital by such sum, to be divided into shares of such classes and amount, as the resolution shall prescribe;

(b) subject to Article 11(e) and Article 12(e), consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;

(c) convert all or any of its paid up shares into shares and reconvert that shares into paid up shares of any denomination;

(d) subject to Article 11(e) and Article 12(e), sub-divide its existing shares, or any of them into shares of a smaller amount provided that in the subdivision the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be the same as it was in case of the share from which the reduced share is derived and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred, deferred or other rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares; or

(e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

PROVIDED THAT to the extent that the Participation Agreement is in effect, any action by the Company (other than any action, adjustment or other matter required under Article 11(e) or Article 12(e)) that would have the effect of increasing or decreasing the aggregate number of Class B Ordinary Shares in the Company's authorised share capital or any subdivision, consolidation or other action by the Company that would have the effect of increasing or decreasing the nominal or par value of the Class B Ordinary Shares (including any amendment to the Memorandum or these Articles to reflect any such action) shall require the approval of the holders of a majority of the issued Class B Ordinary Shares.

57. Subject to the terms of the Participation Agreement, the Company may by Special Resolution reduce its share capital and any capital redemption reserve in any manner authorised by law.

58. All new shares created hereunder shall be subject to the same provisions with reference to the payment of calls, liens, transfer, transmission, forfeiture and otherwise.

**TREASURY SHARES**

59. Shares that the Company purchases, redeems or acquires (by way of surrender or otherwise) may, at the option of the Company, be cancelled immediately or held as Treasury Shares in accordance with the Law. In the event that the Directors do not specify that the relevant shares are to be held as Treasury Shares, such shares shall be cancelled.

60. No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be declared or paid in respect of a Treasury Share.

**FIXING RECORD DATE**

61. The Directors may fix in advance a date as the record date for any such determination of those Members that are entitled to receive notice of, attend or vote at a meeting of the Members and for the purpose of determining those Members that are entitled to receive payment of any dividend the Directors may, at or within 90 days prior to the date of declaration of such dividend fix a subsequent date as the record date for such determination.

62. If no record date is fixed for the determination of those Members entitled to receive notice of, attend or vote at a meeting of Members or those Members that are entitled to receive payment of a dividend, the date on which notice of the meeting is posted or the date on which the resolution of the Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of Members. When a determination of those Members that are entitled to receive notice of, attend or vote at a meeting of Members has been made as provided in this Article, such determination shall apply to any adjournment thereof.

**GENERAL MEETINGS**

63. (a) The Company shall in each year hold a general meeting as its annual general meeting and shall specify the meeting as such in the notices calling it. The annual general meeting shall be held at such time and place as may be determined by the Directors or, in the event the Directors have failed to call an annual general meeting on or before 31 December in any calendar year, and only to that extent, pursuant to Article 64.

(b) At these meetings the report of the Directors (if any) shall be presented.

64. (a) The Directors may call general meetings, and they shall on a Members requisition carried out in accordance with Article 63(a) or this Article 64 forthwith proceed to convene a general meeting of the Company.

(b) A Members requisition is a requisition of Members of the Company holding at the date of deposit of the requisition not less than 20 per cent of such of the paid-up voting share capital of the Company as at that date of the deposit carries the right of voting at general meetings of the Company.

(c) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Office, and may consist of several documents in like form each signed by one or more requisitionists.

(d) If the Directors do not within twenty one (21) days from the date of the deposit of the requisition duly proceed to convene a general meeting to be held within a further twenty one (21) days, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a general meeting, but any meeting so convened shall not be held after the expiration of three months after the expiration of the second said twenty one (21) days unless it is an annual general meeting.

(e) A general meeting convened as aforesaid by requisitionists shall be convened in the same manner as nearly as possible as that in which general meetings are to be convened by Directors and where such general meeting:

i. is, in the event of a failure by the Company to hold an annual general meeting as required by Article 63(a), the annual general meeting of the Company under Article 63(a), the Company shall pay the reasonable expenses of the requisitionists in doing so on demand; and

ii. is any other general meeting of the Company, the requisitionists shall pay their own expenses in doing so.

65. All general meetings other than annual general meetings shall be called extraordinary general meetings.

**NOTICE OF GENERAL MEETINGS**

66. At least seven clear days' notice shall be given for any general meeting. Every notice shall be exclusive of the day on which it is given or deemed to be given and of the day for which it is given and shall specify the place, the day and the hour of the meeting and the general nature of the business and shall be given in the manner hereinafter mentioned or in such other manner if any as may be prescribed by the Company.

67. Notice of every general meeting shall be given in any manner authorised by these Articles to:

(a) every person shown as a Member in the Register as of the record date for such meeting except that in the case of joint holders the notice shall be sufficient as stated in Article 68; and

(b) every person upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a Member of record where the Member of record but for his death or bankruptcy would be entitled to receive notice of the meeting.

No other person shall be entitled to receive notices of general meetings.

68. The following applies where shares are jointly owned:

(a) if two or more persons hold shares jointly each of them may be present in person or by proxy at a general meeting and may speak as a member;

(b) if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners; and

(c) if two or more of the joint owners are present in person or by proxy they must vote as one.

69. Notwithstanding that a meeting of the Company is called by shorter notice than that referred to in Article 66, it shall be deemed to have been duly called if it is so agreed:

(a) in the case of a meeting called as an annual general meeting by all the Members of the Company entitled to attend and vote thereat or their proxies; and

(b) in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than 90 per cent. in nominal value of the shares giving that right.

70. The accidental omission to give any such notice to, or the non-receipt of any such notice by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.

71. A Member may be represented at a general meeting by a proxy who may speak and vote on behalf of the Member.

72. The instrument appointing a proxy shall be produced at the place designated for the meeting not less than 48 hours before the time for holding the meeting at which the person named in such instrument proposes to vote. The notice of the meeting may specify an alternative or additional place or time at which the proxy shall be presented.

73. The instrument appointing a proxy shall be in substantially the following form or such other form as the chairman of the meeting shall accept as properly evidencing the wishes of the Member appointing the proxy.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

I/We being a Member of the above Company HEREBY APPOINT ____________ of __________ or failing him __________ of __________ to be my/our proxy to vote for me/us at the meeting of Members to be held on the ____ day of ______, 20__ and at any adjournment thereof.

(Any restrictions on voting to be inserted here.)

Signed this ______ day of ______, 20__

Member

**PROCEEDINGS AT GENERAL MEETINGS**

74. All business carried out at a general meeting shall be deemed special with the exception of sanctioning a dividend, the consideration of the accounts, balance sheets, any report of the Directors or of the Company's auditors, the appointment and removal of Directors and the fixing of the remuneration of the Company's auditors. No special business shall be transacted at any general meeting without the consent of all Members entitled to receive notice of that meeting unless notice of such special business has been given in the notice convening that meeting.

75. No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Save as otherwise provided by these Articles, a quorum shall be one or more persons holding or representing at least not less than 50.0 per cent of the issued shares entitled to vote and present in person or by proxy.

76. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Member or Members present and entitled to vote shall be a quorum.

77. The Chairman (as defined in Article 106(5)) of the Board of Directors shall preside as chairman at every general meeting of the Company.

78. If the Directors wish to make such a facility available to Members for a specific or all general meetings of the Company, a Member may participate in any general meeting of the Company, by means of a telephone or similar communication equipment by way of which all persons participating in such meeting can hear each other and such participation shall be deemed to constitute presence in person at the meeting.

79. If there is no such Chairman, or if at any general meeting the Chairman is not present within half an hour after the time appointed for holding the meeting or is unwilling to act as chairman, the Members present in person or (in the case of a Member being a corporation) by its duly authorised representative or by proxy and entitled to vote shall choose one of their number to be chairman of that meeting.

80. The chairman may with the consent of any general meeting at which a quorum is present (and shall if so directed by the meeting) adjourn a meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, at least 7 clear days' notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

81. The Directors may cancel or postpone any duly convened general meeting at any time prior to such meeting, except for general meetings requisitioned by the Members in accordance with these Articles, for any reason or for no reason, upon notice in writing to Members. A postponement may be for a stated period of any length or indefinitely as the Directors may determine.

82. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman of the Board or one or more Members present in person or by proxy entitled to vote and who together hold not less than 20 per cent of the paid-up voting share capital of the Company, and unless a poll is so demanded, a declaration by the chairman that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.

83. If a poll is duly demanded, it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

84. All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Articles or by the Law. In the case of an equality of votes, the chairman of such meeting shall not be entitled to a second or casting vote in addition to any other vote he may have.

85. A poll demanded on the election of a chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs.

**VOTES OF MEMBERS**

86. Subject to any rights and restrictions for the time being attached to any class or classes of shares, on a show of hands every Member present in person and every person representing a Member by proxy at a general meeting of the Company shall have one vote and on a poll every Member and every person representing a Member by proxy shall have one vote for each share registered in his name, or the name of the person represented by proxy, in the Register.

87. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share, as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding. Several executors or administrators of a deceased Member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

88. (1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board of Directors may require of the authority of the person claiming to vote shall have been deposited at the Office or head office (or such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith), not less than 48 hours before the time appointed for holding the meeting, or adjourned meeting, as the case may be.

(2) Any person entitled under Article 53 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of Directors of his entitlement to such shares, or the Board of Directors shall have previously admitted his right to vote at such meeting in respect thereof.

89. On a poll, votes may be given either personally or by proxy.

90. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. A proxy need not be a Member of the Company.

91. The instrument appointing a proxy shall be deposited at the Office or at such other place as is specified for that purpose in the notice convening the meeting at least 48 hours before the time for holding the meeting or, if the meeting is adjourned, the time for holding such adjourned meeting.

92. An instrument appointing a proxy may be in any usual or common form or such other form as the Directors may approve.

93. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

## CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

94. (1) Any corporation which is a Member or a Director may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members or of the Board of Directors or of a committee of Directors. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member or Director and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

(2) If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)).

(3) Any reference in these Articles to a duly authorised representative of a Member being a corporation shall mean a representative authorised under the provisions of this Article.

## WRITTEN RESOLUTIONS OF MEMBERS

95. A resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive notice of and to attend and vote at general meetings of the Company shall, for the purposes of these Articles, be treated as a resolution duly passed at a general meeting of the Company and, where relevant, as a Special Resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last Member to sign, and where the resolution states a date as being the date of his signature thereof by any Member the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant Members.

## APPOINTMENT OF DIRECTORS

96. Subject to Article 97, the Melco Members may appoint, from time to time, by written notice to the Company, one Director so long as they hold in aggregate a number of Securities equal to at least 33% but less than 66% of the Melco Original Share Amount, two Directors for so long as they hold in aggregate a number of Securities equal to at least 66% but less than 99% of the Melco Original Share Amount, and three Directors for so long as they hold in aggregate a number of Securities equal to at least 99% of the Melco Original Share Amount, including to fill vacancies created by removals under Article 98 or vacancies created under Article 129 of Directors appointed by the Melco Members.

97. Despite Article 96, the Melco Members may, from time to time, by written notice to the Company, appoint up to three Directors for so long as they hold in aggregate:

    (1) a number of Securities equal to more than 66 per cent of the Melco Original Share Amount; and

    (2) more Securities in issue than any other Member and its Affiliates to whom Securities have been issued or transferred in accordance with the restrictions applicable thereto, in the aggregate, provided that for the purposes of this Article 97(2), the depositary bank for the ADSs shall be deemed not to be a Member;

    including to fill vacancies created by removals under Article 98, or vacancies created under Article 129 of Directors appointed by the Melco Members.

98. Subject to Article 99, the Melco Members may remove any Director appointed by them under Article 96 or Article 97 (as applicable) by notice to the Company.

99. Any notice under Articles 96, 97 or 98 shall be signed by the Member holding a majority of the Securities in issue held by all of the Melco Members as at the date of the notice.

100. New Cotai may, for so long as it holds in aggregate, a number of Securities equal to:

    (1) 50 per cent or more of the New Cotai Original Share Amount, appoint two Directors; and

    (2) 25 per cent or more, but less than 50 per cent of the New Cotai Original Share Amount, (y) appoint one Director, including in each case to fill vacancies created by removals under Article 102 or vacancies created under Article 129 of Directors appointed by New Cotai, in each case by written notice to the Company; and (z) to the extent not prohibited by Applicable Laws or the listing or exchange rules of any stock exchange on which the Securities are listed, appoint one Observer to the Board, including to fill vacancies created by removals under Article 102 or death or resignation of an Observer, in each case by written notice to the Company; PROVIDED THAT upon New Cotai holding a number of Securities equal to less than 25 per cent of the New Cotai Original Share Amount, any Observer appointed by it shall automatically be deemed removed without the need for any removal notice to be delivered to the Company.

101. New Cotai may, for so long as it has the right to appoint at least one Director pursuant to Article 100, appoint a Director (who is already a member of the Board and appointed pursuant to Article 100) to sit on any committee of the Board (other than (i) a committee formed to evaluate a transaction between the Company and New Cotai or its Affiliates or (ii) a committee that the Board has determined as a matter of good corporate governance should be comprised solely of independent directors and, at such time, no Director appointed by New Cotai is independent under applicable stock exchange rules), to the extent any such appointment is not prohibited by Applicable Laws or the listing or exchange rules of any stock exchange on which the Securities are listed; provided, however, that a simple majority will be sufficient to approve such committees' decisions and, provided further, that such Director will not be required to form a quorum at meetings of any committee so long as due notice of the meeting has been provided.

102. Subject to Article 103, New Cotai may remove any Director or Observer appointed under Article 100 or remove from any committee any Director appointed by it to such committee under Article 101 by notice to the Company.

103. Any notice under Articles 100, 101 or 102 shall be signed by New Cotai.

104. In determining the number of Securities held by New Cotai at the relevant time for purposes of any threshold in Articles 100 through 103, including for purposes of the New Cotai Original Share Amount, Securities held by the Minority Members shall be deemed to be held by New Cotai.

105. New Cotai's rights under Articles 100 through 104 shall terminate at such time when New Cotai no longer holds at least 5 per cent of the Securities in issue.

## DIRECTORS

106.

(1) The maximum number of Directors shall be 11. For so long as shares or ADSs are quoted on the NYSE, the Directors shall include such number of Independent Directors as applicable law, rules or regulations or the NYSE Rules require.

(2) Each Director shall hold office until the expiration of his term, or until his earlier death, resignation or removal, and until his successor shall have been elected or appointed.

(3) The Company may by Ordinary Resolution appoint any person to be a Director either to fill a vacancy on the Board or as an addition to the existing Board up to the maximum number of Directors permitted under Article 106(1), subject to Articles 96 through 103.

(4) The Directors may by the affirmative vote of a majority of the Directors appoint any person to be a Director either to fill a vacancy on the Board or as an addition to the existing Board up to the maximum number of Directors permitted under Article 106(1), subject to Articles 96 through 103.

(5) The Board of Directors shall have a Chairman of the Board of Directors (the "**Chairman**") elected and appointed by a majority of the Directors then in office. The period for which the Chairman will hold office shall also be determined by a majority of all the Directors then in office. The Chairman shall preside as chairman at every meeting of the Board of Directors. If the Chairman is not present at a meeting of the Board of Directors within 15 minutes after the time appointed for holding the meeting, then the attending Directors may, by the affirmative vote of a majority of such Directors, choose one of their number to be the chairman of the meeting.

(6) Neither a Director nor an alternate Director shall be required to hold any shares of the Company by way of qualification and a Director or alternate Director (as the case may be) who is not a Member shall be entitled to receive notice of and to attend and speak at any general meeting (including class meetings) of the Company.

(7) No person shall be appointed as a Director of the Company unless he has consented in writing to act as a Director.

(8) A director may be removed from office by Special Resolution.

107. The Board may, from time to time, and except as required by applicable law or the listing rules of the recognised stock exchange or automated quotation system where the Company's securities are traded, adopt, institute, amend, modify or revoke the corporate governance policies or initiatives, which shall be intended to set forth the policies of the Company and the Board on various corporate governance related matters as the Board shall determine by resolution from time to time.

**OBSERVER**

108. An Observer shall be entitled to attend each meeting of the Board but shall not be entitled to vote at meetings of the Board.

109. An Observer shall be given the same notice of each meeting of the Board, at the same time and in the same form, as given to the Directors.

110. An Observer shall be provided with all of the information provided to Directors in the same form and at the same time as such information is provided to the Directors, including all board packs, agendas and any information to be presented to the Board.

**ALTERNATE DIRECTOR**

111. Subject to the prior approval of the Board of Directors, any Director (the "**Appointing Director**") (other than any independent Director under applicable stock exchange rules) may in writing appoint another person, whether or not a Director, to be his alternate to act in his place for such period of time as the Appointing Director is unable to attend meetings and/or otherwise discharge his duties as a Director. Each such alternate shall be entitled to a notice of each meeting of the Directors that is convened during his period of appointment (each an "**Affected Meeting**"), to attend and vote thereat as a Director and to sign written resolutions on behalf of the Appointing Director (except to the extent such resolutions are signed by the Appointing Director). Where a Director is also an alternate for another Director, such Director shall have a separate vote on behalf of the Appointing Director he is representing in addition to his own vote. Under no circumstances shall the appointment of an alternate Director be construed as an effective appointment of the alternate Director to any other position or office of the Appointing Director. An alternate Director may be removed at any time by the relevant Appointing Director or the Board of Directors and, subject thereto, the office of alternate Director shall continue until the date on which the relevant Appointing Director ceases to be a Director. Any appointment or removal of an alternate Director by the Appointing Director shall be effected by notice signed by the Appointing Director and delivered to the Office or head office at least 48 hours prior to the Affected Meeting at which such appointment is to take effect. For the avoidance of doubt, such notice period shall not apply to the removal of an alternate Director by the Board of Directors. Subject to the Law, an alternate Director shall not be deemed to be an officer of the Company solely as a result of his appointment as an alternate Director. The remuneration of an alternate Director shall be payable by the Appointing Director out of the remuneration of the relevant Appointing Director and the proportion thereof shall be agreed between them.

**DIRECTORS' FEES AND EXPENSES**

112. The Company shall: (i) pay the reasonable expenses properly incurred by Directors in relation to the business of the Group, including accommodation expenses in travelling to and from meetings of the Board or any committee of the Board, any Group Company, or any committee of any such company, and provided such expenses are supported by valid receipts; and (ii) pay the cost of any insurance policies taken out by the Company in respect of the Directors. Notwithstanding the foregoing, no Director that is not independent within the meaning of the listing or exchange rules of any stock exchange on which the Class A Ordinary Shares are listed is entitled to be paid any fees in connection with his or her appointment or role as a Director.

113. Each Director shall be entitled to be repaid or prepaid all reasonable expenses properly incurred in relation to the business of the Group, including travelling, hotel and incidental expenses reasonably incurred or expected to be incurred by him in attending meetings of the Board of Directors or committees of the Board of Directors or general meetings or separate meetings of any class of shares or of debentures of any Group Company or any committee of any Group Company or otherwise in connection with the discharge of his duties as a Director; in each case, provided such expenses are supported by valid receipts.

114. Any independent Director within the meaning of the listing or exchange rules of any stock exchange on which the Class A Ordinary Shares are listed who, by request from the Board of Directors, goes or resides abroad for any purpose of the Company or who performs services which in the opinion of the Board of Directors go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board of Directors may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration provided for by or pursuant to any other Article.

**POWERS AND DUTIES OF DIRECTORS**

115. Each Director shall be required to have regard to, and act in the best interests of, the Company and all of its Members; provided that, to the maximum extent permitted by law and without detracting from or limiting the foregoing obligation, Directors shall be permitted to also have regard to the interests of the Member that appointed that Director and such Member's Affiliates in carrying out his or her duties as a Director or a director of any Subsidiary to the extent that those interests are consistent with the best interests of the Company and all of its Members.

116. Subject to the provisions of the Law, these Articles and to any resolutions made in general meeting, the business of the Company shall be managed by the Directors, who may pay all expenses incurred in setting up and registering the Company and may exercise all powers of the Company. The Directors of the Company have all the powers necessary for managing, and for directing and supervising, the business and affairs of the Company. No resolution made by the Company in a general meeting shall invalidate any prior act of the Directors which would have been valid if that resolution had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board of Directors by any other Article.

117. Subject to these Articles, the Directors may from time to time appoint any person, whether or not a Director, to hold such office in the Company as the Directors may think necessary for the administration of the Company, including but not limited to, the office of, chief executive officer, president, one or more vice-presidents, treasurer, assistant treasurer, manager or controller, and for such term and at such remuneration (whether by way of salary or commission or participation in profits or otherwise or partly in one way and partly in another), and with such powers and duties as the Directors may think fit. Any person so appointed by the Directors may be removed by the Directors.

118. The Directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to delegate all or any of the powers, authorities and discretion vested in him.

119. The Directors may from time to time provide for the management of the affairs of the Company in such manner as they shall think fit and the provisions contained in the three next following Articles shall not limit the general powers conferred by this Article.

120. The Directors from time to time and at any time may establish any committees, local boards or agencies for managing any of the affairs of the Company and may appoint any persons to be members of such committees or local boards and may appoint any managers or agents of the Company and may fix the remuneration of such persons. Any committee, local board or agency so formed shall in the exercise of the powers delegated to it by the Directors conform to any regulations that may be imposed on it by the Directors.

121. The Directors from time to time and at any time may delegate to any such committee, local board, manager or agent any of the powers, authorities and discretions for the time being vested in the Directors and may authorise the members for the time being of any such local board, or any of them to fill any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit and the Directors may at any time remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby PROVIDED THAT for any committee for which a director appointed by New Cotai is a member, the quorum necessary for the transaction of business at a meeting of such committee shall not include the Director appointed by New Cotai so long as due notice of the meeting has been provided.

122. Any such delegates as aforesaid may be authorised by the Directors to subdelegate all or any of the powers, authorities, and discretion for the time being vested in them.

123. All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board of Directors shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board of Directors shall from time to time determine.

124. The following actions require the resolution approved by a supermajority of at least two-thirds of the vote of Directors at the board meeting:-

(a) subjectto Article 185(2), any voluntary dissolution or liquidation of the Company; and

(b) thesale of all or substantially all of the assets of the Company.

## BORROWING POWERS OF DIRECTORS

125. Subject to any express limitations set out in the Participation Agreement, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or part of its undertaking, property and uncalled capital or any part thereof, and subject to the Law to issue debentures, debenture shares and other securities whenever money is borrowed or as security for any debt, liability or obligation of the Company or of any third party.

## THE SEAL

126. (1) The Company shall have one or more Seals, as the Board of Directors may determine. For the purpose of sealing documents creating or evidencing securities issued by the Company, the Company may have a securities seal which is a facsimile of the Seal of the Company with the addition of the word "Securities" on its face or in such other form as the Board of Directors may approve. The Board of Directors shall provide for the custody of each Seal and no Seal shall be used without the authority of the Board of Directors or of a committee of the Board of Directors authorised by the Board of Directors in that behalf. Subject as otherwise provided in these Articles, any instrument to which a Seal is affixed shall be signed autographically by one Director and the Secretary or by two Directors or by such other person (including a Director) or persons as the Board of Directors may appoint, either generally or in any particular case, save that as regards any certificates for shares or debentures or other securities of the Company the Board of Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature. Every instrument executed in any manner provided by this Article shall be deemed to be sealed and executed with the authority of the Board of Directors previously given.

(2) Where the Company has a Seal for use abroad, the Board of Directors may by writing under the Seal appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such Seal and the Board of Directors may impose restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such other Seal as aforesaid.

## DISQUALIFICATION OF DIRECTORS

127. If the number of Directors appointed by a person under Articles 96, 97, 100 or 101 is greater than the number of Directors entitled to be appointed by that person under the relevant Article, then that person shall, within two business days of ceasing to be so entitled, give notice to the Company removing that number of Directors in excess of its entitlement.

128. If any person to whom Article 127 applies does not give notice removing the required number of Directors within the period specified in that clause, any person entitled to appoint a Director under Articles 96, 97, 100 or 101 may give such a notice removing any such Directors.

129. The office of Director shall be vacated if:

(a) a Director resigns his office by notice in writing to the Company;

(b) a Director dies;

(c) an order is made by any competent court or official on the grounds that a Director is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and a majority of the Directors resolve that his office be vacated;

(d) without leave, a Director is absent from meetings of the Board of Directors (unless an alternate Director appointed by him attends in his place) for a continuous period of 6 months, and a majority of the Directors resolve that his office be vacated;

(e) a Director becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;

(f) a Director ceases to be or is prohibited from being a Director by law or by virtue of any provisions in these Articles;

(g) a Director is removed from office by notice in writing served upon him signed by not less than a majority in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office; provided that a Director appointed by a Member may only be removed by that Member pursuant to Articles 96 through 103 and Articles 127 and 128; or

(h) a Director is removed from office pursuant to Article 98 or 102.

## REGISTER OF DIRECTORS AND OFFICERS

130. The Company shall cause to be kept in one or more books at its Office a Register of Directors and Officers in which there shall be entered the full names and addresses of the Directors and Officers and such other particulars as required by the Law or as the Directors may determine. The Company shall send to the Registrar of Companies in the Cayman Islands a copy of such register, and shall from time to time notify to the said Registrar of Companies of any change that takes place in relation to such Directors and Officers as required by the Law.

## PROCEEDINGS OF DIRECTORS

131. The Directors may meet together (either within or outside the Cayman Islands) to conduct business, adjourn, and otherwise regulate their meetings and proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second casting vote. A Director may, and a Secretary or Assistant Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors by at least two clear days' notice in writing to every other Director, alternate Director and Observer.

132. A Director or Directors may participate in any meeting of the Board of Directors, or of any committee appointed by the Board of Directors of which such Director or Directors are members, by means of telephone or similar communication equipment by way of which all persons participating in such meeting can hear each other and such participation shall be deemed to constitute presence in person at the meeting.

133. The quorum necessary for the transaction of the business of the Directors shall be no less than a majority in number (or, if that is not a round number, the nearest lower round number) of the Directors entitled to vote at the meeting. Where a Director has appointed an alternate Director in accordance with Article 111 in respect of any Affected Meeting, the alternate Director shall be counted in place of the Appointing Director for the purposes of determining whether or not a quorum is present at the Affected Meeting. Any Director may attend a meeting acting for himself and as an alternate for any other Director(s) and in such circumstances in calculating the quorum, that Director shall be counted in his personal capacity and for each such alternate appointment.

134. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Directors. A general notice given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract which may thereafter be made with that company or firm shall be deemed a sufficient declaration of interest in regard to any contract so made. A Director may be counted in the quorum at any meeting of the Directors at which any such contract or proposed contract or arrangement shall come before the meeting for consideration and may vote in respect of any contract or proposed contract or arrangement notwithstanding that he may be interested therein and if he does so his vote shall be counted.

135. A Director may hold any other office, position or place of profit with the Company (other than the office of auditor) in conjunction with his office of Director for such period and, subject to Article 134, on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified from holding office by contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established. A Director, notwithstanding his interest, may be counted in the quorum present at any meeting of the Directors whereat he is to be appointed to hold any such office, position or place of profit with the Company or whereat the terms of any such appointment are to be approved or arranged and he may vote on any such appointment or arrangement.

136. Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director or his firm to act as auditor to the Company.

137. Any Director who ceases to be a Director at a Board of Directors meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of such Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

138. The Directors shall cause minutes to be made in books or loose-leaf folders provided for the purpose of recording:

(a) all appointments of officers made by the Directors;

(b) the names of the Directors present at each meeting of the Directors and of any committee of the Directors; and

(c) all resolutions and proceedings at all meetings of the Company, and of the Directors and of committees of Directors.

139. When the chairman of a meeting of the Directors signs the minutes of such meeting the same shall be deemed to have been duly held notwithstanding that all the Directors have not actually come together or that there may have been a technical defect in the proceedings.

140. A resolution in writing signed by (i) all the Directors (except those who have appointed an alternate Director in accordance with Article 111, if any), and (ii) all the alternate Directors appointed in accordance with Article 111, if any, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted. When signed a resolution may consist of several documents each signed by one or more of the Directors.

141. The continuing Director(s) may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the minimum number of Directors, the continuing Director(s) may act for the purpose of increasing the number of Directors, or of summoning a general meeting of the Company, but for no other purpose.

142. Subject to any regulations imposed on it by the Directors, a committee appointed by the Directors may elect a chairman of its meetings. If no such chairman is elected, or if at any meeting the chairman is not present within half an hour after the time appointed for holding the meeting, the members present may choose one of their number to be chairman of the meeting.

143. A committee appointed by the Directors may meet and adjourn as it thinks proper. Subject to any regulations imposed on it by the Directors, questions arising at any meeting shall be determined by a majority of votes of the committee members present and in case of an equality of votes the chairman shall have a second or casting vote.

144. All acts done by any meeting of the Directors or of a committee of Directors, or by any person acting as a Director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

## PRESUMPTION OF ASSENT

145. A Director of the Company who is present at a meeting of the Board of Directors at which action on any Company matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the Minutes of the meeting or unless he shall file his written dissent from such action with the person acting as the chairman or secretary of the meeting before the adjournment thereof or shall forward such dissent by registered post to such person promptly after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favour of such action.

## DIVIDENDS, DISTRIBUTIONS AND RESERVE

146. Subject to Article 11(e) or Article 12(e) and any rights and restrictions for the time being attached to any class or classes of shares and these Articles, the Directors may from time to time declare dividends (including interim dividends) and other distributions on Class A Ordinary Shares in issue and authorise payment of the same out of the funds of the Company lawfully available therefor.

147. Notice of any dividend that may have been declared shall be given to each Member holding Class A Ordinary Shares or Class B Ordinary Shares and all dividends unclaimed for one year after having been declared may be forfeited by resolution of the Directors for the benefit of the Company. For the avoidance of doubt, this Article 147 shall not require a separate or duplicate notice to be provided to a Member holding Class B Ordinary Shares to the extent such Member is already entitled to receive a substantially similar notice as a Participant under the Participant Agreement.

148. The Directors may, before recommending or declaring any dividend, set aside out of the funds legally available for distribution such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors be applicable for meeting contingencies, or for equalising dividends or for any other purpose to which those funds be properly applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Directors may from time to time think fit.

149. Any dividend may be paid by cheque sent through the post to the registered address of the Member or person entitled thereto, or in the case of joint holders, to any one of such joint holders at his registered address or to such person and such address as the Member or person entitled, or such joint holders as the case may be, may direct. Every such cheque shall be made payable to the order of the person to whom it is sent or to the order of such other person as the Member or person entitled, or such joint holders as the case may be, may direct.

150. The Directors when paying dividends to the Members in accordance with the foregoing provisions may make such payment either in cash or in specie.

151. Subject to any rights and restrictions for the time being attached to any class or classes of shares, all dividends shall be declared and paid according to the amounts paid on the shares, but if and so long as nothing is paid up on any of the shares in the Company dividends may be declared and paid according to the par value of the shares. No amount paid on a share in advance of calls shall, while carrying interest, be treated for the purposes of this Article as paid on the share.

152. If several persons are registered as joint holders of any share, any of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.

153. No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.

## BOOK OF ACCOUNTS

154. The books of account relating to the Company's affairs shall be kept in such manner as may be determined from time to time by the Directors.

155. The books of account shall be kept at the Office, or at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.

156. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Directors or by the Company by Ordinary Resolution.

157. The accounts relating to the Company's affairs shall be audited in such manner and with such financial year end as may be determined from time to time by the Directors or failing any determination as aforesaid shall not be audited.

## ANNUAL RETURNS AND FILINGS

158. The Board shall make the requisite annual returns and any other requisite filings in accordance with the Law.

## AUDIT

159. The Directors may appoint an auditor of the Company who shall hold office until removed from office by a resolution of the Directors and may fix his or their remuneration.

160. Every auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of the duties of the auditors.

161. Auditors shall, if so required by the Directors, make a report on the accounts of the Company during their tenure of office at the next annual general meeting following their appointment, and at any time during their term of office, upon request of the Directors or any general meeting of the Members.

162. The Directors in each year shall prepare, or cause to be prepared, an annual return and declaration setting forth the particulars required by the Law and deliver a copy thereof to the Registrar of Companies in the Cayman Islands.

## OFFICERS AND AGENTS

163. Subject to Article 117, the Company may have a Chief Executive Officer, one or more Vice Presidents and Chief Financial Officer, President, a Secretary or Secretary-Treasurer appointed by the Directors. The Directors may also from time to time appoint such other officers as they consider necessary, all for such terms, at such remuneration and to perform such duties, and subject to such provisions as to disqualification and removal as the Directors from time to time decide.

164. The Officers shall perform such duties as are prescribed at the time of their appointment subject to any modification in such duties as may be prescribed thereafter by resolution of the Directors. In the absence of any specific prescription of duties it shall be the responsibility of the Chairman of the Board to preside at meetings of directors and general meetings, the president to manage the day to day affairs of the Company, the vice-presidents to act in order of seniority in the absence of the president but otherwise to perform such duties as may be delegated to them by the president, the secretaries to maintain the Register, minute books and records (other than financial records) of the Company and to ensure compliance with all procedural requirements imposed on the Company by applicable law, and the treasurer to be responsible for the financial affairs of the Company.

165. The officers of the Company shall hold office until their successors are duly appointed, but any officer elected or appointed by the directors may be removed at any time, with or without cause, by resolution of the Directors. Any vacancy occurring in any office of the Company may be filled by resolution of the Directors.

166. The directors may, by a resolution of the Directors, appoint any person, including a person who is a director, to be an agent of the Company. An agent of the Company shall have such powers and authority of the directors, including the power and authority to affix the Seal, as are set forth in the Articles or in the resolution of the Directors appointing the agent. The resolution of the Directors appointing an agent may authorise the agent to appoint one or more substitutes or delegates to exercise some or all of the powers conferred on the agent by the Company. The Directors may by resolution of the Directors remove an agent appointed by the Company and may revoke or vary a power conferred on him.

## CONFLICT OF INTERESTS

167. A Director of the Company shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to all other Directors of the Company.

168. For the purposes of Article 167, a disclosure to all other Directors to the effect that a Director is a member, director or officer of another named entity or has a fiduciary relationship with respect to the entity or a named individual and is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered into with that entity or individual, is a sufficient disclosure of interest in relation to that transaction.

169. Subject to compliance with Article 167 and Article 134, a Director who is interested in a transaction entered into or to be entered into by the Company may:

(a) vote on a matter relating to the transaction;

(b) attend a meeting of directors at which a matter relating to the transaction arises and be included among the directors present at the meeting for the purposes of a quorum; and

(c) sign a document on behalf of the Company, or do any other thing in his capacity as a Director, that relates to the transaction,

and, subject to compliance with the Law shall not, by reason of his office be accountable to the Company for any benefit which he derives from such transaction and no such transaction shall be liable to be avoided on the grounds of any such interest or benefit.

## CAPITALISATION OF RESERVES

170. Subject to the Law and these Articles, the Directors may:

(a) resolve to capitalise an amount standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution;

(b) appropriate the sum resolved to be capitalised to the Members in proportion to the nominal amount of shares (whether or not fully paid) held by them respectively and apply that sum on their behalf in or towards:

(i) paying up the amounts (if any) for the time being unpaid on shares held by them respectively; or

(ii) paying up in full unissued shares or debentures of a nominal amount equal to that sum,

and allot the shares or debentures, credited as fully paid, to the Members (or as they may direct) in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve and profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted pro rata to Members credited as fully paid;

(c) make any arrangements they think fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular, without limitation, where shares or debentures become distributable in fractions the Directors may deal with the fractions as they think fit;

(d) authorise a person to enter (on behalf of all the Members concerned) an agreement with the Company providing for either:

(i) the allotment to the Members respectively, credited as fully paid, of shares or debentures to which they may be entitled on the capitalisation, or

(ii) the payment by the Company on behalf of the Members (by the application of their respective proportions of the reserves resolved to be capitalised) of the amounts or part of the amounts remaining unpaid on their existing shares,

and any such agreement made under this authority being effective and binding on all those Members; and

(e) generally do all acts and things required to give effect to any of the actions contemplated by this Article.

## SHARE PREMIUM ACCOUNT

171. The Directors shall in accordance with Section 34 of the Law establish a share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share.

172. There shall be debited to any share premium account on the redemption or purchase of a share the difference between the nominal value of such share and the redemption or purchase price provided always that at the discretion of the Directors such sum may be paid out of the profits of the Company or, if permitted by Section 37 of the Law, out of capital.

## NOTICES

173. Except as otherwise provided in these Articles, any notice or document may be served by the Company or by the person entitled to give notice to any Member either personally, by facsimile or by sending it through the post in a prepaid letter or via a recognised courier service, fees prepaid, addressed to such Member at his address as appearing in the Register or, to the extent permitted by all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the Member to the Company or by placing it on the Company's Website provided that the Company has obtained the Member's prior express positive confirmation in writing to receive notices in such manner. In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the Register and notice so given shall be sufficient notice to all the joint holders.

174. Any Member present, either personally or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.

175. Any notice or other document, if served by (a) post, shall be deemed to have been served five clear days after the time when the letter containing the same is posted and if served by courier, shall be deemed to have been served five clear days after the time when the letter containing the same is delivered to the courier (in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed and duly posted or delivered to the courier), or (b) facsimile, shall be deemed to have been served upon confirmation of receipt, or (c) recognised delivery service, shall be deemed to have been served 48 hours after the time when the letter containing the same is delivered to the courier service and in proving such service it shall be sufficient to provide that the letter containing the notice or documents was properly addressed and duly posted or delivered to the courier or (d) electronic means as provided herein shall be deemed to have been served and delivered at the expiration of 24 hours after the time it was sent.

176. Any notice or document delivered or sent to any Member pursuant to these Articles shall notwithstanding that such Member be then deceased and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such Member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares.

**INFORMATION**

177. No Member shall be entitled to require discovery of any information which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board would not be in the interests of the Company to communicate to the public.

178. The Board shall be entitled to release or disclose any information in its possession, custody or control regarding the Company or its affairs to any of its Members including, without limitation, information contained in the Register and transfer books of the Company.

**INDEMNITY**

179. Every Director (including for the purposes of this Article any alternate Director appointed pursuant to the provisions of these Articles), Secretary, assistant Secretary, or other officer for the time being and from time to time of the Company (but not including the Company's auditors) and the personal representatives of the same (each an "**Indemnified Person**") shall to the fullest extent permitted by Law be indemnified and secured harmless against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by such Indemnified Person, other than by reason of such Indemnified Person's own dishonesty, wilful default or fraud, in or about the conduct of the Company's business or affairs (including as a result of any mistake of judgment) or in the execution or discharge of his duties, powers, authorities or discretions, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by such Indemnified Person in defending (whether successfully or otherwise) any civil proceedings concerning the Company or its affairs in any court whether in the Cayman Islands or elsewhere. For the avoidance of doubt, the Company may enter into an agreement with any Director or officer of the Company in respect of indemnification or exculpation in terms of which differ from the provisions of this Article.

180. No Indemnified Person shall be liable:

(a) for the acts, receipts, neglects, defaults or omissions of any other Director or officer or agent of the Company; or

(b) for any loss on account of defect of title to any property of the Company; or

(c) on account of the insufficiency of any security in or upon which any money of the Company shall be invested; or

(d) for any loss incurred through any bank, broker or other similar Person; or

(e) for any loss occasioned by any negligence, default, breach of duty, breach of trust, error of judgement or oversight on such Indemnified Person's part; or

(f) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers, authorities, or discretions of such Indemnified Person's office or in relation thereto;

unless the same shall happen through such Indemnified Person's own dishonesty, wilful default or fraud.

181. The Company may purchase and maintain insurance in relation to any person who is or was a Director, Officer or liquidator of the Company, or who at the request of the Company is or was serving as a Director, Officer or liquidator of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise, that provides a level of coverage consistent with that maintained by similarly sized companies that engage in activities similar to those undertaken by the Group, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability as provided in the Articles.

## NON-RECOGNITION OF TRUSTS

182. No person shall be recognised by the Company as holding any share upon any trust and the Company shall not, unless required by law, be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent or future interest in any of its shares or any other rights in respect thereof except an absolute right to the entirety thereof in each Member registered in the Register.

## FINANCIAL YEAR

183. Unless the Directors otherwise prescribe, the financial year of the Company shall end on December 31st in each year and shall begin on January 1st in each year.

## WINDING UP

184. A resolution that the Company be wound up by the court or be wound up voluntarily shall be a Special Resolution, except where the Company is to be wound up voluntarily because it is unable to pay its debts as they may fall due in which event the resolution shall be an Ordinary Resolution.

185. (1) Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares (i) if the Company shall be wound up and the assets available for distribution amongst the holders of Class A Ordinary Shares (but not the holders of Class B Ordinary Shares) of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed pari passu amongst such holders of Class A Ordinary Shares (but not the holders of Class B Ordinary Shares) in proportion to the amount paid up on the shares held by them respectively and (ii) if the Company shall be wound up and the assets available for distribution amongst the holders of Class A Ordinary Shares (but not the holders of Class B Ordinary Shares) as such shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the holders of Class A Ordinary Shares (but not the holders of Class B Ordinary Shares) in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.

(2) If the Company shall be wound up (whether the liquidation is voluntary or compelled by the court) the liquidator may, with the authority of an Ordinary Resolution and any other sanction required by the Law, divide among the holders of Class A Ordinary Shares (but not the holders of Class B Ordinary Shares) in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of properties of one kind or shall consist of properties to be divided as aforesaid of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the holders of Class A Ordinary Shares (but not the holders of Class B Ordinary Shares). The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of the holders of Class A Ordinary Shares (but not the holders of Class B Ordinary Shares) as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

## AMENDMENT OF ARTICLES OF ASSOCIATION

186. Subject to the Law and the rights attaching to the various classes of shares (including pursuant to Article 29), the Company may at any time and from time to time by Special Resolution alter or amend these Articles in whole or in part.

## UNSUITABLE PERSONS AND SALE OR COMPULSORY REDEMPTION

187. (1) In the event that the Company or any Affiliate of the Company receives a written notice ("**Gaming Authority Notice**") from a Gaming Authority to whose jurisdiction the Company or any Affiliate of the Company is subject, setting out the name of a Person who is considered by a Gaming Authority to be an Unsuitable Person, then forthwith upon the Company serving a copy of such Gaming Authority Notice on the relevant parties, and until the shares Owned or Controlled by such Person or its Affiliate are Owned or Controlled by a Person who is not an Unsuitable Person, the Unsuitable Person or any Affiliate of an Unsuitable Person shall: (i) either sell or transfer all of the shares to a Person who is not an Unsuitable Person, or allow the redemption or repurchase of the shares by the Company on such terms, including the Redemption Price, and in such manner as the Directors may determine and agree with the Member, within such period of time as may be specified by a Gaming Authority; (ii) not be entitled to receive any dividend (save, to the extent not prohibited by the Law and the Gaming Authority Notice, for any dividend declared prior to any receipt of any Gaming Authority Notice under this Article but not yet paid), interest or other distribution of any kind with regard to the shares; (iii) not be entitled to receive any remuneration in any form from the Company or a Subsidiary for services rendered or otherwise, and/or (iv) not be entitled to exercise, directly or indirectly or through any proxy, trustee, or nominee, any voting or other right conferred by such shares. In this Article, "**relevant parties**" means the Person considered by the Gaming Authority to be Unsuitable to be a Member, any intermediaries or representatives of such Person, any entities through which such Person holds an interest in shares of the Company, or any other third parties to whom disclosure of the aforementioned notice of the Gaming Authority is necessary or expedient.

(2) Subject to Applicable Laws and regulations, shares Owned or Controlled by an Unsuitable Person or an Affiliate of an Unsuitable Person shall be subject to compulsory redemption by the Company, out of funds legally available therefor, by a resolution of the Board of Directors, to the extent required by the Gaming Authority making the determination of Unsuitability or to the extent deemed necessary or advisable by the Board of Directors having regard to relevant Gaming Laws. If a Gaming Authority directly or indirectly requires the Company, or if the Board of Directors deems it necessary or advisable, to redeem the shares of a Member under this Article, the Company shall give a Redemption Notice to such Member and shall redeem on the Redemption Date the number of shares specified in the Redemption Notice for the Redemption Price set forth in the Redemption Notice. Upon such compulsory redemption under this Article being exercised by the Company against a Member, such Member will be entitled to receive the Redemption Price in respect of his shares so redeemed, and from the day on which such compulsory redemption is effected, shall have no other Member's rights except the right to receive the Redemption Price and, to the extent not prohibited by the Law and any Gaming Authority Notices, the right to receive any dividends declared prior to any receipt of any Gaming Authority Notice under these Articles but not yet paid provided however that upon service of a copy of the Gaming Authority Notice on any relevant party, such Member's rights will be limited upon such service of the Gaming Authority Notice as provided in paragraphs (i) to (iv) of the preceding Article.

(3) If any shares of the Company are held in a street name, by a nominee, an agent or in trust, the holder of the shares entered in the Register may be required by the Company to disclose to it the identity of the beneficial owner of the shares. The Company may thereafter disclose the identity of the beneficial owner to a Gaming Authority. Each holder of the shares entered in the Register shall render maximum assistance to the Company in determining the identity of the beneficial owner of the relevant shares. A failure of a holder of the shares entered in the Register to disclose the identity of the beneficial owner of shares shall enable the Directors to make a finding of Unsuitability if so required by a Gaming Authority.

(4) Any Unsuitable Person and any Affiliate of an Unsuitable Person shall indemnify and hold harmless the Company and its Affiliates for any and all losses, costs, and expenses, including legal fees, incurred by the Company and its Affiliates as a result of, or arising out of, such Unsuitable Person's or Affiliate's continuing Ownership or Control of shares, the neglect, refusal or other failure to comply with this Article, or failure to promptly divest itself of any shares when required by the Gaming Laws or this Article.

**REGISTRATION BY WAY OF CONTINUATION**

188. The Company may by Special Resolution resolve to be registered by way of continuation in a jurisdiction outside the Cayman Islands or such other jurisdiction in which it is for the time being incorporated, registered or existing. In furtherance of a resolution adopted pursuant to this Article, the Directors may cause an application to be made to the Registrar of Companies to deregister the Company in the Cayman Islands or such other jurisdiction in which it is for the time being incorporated, registered or existing and may cause all such further steps as they consider appropriate to be taken to effect the transfer by way of continuation of the Company.

**MERGERS AND CONSOLIDATION**

189. The Company may merge or consolidate in accordance with the Law.

**DISCLOSURE**

190. The Directors, or any authorised service providers (including the Officers, the Secretary and the registered office agent of the Company), shall be entitled to disclose to any regulatory or judicial authority, or to the NYSE or any other any stock exchange on which the shares may from time to time be listed, any information regarding the affairs of the Company including, without limitation, information contained in the Register and books of the Company.

**SUPREMACY OF INITIAL SHAREHOLDERS AGREEMENT**

191. For so long as the Initial Shareholders Agreement has not been terminated or amended and restated by a binding agreement: (a) all of the provisions relating to the Company contained or referred to in the Initial Shareholders Agreement are hereby incorporated into these Articles, (b) if any provisions of these Articles are at any time inconsistent with any of the provisions of the Initial Shareholders Agreement, the provisions of the Initial Shareholders Agreement shall prevail as between the Members only to the extent of that inconsistency, and (c) at the written request of any party to the Initial Shareholders Agreement, the Members shall exercise all voting and other rights and powers available to them to procure the amendment of these Articles to the extent necessary to enable the control, direction, business and affairs of the Company to be carried out in accordance with the Initial Shareholders Agreement.

192. Notwithstanding anything to the contrary set forth in the Memorandum of Association and these Articles (including but not limited to Article 191) or the Initial Shareholders Agreement, Article 191 shall be of no further effect upon the consummation of an initial public offering of ADSs representing the Class A Ordinary Shares.

**CORPORATE OPPORTUNITY**

193. To the fullest extent permitted by Applicable Law, the Company renounces any interest or expectancy of the Company in, or in being offered an opportunity to participate in, any Excluded Opportunity. For the purposes of this Article, an "**Excluded Opportunity**" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of, any Director or alternate Director (each a "**Covered Person**"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person in such Covered Person's position, role, title, activities in his or her capacity as, or duties in respect of the Company as, a Director or alternate Director. Notwithstanding the foregoing, the Company may pursue and/or participate in an Excluded Opportunity with the consent of the Covered Person who has received, acquired, created, developed or otherwise come into the possession of such Excluded Opportunity.

**Exhibit 3.3**

No:

**BRITISH VIRGIN ISLANDS**

**BVI BUSINESS COMPANIES ACT, 2004**

**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**MSC COTAI LIMITED**

**FIRST INCORPORATED THE [*] DAY OF [*], 2018**

**TERRITORY OF THE BRITISH VIRGIN ISLANDS**

**BVI BUSINESS COMPANIES ACT, 2004**

**MEMORANDUM OF ASSOCIATION**

**OF**

# MSC COTAI LIMITED

## NAME

1. The name of the Company is **MSC Cotai Limited** (the "**Company**").

## CHANGE OF NAME

2. The Company may by Resolution of Shareholders or Resolution of Directors resolve to change its name and make application to the Registrar of Corporate Affairs in the approved form to give effect to such change of name in accordance with section 21 of the Act.

## TYPE OF COMPANY

3. The Company is a company limited by shares.

## REGISTERED OFFICE AND REGISTERED AGENT

4. The first Registered Office of the Company will be situate at the offices of Estera Corporate Services (BVI) Limited of Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands.

5. The first Registered Agent of the Company will be Estera Corporate Services (BVI) Limited of Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands.

6. The Company may, by Resolution of Shareholders or by Resolution of Directors, change the location of its Registered Office or change its Registered Agent and any such changes shall take effect on the registration by the Registrar of Corporate Affairs of a notice of change, filed by the existing Registered Agent or a legal practitioner in the British Virgin Islands acting on behalf of the Company.

## LIMITATIONS ON BUSINESS OF COMPANY

7. The business and activities of the Company are limited to those businesses and activities which it is not prohibited from engaging in under any law for the time being in force in the British Virgin Islands.

8. Subject to the Act, any other enactment and this Memorandum (including, without limitation, paragraph 7 immediately above of this Memorandum) and the Articles, the Company has:

   (a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and

   (b) for the purposes of paragraph (a) immediately above, full rights, powers and privileges.

## NUMBER, CLASSES AND PAR VALUE OF SHARES

9. The Company is authorised to issue a maximum of 1,927,488,240 ordinary shares, with a par value of US$0.0001 each, of a single Class to STUDIO CITY INTERNATIONAL HOLDINGS LIMITED which shares shall be issued fully paid or credited as fully paid.

## RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS OF SHARES

10. All Shares shall (in addition and subject to any rights, privileges, restrictions and conditions attaching to any of the Shares as provided for elsewhere in this Memorandum or in the Articles):

    (a) have the right to one vote on any Resolution of Shareholders;

    (b) have equal rights with regard to dividends; and

    (c) have equal rights with regard to distributions of the surplus assets of the Company.

11. For the purposes of section 9 of the Act, any rights, privileges, restrictions and conditions attaching to any of the Shares as provided for in the Articles are deemed to be set out and stated in full in this Memorandum.

## FRACTIONAL SHARES

12. The Company may issue Fractional Shares. A Fractional Share shall have the corresponding fractional rights, obligations and liabilities of a whole Share of the same Class. If more than one fraction of a Share of the same Class is issued to or acquired by the same Shareholder such fractions shall be accumulated.

## VARIATION OF CLASS RIGHTS AND PRIVILEGES

13. If at any time, there are different Classes or Series of Shares in issue, unless otherwise provided by the terms of issue of the Shares of that Class or Series, the rights and privileges attaching to any such Class or Series of Shares may, whether or not the Company is being wound up, be varied or abrogated with a resolution or the consent in writing of the holders of not less than three-fourths of the issued Shares of that Class or Series and of the holders of not less than three-fourths of the issued Shares of any other Class or Series of Shares which may be adversely affected by such variation.

## RIGHTS AND PRIVILEGES NOT VARIED BY THE ISSUE OF SHARES PARI PASSU

14. The rights and privileges conferred upon the Shareholder of any Class of Shares issued with preferred or other rights and privileges shall not, unless otherwise expressly provided by the terms of issue of the Shares of that Class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

## CHANGES TO SHARES

15. Subject to complying with Article 9 of the Articles, the Company may by a Resolution of Shareholders amend this Memorandum to increase or reduce the number of Shares the Company is authorised to issue.

16. The Company may by a Resolution of Shareholders:

    (a) divide the Shares, including issued Shares, of a Class or Series into a larger number of Shares of the same Class or Series; or

(b) combine the Shares, including issued Shares, of a Class or Series into a smaller number of Shares of the same Class or Series;

provided, however, that where Shares with a par value are divided or combined under paragraph 16 (a) or (b) above, the aggregate par value of the new Shares must be equal to the aggregate par value of the original Shares.

17. For the purposes of section 36(1)(f) of the Act, Shares in the Company may, where issued in, or converted to, one Class or Series, be converted to another Class or Series in any manner specified in paragraph 17 (a), (b) or (c) below:

(a)

(i) the amendment and/or restatement of this Memorandum and the Articles by Resolution of Shareholders to re-designate the Shares, including as regards their description and par value, and vary and/or abrogate any of the rights, privileges, restrictions and conditions attaching to the Shares;

(ii) the passing of any resolution or execution of any written consent of the holders of the relevant Shares and any other Class or Series of Shares, where required pursuant to this Memorandum and the Articles;

(iii) if required by the Directors, the delivery to the Company of the existing share certificates in respect of the Shares being re-designated; and

(iv) the amendment of the Register of Members as required to reflect the re-designation made pursuant to paragraph 17 (a) (i) above; or

(b)

(i) the repurchase and cancellation of existing Shares in consideration for the issue of new Shares of a different Class or Series;

(ii) the passing of any resolution or execution of any written consent of the holders of the relevant Shares and any other Class or Series of Shares, where required pursuant to this Memorandum and the Articles;

(iii) if required by the Directors, the delivery to the Company of the existing share certificates in respect of the Shares to be converted; and

(iv) the amendment of the Register of Members as required to reflect the cancellation and issue made pursuant to paragraph 17 (b) (i) above; or

(c) in any other manner permitted by the Act, this Memorandum and the Articles.

**NO BEARER SHARES**

18. The Company is not authorised to issue bearer shares and all Shares shall be issued as registered shares.

**NO EXCHANGE FOR BEARER SHARES**

19. Shares may not be exchanged for, or converted into, bearer shares.

## TRANSFERS OF SHARES

20. Subject to the provisions of this Memorandum and the Articles (including but not limited to paragraph 21 below), Shares in the Company may be transferred.

21. No share may be transferred and any purported transfer of shares shall be void if, upon the advice of US tax counsel, such transfer would cause the Company to be treated as a publicly traded partnership or to be classified as a corporation for U.S. Tax Purposes, in each case, pursuant to section 7704 of the Code. The Directors shall refuse to register any such transfers.

## AMENDMENT OF MEMORANDUM AND ARTICLES OF ASSOCIATION

22. The Company may amend its Memorandum or Articles by a Resolution of Shareholders or by a Resolution of Directors except that the Directors have no power to amend the Memorandum or the Articles:

    (a) to restrict the rights or powers of the Shareholders to amend the Memorandum or the Articles;

    (b) to change the percentage of Shareholders required to pass a resolution to amend the Memorandum or the Articles;

    (c) in circumstances where the Memorandum or the Articles cannot be amended by the Shareholders; or

    (d) to change the provisions of paragraphs 9, 10, 11, 13, 14, 15, 16, 17, 18, 19 or 22 of this Memorandum.

## DEFINITIONS

23. Words used in this Memorandum and not defined herein shall have the meanings set out in the Articles.

## SHAREHOLDER LIABILITY

24. Subject to the provisions of this Memorandum and the Articles, the liability of a Shareholder to the Company, as shareholder, is limited to:

    (a) any amount unpaid on a Share held by the Shareholder;

    (b) (where applicable) any liability expressly provided for in this Memorandum or the Articles; and

    (c) any liability to repay a distribution under section 58(1) of the Act.

25. A Shareholder has no liability, as a member, for the liabilities of the Company.

## SEPARATE LEGAL ENTITY AND PERPETUAL EXISTENCE

26. In accordance with section 27 of the Act, the Company is a legal entity in its own right separate from its Shareholders and continues in existence until it is dissolved.

## EFFECT OF MEMORANDUM AND ARTICLES OF ASSOCIATION

27. In accordance with section 11(1) of the Act, this Memorandum and the Articles are binding as between:

    (a) the Company and each Shareholder of the Company; and

    (b) each Shareholder of the Company.

28. In accordance with section 11(2) of the Act, the Company, the board of Directors, each Director and each Shareholder of the Company has the rights, powers, duties and obligations set out in the Act except to the extent that they are negated or modified, as permitted by the Act, by this Memorandum or the Articles.

29. In accordance with section 11(3) of the Act, this Memorandum and the Articles have no effect to the extent that they contravene or are inconsistent with the Act.

We, Estera Corporate Services (BVI) Limited of Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands hereby sign our name to this Memorandum of Association this [*] day of [*], 2018.

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Incorporator

**For and on behalf of**
**Estera Corporate Services (BVI) Limited**

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**TERRITORY OF THE BRITISH VIRGIN ISLANDS**

**BVI BUSINESS COMPANIES ACT, 2004**

**ARTICLES OF ASSOCIATION**

**OF**

**MSC Cotai Limited**

The following shall comprise the Articles of Association of **MSC Cotai Limited** (the "**Company**").

**INTERPRETATION**

1. In these Articles the following defined terms will have the meanings ascribed to them, if not inconsistent with the subject or context:

**"Act"** means the BVI Business Companies Act, 2004, including any modification, amendment, extension, re-enactment or renewal thereof and any regulations made thereunder;

"**Affiliate"** means a Person who, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, a specified Person;

**"Articles"** means these articles of association of the Company, as amended and/or restated from time to time;

**"Class"** or **"Classes"** means any class or classes of Shares as may from time to time be issued by the Company;

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

**"Directors"** means the directors of the Company for the time being, or as the case may be, the directors assembled as a board or as a committee thereof, and "**Director**" means any one of them;

"**Distributed Right**" means any right, option, or warrant granted by SCIH to all holders of SCIH Class A Ordinary Shares to subscribe for, purchase, or otherwise acquire SCIH Class A Ordinary Shares, or other securities or rights convertible into, or exchangeable or exercisable for, SCIH Class A Ordinary Shares.

**"Distribution"** means, subject to the Act, in relation to a distribution by the Company to a Shareholder:

(a) the direct or indirect transfer of an asset, other than Shares, to or for the benefit of the Shareholder; or

(b) the incurring of a debt to or for the benefit of the Shareholder,

in relation to the Shares held by the Shareholder, and whether by means of the purchase of an asset, the purchase, redemption or other acquisition of Shares, a transfer of indebtedness or otherwise, and includes a dividend;

"**Equity Plan**" means any compensation plan, agreement, or other arrangement that provides for the grant or issuance of equity or equity-based awards (including share options) and that is approved by SCIH for the benefit of any of the employees of SCIH, the Company, Newco, or any Subsidiaries or Affiliates of Newco or other service providers (including directors, advisers and consultants), or the employees or other services providers (including directors, advisers and consultants) of any of their respective Affiliates or Subsidiaries.

"**Equity Securities**" means, with respect to any Person, shares or equity securities or any securities convertible into or exchangeable or exercisable for any shares or equity securities of such Person;

**"Fractional Share"** means a fraction of a Share;

"**Initial SCIH Shareholders Agreement**" means the Shareholders Agreement dated July 27, 2011, as subsequently amended on September 25, 2012, May 17, 2013, June 3, 2014 and July 21, 2014, between MCE Cotai Investments Limited, an exempted company incorporated in the Cayman Islands, New Cotai, LLC, a limited liability company formed in Delaware, United States of America, Melco Resorts & Entertainment Limited (formerly known as Melco Crown Entertainment Limited), an exempted company incorporated in the Cayman Islands, and SCIH. For the avoidance of doubt, the Initial SCIH Shareholders Agreement shall not include any other amendments, restatements or amended and restated agreement thereto;

**"Memorandum"** means the memorandum of association of the Company, as amended and/or restated from time to time;

**"Officer"** means any Person appointed by the Directors as an officer of the Company and may include a chairman of the board of Directors, a vice chairman of the board of Directors, a president, one or more vice presidents, secretaries and treasurers and such other officers as may from time to time be deemed desirable but shall exclude any auditor appointed by the Company;

**"Person"** means any natural person, firm, company, joint venture, partnership, corporation, association or other entity (whether or not having a separate legal personality) or any of them as the context so requires;

**"Register of Directors"** means the register of the Directors of the Company required to be kept pursuant to the Act;

**"Register of Members"** means the register of the members of the Company required to be kept pursuant to the Act;

**"Registered Agent"** means the registered agent of the Company from time to time, as required by the Act;

**"Registered Office"** means the registered office of the Company from time to time, as required by the Act;

**"Resolution of Directors"** means, subject to the provisions of the Memorandum and these Articles, a resolution:

(a) approved at a duly convened and constituted meeting of Directors or of a committee of Directors, by the affirmative vote of a simple majority of the Directors present at such meeting who voted and did not abstain; or

(b) consented to in writing or by facsimile, electronic mail or other written electronic communications by a simple majority of the Directors (or a sole Director) or a simple majority of the members of a committee of Directors (or a sole member), as the case may be, in one or more instruments each signed by one or more of the Directors and the effective date of the resolution so adopted shall be the date on which the instrument, or the last of such instruments, if more than one, is executed.

Except as expressly provided to the contrary in the Memorandum and these Articles, each Director shall have one vote in relation to any Resolution of Directors. Where a Director is given more than one vote in any circumstances, he shall in the circumstances be counted for the purposes of establishing a majority, by the number of votes he casts;

"**Resolution of Shareholders**" means a resolution:

(a) passed by a simple majority, or such larger majority as may be specified in the Memorandum or these Articles, of such Shareholders as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a meeting of Shareholders of the Company and where a poll is taken regard shall be had in computing a majority to the number of votes to which each Shareholder is entitled; or

(b) approved in writing by a majority of in excess of 50 per cent or if a higher majority is required by the Memorandum or these Articles, that higher majority, of the votes of those Shareholders entitled to vote at a meeting of Shareholders of the Company (or a sole Shareholder) in one or more instruments each signed by one or more of the Shareholders and the effective date of the resolution so adopted shall be the date on which the instrument, or the last of such instruments, if more than one, is executed;

"**SCIH**" means STUDIO CITY INTERNATIONAL HOLDINGS LIMITED, a company incorporated in the British Virgin Islands with BVI business company number 399970;

"**SCIH Class A Ordinary Shares**" means class A ordinary shares in the share capital of SCIH in issue from time to time;

"**Seal**" means the common seal of the Company;

"**Secretary**" means any Person appointed by the Directors to perform any of the duties of the secretary of the Company;

"**Series**" means a division of a Class as may from time to time be issued by the Company;

"**Share**" means an ordinary share in the Company issued subject to and in accordance with the provisions of the Act, the Memorandum and these Articles. For the avoidance of doubt in these Articles the expression "**Share**" shall include any Fractional Share;

"**Shareholder**" means a Person whose name is entered as a holder of one or more Shares in the Register of Members;

"**signed**" means bearing a signature or representation of a signature affixed by mechanical means;

"**Solvency Test**" means the solvency test prescribed by section 56 of the Act and set out in Article 123;

"**Subsidiary**" means, with respect to any Person:

(i) any corporation, association or other business entity of which (i) more than 50% of the total voting power of shares of capital stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or shareholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity that is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person (or a combination thereof) or (ii) the composition of its board of directors is directly or indirectly controlled by such Person; and

(ii) any partnership or limited liability company of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"**Treasury Shares**" means Shares that were previously issued but were purchased, redeemed or otherwise acquired by the Company and not cancelled;

"**Treasury Regulations**" means regulations promulgated by the U.S. Internal Revenue Service under the Code; and

"**U.S. Tax Purposes**" means, as the context requires, U.S. federal, state, and/or local income tax purposes.

2. In these Articles, save where the context requires otherwise:

(a) words importing the singular number shall include the plural number and vice versa;

(b) words importing the masculine gender only shall include the feminine gender and any Person as the context may require;

(c) the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative;

(d) reference to a statutory enactment shall include reference to any amendment or re-enactment thereof for the time being in force;

(e) reference to any determination by the Directors shall be construed as a determination by the Directors in their sole and absolute discretion and shall be applicable either generally or in any particular case; and

(f) reference to "in writing" shall be construed as written or represented by any means reproducible in writing, including any form of print, lithograph, email, facsimile or photograph or represented by any other substitute or format for storage or transmission for writing or partly one and partly another.

3. Subject to the last two preceding Articles, any words defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

**PRELIMINARY**

4. The business of the Company may be commenced at any time after incorporation.

5. The Registered Office shall be at such address in the British Virgin Islands as the Shareholders or Directors may from time to time determine. The Company may in addition establish and maintain such other offices and places of business and agencies in such places as the Directors may from time to time determine.

6. The expenses incurred in the formation of the Company and in connection with the offer for subscription and issue of Shares shall be paid by the Company.

7. The Directors shall keep, or cause to be kept, the original Register of Members at such place as the Directors may from time to time determine and, in the absence of any such determination, the original Register of Members shall be kept at the office of the Registered Agent. If the original Register of Members is not kept at the office of the Registered Agent, a copy of it shall be kept there.

**SHARES**

8. Subject to the Act, the Memorandum and these Articles (including but not limited to Articles 9 and 10), all Shares for the time being unissued shall be under the control of the Directors who may:

   (a) issue, allot and dispose of the same to SCIH; and

   (b) grant options with respect to Shares and issue warrants or similar instruments with respect thereto to SCIH;

   and, for such purposes, the Directors may reserve an appropriate number of Shares for the time being unissued.

9. Notwithstanding any other provision of the Memorandum or these Articles and during such time as one or more participation arrangements or participation agreements into which the Company has entered remain in effect:

   (a) the Company shall only issue ordinary Shares, Equity Securities or Corresponding Securities (defined below) of which all shall be issued fully paid or credited as fully paid to SCIH and SCIH shall be the sole Shareholder of the Company.

   (b) the Company shall maintain the number of issued Shares so as to equal at all times the number of issued SCIH Class A Ordinary Shares and, in the event that any Equity Securities issued by SCIH are securities convertible into or exchangeable or exercisable for Equity Securities of SCIH (other than an option to purchase SCIH Class A Ordinary Shares in connection with any Equity Plan) (including Distributed Rights but excluding any option issued in connection with any Equity Plan), the Company shall, with respect to such convertible, exchangeable, or exercisable securities, issue to SCIH a like amount and type of convertible, exchangeable, or exercisable securities ("**Corresponding Securities**") that shall convert into or be exchanged or exercised for Equity Securities of the Company at the same time(s) and in the same number(s) as the applicable securities of SCIH shall then convert or be exchanged or exercised into.

10. The pre-emption rights set out in section 46 of the Act shall not apply to the Company.

11. The Company may insofar as may be permitted by law, pay a commission in any form to any Person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally for any Shares. The Company may also pay such brokerage as may be lawful on any issue of Shares.

12. The Directors shall refuse to accept any application for Shares from any Person other than SCIH.

13. The Company may treat the holder of a Share as named in the Register of Members as the only Person entitled, with respect to such Share, to:

    (a) exercise any voting rights attaching to such Share;

    (b) receive notices;

    (c) receive a Distribution; and

    (d) exercise other rights and powers attaching to such Share.

14. The Company may, subject to the terms of the Act and these Articles issue bonus Shares.

15. Shares may, subject to the terms of the Act and these Articles, be issued for consideration in any form or a combination of forms, including money, a promissory note or other written obligation to contribute money or property, real property, personal property (including goodwill and know how), services rendered or a contract for future services. Shares may be issued for such amount of consideration as the Directors may from time to time by Resolution of Directors determine, except that in the case of Shares issued with a par value, the consideration paid or payable shall not be less than the par value.

16. When the consideration in respect of the Share has been paid or the Share has been issued as a bonus Share, that Share is for all purposes fully paid, but if a Share is not fully paid on issue, the Share shall be subject to forfeiture in the manner prescribed in these Articles.

17. Before issuing Shares for a consideration which is in whole or in part other than money, the Directors shall by a Resolution of Directors state:

    (a) the amount to be credited for the issue of the Shares; and

    (b) that, in their opinion, the present cash value of the non-money consideration and money consideration, if any, is not less than the amount to be credited for the issue of the Shares.

18. A Share issued by the Company upon conversion of, or in exchange for, another Share or a debt obligation or other security in the Company, shall be treated for all purposes as having been issued for money equal to the value of the consideration received or deemed to have been received by the Company in respect of the other Share, debt obligation or security.

## PARTICIPATION

19. The Company may enter into participation arrangements or participation agreements and, in such event, the Company shall and the Shareholders shall procure that the Company shall comply with the terms of such participation arrangements or participation agreements.

## CERTIFICATES

20. Unless the Directors otherwise determine, share certificates shall not be issued provided that the Company shall, at the request of a Shareholder, issue a share certificate evidencing the number and Class of Shares held by that Shareholder signed by a Director or such other Person who has been duly authorised by a Resolution of Directors (an "**Authorised Person**") or under the Seal, with or without the signature of a Director or an Authorised Person. The signature of the Director or of the Authorised Person and the Seal may be a facsimile.

21. Any Shareholder receiving a share certificate for Shares shall indemnify and hold the Company and its Directors and Officers harmless from any loss or liability which it or they may incur by reason of the issue of that share certificate. If a share certificate for Shares is worn out or lost it may be renewed or replaced on production of the worn out certificate or on satisfactory proof of its loss together with such indemnity as may be required by a Resolution of Directors.

**FORFEITURE OF SHARES**

22. Where Shares are not fully paid or deemed fully paid on issue or have been issued subject to forfeiture, the following provisions shall apply.

23. Written notice of a call specifying a date for payment to be made in respect of a Share shall be served on a Shareholder who defaults in making payment in respect of that Share.

24. The written notice referred to in the immediately preceding Article shall:

(a) name a further date not earlier than the expiration of fourteen days from the date of service of the notice on or before which the payment required by the notice is to be made; and

(b) contain a statement that in the event of non-payment at or before the time named in the notice the Shares, or any of them, in respect of which payment is not made will be liable to be forfeited.

25. Where a written notice has been issued under these Articles and the requirements have not been complied with, the Directors may at any time before tender of payment forfeit and cancel the Shares to which the notice relates.

26. The Company is under no obligation to refund any moneys to the Shareholder whose Shares have been forfeited and cancelled pursuant to these Articles. Upon forfeiture and cancellation of the Shares the Shareholder is discharged from any further obligation to the Company with respect to the Shares forfeited and cancelled.

**TRANSFER OF SHARES**

27. Subject to the Memorandum and these Articles (including, but without limitation, Article 9), Shares are transferred by a written instrument of transfer.

28. The instrument of transfer of any Share shall be in any usual or common form or such other form as the Directors may, in their absolute discretion, approve and be executed by or on behalf of the transferor and if so required by the Directors, shall also be executed by or on behalf of the transferee and shall, if required by the Directors, be accompanied by the certificate (if any) of the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. The transferor shall be deemed to remain a Shareholder until the name of the transferee is entered in the Register of Members in respect of the relevant Shares.

29. The Directors may in their absolute discretion decline to register any transfer of Shares without assigning any reason therefor and shall decline to register any purported transfer of Shares in breach of paragraph 21 of the Memorandum.

30. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine.

31. All instruments of transfer effecting a transfer which is registered shall be retained by the Company, but any instrument of transfer relating to a transfer which the Directors decline to register shall (except in any case of fraud) be returned to the Person depositing the same.

## TRANSMISSION OF SHARES

32. The legal personal representative of a deceased sole holder of a Share shall be the only Person recognised by the Company as having any title to the Share. In the case of a Share registered in the name of two or more holders, the survivors or survivor, or the legal personal representatives of the deceased survivor, shall be the only Person recognised by the Company as having any title to the Share.

33. Any Person becoming entitled to a Share in consequence of the bankruptcy of a Shareholder shall upon such evidence being produced as may from time to time be required by the Directors, have the right either to be registered as a Shareholder in respect of the Share or, instead of being registered himself, to make such transfer of the Share as the bankrupt Person could have made; but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the Share by the bankrupt Person before the bankruptcy.

34. A Person becoming entitled to a Share by reason of the bankruptcy of a Shareholder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered Shareholder, except that he shall not, before being registered as a Shareholder in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

## REDEMPTION AND PURCHASE OF SHARES

35. Subject to the Act, the Memorandum and these Articles (including, but without limitation, Article 9), including the Solvency Test where applicable, the Company may purchase, redeem or otherwise acquire its own Shares from one or more or all of the Shareholders:

   (a) in accordance with Sections 60, 61, 62 or Part IX of the Act;

   (b) in accordance with a right of a Shareholder to have his Shares purchased or redeemed, or to have his Shares exchanged for money or non-money consideration in any form or combination of forms, including a new issue of Shares by the Company;

   (c) in accordance with a right of the Company to purchase or redeem Shares in exchange for money or non-money consideration in any form or combination of forms, including a new issue of Shares by the Company;

   (d) in accordance with an agreement between the Shareholder and the Company pursuant to which the Shareholder agrees to sell and the Company agrees to purchase some or all of the Shares held by that Shareholder in exchange for money or non-money consideration in any form or combination of forms, including a new issue of Shares by the Company;

   (e) for no consideration by way of surrender in writing of the Share or Shares to the Company signed by the Shareholder holding the Share or Shares; or

   (f) in accordance with any other provisions of the Memorandum and Articles.

36. The Company may not purchase, redeem or otherwise acquire its own Shares without the consent of the Shareholders whose Shares are to be purchased, redeemed or otherwise acquired unless the Company is:

(a) permitted by the Memorandum or these Articles; or

(b) entitled pursuant to the provisions of the Act, including for the avoidance of doubt Part IX,

to purchase redeem or otherwise acquire the relevant Shares without the consent of such Shareholder.

**TREASURY SHARES**

37. Shares that the Company purchases, redeems or otherwise acquires pursuant to these Articles shall be cancelled immediately or, if the Directors so determine, held as Treasury Shares in accordance with the Act and Article 38.

38. Shares may only be purchased, redeemed or otherwise acquired and held as Treasury Shares where, when aggregated with the number of Shares of the same Class already held by the Company as Treasury Shares, the total number of Treasury Shares does not exceed 50 percent of the Shares of that Class previously issued by the Company, excluding those Shares that have been cancelled.

39. Where and for so long as Shares are held by the Company as Treasury Shares, all rights and obligations attaching to such Shares are suspended and shall not be exercised by or against the Company.

40. Treasury Shares may be disposed of by the Company only to SCIH on such terms and conditions (not otherwise inconsistent with the Memorandum and these Articles) as the Company may by Resolution of Directors determine.

**MEETINGS OF SHAREHOLDERS**

41. The Directors may, whenever they think fit, convene a meeting of Shareholders.

42. Shareholders’ meetings shall also be convened on the requisition in writing of any Shareholder or Shareholders entitled to attend and vote at a meeting of the Shareholders of the Company on the matter for which the meeting is being requested holding at least thirty percent of outstanding Shares entitled to vote in the Company deposited at the Registered Office specifying the objects of the meeting for a date no later than twenty one days from the date of deposit of the requisition signed by the requisitionists, and if the Directors do not convene such meeting for a date not later than forty five days after the date of such deposit, the requisitionists themselves may convene the Shareholders’ meeting in the same manner, as nearly as possible, as that in which Shareholders’ meetings may be convened by the Directors, and all reasonable expenses incurred by the requisitionists as a result of the failure of the Directors to convene the Shareholders’ meeting shall be reimbursed to them by the Company.

43. If at any time there are no Directors, any two Shareholders (or if there is only one Shareholder then that Shareholder) entitled to vote at meetings of the Shareholders of the Company may convene a Shareholders’ meeting in the same manner as nearly as possible as that in which Shareholders’ meetings may be convened by the Directors.

## NOTICE OF MEETINGS OF SHAREHOLDERS

44. At least two days' notice in writing counting from the date service is deemed to take place as provided in these Articles specifying the place, the day and the hour of the meeting and the general nature of the business to be considered at the meeting, shall be given in the manner hereinafter provided to such Persons as are, under these Articles, entitled to receive such notices from the Company.

45. A meeting of Shareholders held in contravention of the notice requirements set out above is valid if Shareholders holding not less than a ninety percent majority of the:

    (a) total number of Shares entitled to vote on all matters to be considered at the meeting; or

    (b) votes of each Class of Shares where Shareholders are entitled to vote thereon as a Class together with not less than an absolute majority of the remaining votes,

    have waived notice of the meeting and for this purpose presence at the meeting shall be deemed to constitute a waiver.

46. The accidental omission to give notice of a meeting to or the non-receipt of a notice of a meeting by any Shareholder shall not invalidate the proceedings at any meeting.

## PROCEEDINGS AT SHAREHOLDERS' MEETINGS

47. No business shall be transacted at any Shareholders' meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business. Save as otherwise provided by these Articles, one or more Shareholders holding at least a majority of the Shares of the Company entitled to vote at the meeting, present in person or by proxy, shall form a quorum.

48. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Shareholders, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Shareholder or Shareholders present and entitled to vote shall form a quorum.

49. If the Directors wish to make this facility available for a specific Shareholders' meeting or all Shareholders' meetings of the Company, participation in any Shareholders' meeting may be by means of a telephone or by other electronic means provided that all Persons participating in such meeting are able to hear each other and such participation shall be deemed to constitute presence in person at the meeting.

50. The chairman, if any, of the Directors shall preside as chairman at every Shareholders' meeting.

51. If there is no such chairman, or if at any Shareholders' meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, any Director or Person nominated by the Directors shall preside as chairman, failing which the Shareholders present in person or by proxy holding a majority of the outstanding Shares on issue shall choose any Person present to be chairman of that meeting.

52. The chairman may with the consent of any Shareholders' meeting at which a quorum is present (and shall if so directed by the meeting) adjourn a meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting, or adjourned meeting, is adjourned for fourteen days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

53. The Directors may cancel or postpone any duly convened Shareholders' meeting at any time prior to such meeting, except for Shareholders' meetings requisitioned by the Shareholders in accordance with these Articles, for any reason or for no reason, upon notice in writing to Shareholders. A postponement may be for a stated period of any length or indefinitely as the Directors may determine.

54. At any Shareholders' meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman or one or more Shareholders present in person or by proxy entitled to vote, and unless a poll is so demanded, a declaration by the chairman that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.

55. If a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

56. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

57. A poll demanded on the election of a chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs.

## SCIH SHAREHOLDER APPROVAL MATTERS

58. The Company must not, at any time in the period during which the Initial SCIH Shareholders Agreement is in effect and has not been terminated, amended and restated or otherwise modified, undertake any action described in clause 7.2(a) of the Initial SCIH Shareholders Agreement ("**Clause 7.2**") without obtaining the approval that would be required in respect of the same action being carried out by SCIH under that same Clause 7.2.

## VOTES OF SHAREHOLDERS

59. Subject to any rights and restrictions for the time being attached to any Share, on a show of hands every Shareholder present in person and every Person representing a Shareholder by proxy shall, at a Shareholders' meeting, each have one vote and on a poll every Shareholder and every Person representing a Shareholder by proxy shall have one vote for each Share of which he or the Person represented by proxy is the holder.

60. The following shall apply in respect of joint ownership of Shares:

    (a) if two or more Persons hold Shares jointly each of them may be present in person or by proxy at a meeting of Shareholders and may speak as a Shareholder;

    (b) if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners; and

    (c) if two or more of the joint owners are present in person or by proxy they must vote as one.

61. A Shareholder of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote in respect of Shares carrying the right to vote held by him, whether on a show of hands or on a poll, by the Person or Persons appointed by that court, and any such Person or Persons may vote by proxy.

62. No Shareholder shall be entitled to vote at any Shareholders' meeting unless all calls, if any, or other sums presently payable by him in respect of Shares carrying the right to vote held by him have been paid.

63. A Shareholder may be represented at a meeting of Shareholders by a proxy who may speak and vote on behalf of the Shareholder.

64. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised. A proxy need not be a Shareholder.

65. An instrument appointing a proxy may be in any usual or common form or such other form as the Directors may approve.

66. The instrument appointing a proxy shall be deposited at the Registered Office or at such other place as is specified for that purpose in the notice convening the meeting no later than the time for holding the meeting or, if the meeting is adjourned, the time for holding such adjourned meeting.

67. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

68. An action that may be taken by the Shareholders at a meeting may also be taken by a Resolution of Shareholders consented to in writing or by facsimile, electronic mail or other written electronic communication, without the need for any notice, but if any such resolution is adopted otherwise than by the unanimous written consent of all Shareholders, a copy of such resolution shall forthwith be sent to all Shareholders not consenting to such resolution. The consent may be in the form of counterparts in like form each counterpart being signed by one or more Shareholders.

69. The provisions of the Memorandum and these Articles as regards Shareholders' meetings and Resolutions of Shareholders shall apply mutatis mutandis to any meeting or resolution of the holders of a Class or Series of Shares.

## CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

70. Any Shareholder or Director that is a corporation or other entity may by resolution of its directors or other governing body authorise such natural person as it thinks fit to act as its representative at any meeting of the Company or of any meeting of holders of a Class or Series or of the Directors or of a committee of Directors, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Shareholder or Director.

## DIRECTORS

71. Except during the period from the date of incorporation until the date on which the first Directors are appointed by the first Registered Agent of the Company pursuant to Article 74, the minimum number of Directors shall be one.

72. Subject to the Article above, the Company may by a Resolution of Shareholders from time to time fix the maximum and minimum number of Directors to be appointed but unless such numbers are fixed as aforesaid the minimum number of Directors shall be one and the maximum number of Directors shall be unlimited.

73. Subject to these Articles, the Company may appoint any Person to be a Director. The following are disqualified from appointment as a Director:

(a) an individual who is under eighteen years of age;

(b) a person who is a disqualified person within the meaning of section 260(4) of the Insolvency Act (or any successor provision);

(c) a person who is a restricted person within the meaning of section 409 of the Insolvency Act (or any successor provision);

(d) an undischarged bankrupt; and

(e) any other person disqualified by the Memorandum and these Articles.

74. The first Director(s) shall be appointed by the first Registered Agent of the Company within six months of the date of its incorporation, and thereafter, the Directors shall be elected:

(a) by the Shareholders for such terms as the Shareholders may determine; or

(b) by the Directors for such terms as the Directors may determine.

A person shall not be appointed as a Director unless he has consented in writing to be a Director.

75. Each Director shall hold office for the term, if any, fixed by the Resolution of Shareholders or the Resolution of Directors, as the case may be, appointing him. In the case of a Director who is an individual the term of office of a Director shall terminate on the Director’s death, resignation or removal. The bankruptcy of a Director or the appointment of a liquidator, administrator or receiver of a corporate Director shall terminate the term of office of such Director.

76. A Director may be removed from office, with or without cause, by a Resolution of Shareholders or, with cause, by a Resolution of Directors. Section 114(2) of the Act shall not apply to the removal of a Director.

77. A Director may resign his office by giving written notice of his resignation to the Company and the resignation shall have effect from the date the notice is received by the Company or from such later date as may be specified in the notice.

78. A vacancy in the board of Directors existing or arising because the maximum number of directors has not been appointed may be filled by a Resolution of Shareholders or by a Resolution of Directors.

79. The remuneration of the Directors may be determined by a Resolution of Directors or by a Resolution of Shareholders.

80. There shall be no shareholding qualification for Directors unless determined otherwise by a Resolution of Shareholders.

81. The Company shall keep a Register of Directors containing the particulars required by the Act, including:

(a) the names and addresses of the persons who are Directors or who have been nominated as reserve directors of the Company;

(b) the date on which each person whose name is entered in the Register of Directors was appointed as a Director, or nominated as a reserve director, of the Company;

(c) the date on which each person named as a Director ceased to be a Director; and

(d) the date on which the nomination of any person nominated as a reserve director ceased to have effect.

82. The Register of Directors or a copy of it shall be kept at the office of the Registered Agent and the Company shall file a copy of such Register of Directors with the Registrar of Corporate Affairs for registration, where required by the Act.

## ALTERNATE DIRECTOR

83. Any Director may in writing appoint another person, who need not be a Director, to be his alternate. Every such alternate shall be entitled to attend meetings in the absence of the Director who appointed him and to vote on and/or consent in writing to any Resolution of Directors in the place of the Director. Where the alternate is a Director he shall be entitled to have a separate vote on behalf of the Director he is representing in addition to his own vote. A Director may at any time in writing revoke the appointment of an alternate appointed by him. Such alternate shall not be an Officer. The remuneration of such alternate shall be payable out of the remuneration of the Director appointing him and the proportion thereof shall be agreed between them.

## POWERS OF DIRECTORS

84. The business and affairs of the Company shall be managed by, or be under the direction or supervision of, the Directors who may pay all expenses incurred preliminary to and in connection with the formation and registration of the Company and may exercise all such powers of the Company as are not by the Act or the Memorandum or these Articles required to be exercised by the Shareholders, subject to any delegation of such powers as may be authorised by these Articles.

85. Notwithstanding section 175 of the Act, the Directors have the power to sell, transfer, lease, exchange or otherwise dispose of the assets of the Company, without restriction and without complying with the provisions of section 175, which shall not apply to the Company.

86. The Directors may, by a Resolution of Directors, appoint any Person, including a person who is a Director, to be an Officer or agent of the Company. The Resolution of Directors appointing an agent may authorise the agent to appoint one or more substitutes or delegates to exercise some or all of the powers conferred on the agent by the Company.

87. Every Officer or agent of the Company has such powers and authority of the Directors, including the power and authority to affix the Seal, as are set forth in these Articles or in the Resolution of Directors appointing the Officer or agent, except that no Officer or agent has any power or authority with respect to the matters requiring a Resolution of Directors under the Act or these Articles or are otherwise not permitted to be delegated under the Act.

88. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as shall from time to time be determined by Resolution of Directors.

89. The Directors may, by a Resolution of Directors, designate one or more committees of Directors, each consisting of one or more Directors, in accordance with section 110 of the Act (each a "**Committee of Directors**").

90. Each Committee of Directors has such powers of the Directors, including the power to affix the Seal and to appoint a sub-committee and delegate its powers to that sub-committee, as are set forth in the Resolution of Directors establishing the Committee of Directors, except that no Committee of Directors may be delegated any power:

(a) to amend the Memorandum or these Articles;

(b) to designate committees of Directors;

(c) to delegate powers to a committee of Directors;

(d) to appoint or remove Directors;

(e) to appoint or remove an agent;

(f) to approve a plan of merger, consolidation or arrangement;

(g) to make a declaration of solvency for the purposes of section 198(1)(a) of the Act or approve a liquidation plan; or

(h) to make a determination under section 57(1) of the Act that the company will, immediately after a proposed distribution, satisfy the Solvency Test.

91. The Directors may from time to time and at any time by power of attorney (whether under Seal or under hand or otherwise) appoint any Person or body of Persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys or authorised signatory (any such Person being an "**Attorney**" or "**Authorised Signatory**", respectively) of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney or other appointment may contain such provisions for the protection and convenience of Persons dealing with any such Attorney or Authorised Signatory as the Directors may think fit, and may also authorise any such Attorney or Authorised Signatory to delegate all or any of the powers, authorities and discretion vested in him.

## BORROWING POWERS OF DIRECTORS

92. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof, to issue debentures, debenture stock and other securities whenever money is borrowed or as security for any debt, liability or obligation of the Company or of any third party.

## DUTIES OF DIRECTORS

93. The Directors when exercising their powers or performing their duties, shall act honestly and in good faith and in what the Director believes to be in the best interests of the Company.

## PROCEEDINGS OF DIRECTORS

94. The Directors may meet together (either within or without the British Virgin Islands) for the despatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the chairman shall have a second or casting vote. A Director may, and a Secretary or assistant Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.

95. A Director may participate in any meeting of the Directors, or of any committee appointed by the Directors of which such Director is a member, by means of telephone or other electronic means provided that all persons participating in such meeting can hear one other and such participation shall be deemed to constitute presence in person at the meeting.

96. A Director shall be given not less than two days' notice of meetings of Directors, but a meeting of Directors held without two days' notice having been given to all Directors shall be valid if all the Directors entitled to vote at the meeting, waive such notice of the meeting, and for this purpose, the presence of a Director at the meeting shall be deemed to constitute waiver on his part. The inadvertent failure to give notice of a meeting to a Director, or the fact that a Director has not received the notice, does not invalidate the meeting.

97. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed, if there be three or more Directors the quorum shall be a majority of the Directors, two Directors the quorum shall be two, and if there be one Director the quorum shall be one. A Director represented by an alternate Director at any meeting shall be deemed to be present for the purposes of determining whether or not a quorum is present.

98. If the Company shall have only one Director the provisions herein contained for meetings of the Directors shall not apply but such sole Director shall have full power to represent and act for the Company in all matters as are not by the Act or the Memorandum or these Articles required to be exercised by the Shareholders.

99. A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may by a Resolution of Directors determine. Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director or his firm to act as auditor to the Company.

100. The Directors shall cause the following corporate records to be kept:

(a) minutes of all meetings of Directors, Shareholders, committees of Directors, committees of Officers and committees of Shareholders; and

(b) copies of all resolutions consented to by Directors, Shareholders, Classes of Shareholders, committees of Directors, committees of Officers and committees of Shareholders.

101. The books, corporate records and minutes shall be kept at the office of the Registered Agent, at the Company's principal place of business or at such other place as the Directors determine.

102. When the chairman of a meeting of the Directors signs the minutes of such meeting the same shall be presumed to have been duly held unless the contrary is shown.

103. An action that may be taken by the Directors or a committee of Directors at a meeting may also be taken by a Resolution of Directors or a resolution of the relevant committee of Directors consented to in writing or by facsimile, electronic mail or other written electronic communication by the Directors holding a simple majority of the votes or by the members of the relevant committee holding a simple majority of the votes, as the case may be, without the need for any notice. Such consent may be in the form of counterparts, each counterpart being signed by one or more Directors.

104. The continuing Directors may act notwithstanding any vacancy in their body but if and for so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number of Directors, or of summoning a Shareholders' meeting, but for no other purpose.

105. The Directors may elect a chairman of their meetings and determine the period for which he is to hold office but if no such chairman is elected, or if at any meeting the chairman is not present within fifteen minutes after the time appointed for holding the meeting, a majority of the Directors present may choose one of their number to be chairman of the meeting.

106. Subject to any regulations imposed on it by the Directors, a committee appointed by the Directors may elect a chairman of its meetings. If no such chairman is elected, or if at any meeting the chairman is not present within fifteen minutes after the time appointed for holding the meeting, a majority of the committee members present may choose one of their number to be chairman of the meeting.

107. A committee appointed by the Directors may meet and adjourn as it thinks proper. Subject to any regulations imposed on it by the Directors, questions arising at any meeting shall be determined by a majority of votes of the committee members present and in case of an equality of votes the chairman shall have a second or casting vote.

108. All acts done by any meeting of the Directors or of a committee of Directors, or by any person acting as a Director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

## OFFICERS

109. The Company may by Resolution of Directors appoint Officers at such times as shall be considered necessary or expedient. Any number of offices may be held by the same person.

110. The Officers shall perform such duties as shall be prescribed at the time of their appointment subject to any modification in such duties as may be prescribed thereafter by Resolution of Directors or Resolution of Shareholders, but in the absence of any specific allocation of duties it shall be the responsibility of the chairman of the board of Directors to preside at meetings of Directors and Shareholders, the vice chairman to act in the absence of the chairman, the president to manage the day to day affairs of the Company, the vice presidents to act in order of seniority in the absence of the president but otherwise to perform such duties as may be delegated to them by the president, the secretaries to maintain the Register of Members, minute books and records (other than financial records) of the Company and to ensure compliance with all procedural requirements imposed on the Company by applicable law, and the treasurer to be responsible for the financial affairs of the Company.

111. The emoluments of all Officers shall be fixed by Resolution of Directors.

112. The Officers shall hold office until their successors are duly elected and qualified, but any Officer elected or appointed by the Directors may be removed at any time, with or without cause, by Resolution of Directors. Any vacancy occurring in any office of the Company may be filled by Resolution of Directors.

## CONFLICT OF INTERESTS

113. A Director shall forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to the board of Directors. Where a Director's interest in a transaction is not disclosed in accordance with this Article prior to the transaction being entered into, unless it is not required to be disclosed in accordance with Article 115 below, the transaction is voidable by the Company.

114. Notwithstanding the previous Article, a transaction entered into by the Company is not voidable by the Company if:

    (a) the material facts of the interest of the Director in the transaction are known by the Shareholders entitled to vote at a meeting of Shareholders and the transaction is approved or ratified by a Resolution of Shareholders; or

    (b) the Company received fair value for the transaction, and such determination of fair value is made on the basis of the information known to the Company and the interested Director at the time that the transaction was entered into.

115. A Director is not required to disclose an interest pursuant to Article 113 above, if the transaction is between the Company and the Director and the transaction or proposed transaction is or is to be entered into in the ordinary course of the Company's business and on usual terms and conditions.

116. A Director who is interested in a transaction entered into or to be entered into by the Company may:

    (a) vote on or consent to a Resolution of Directors regarding the transaction or a matter relating to the transaction;

    (b) attend a meeting of Directors at which the transaction or a matter relating to the transaction arises and be included among the Directors present at the meeting for the purpose of a quorum; and

    (c) sign a document on behalf of the company, or do any other thing in his capacity as a Director, that relates to the transaction or a matter relating to the transaction.

## REGISTER OF CHARGES

117. The Company shall maintain at the Registered Office or at the office of the Registered Agent a register of all charges created by the Company showing:

    (a) if the charge is a charge created by the Company, the date of its creation or, if the charge is an existing charge on property acquired by the Company, the date on which the property was acquired;

    (b) a short description of the liability secured by the charge;

    (c) a short description of the property charged;

    (d) the name and address of the trustee for the security, or if there is no such trustee, the name and address of the chargee;

    (e) unless the charge is a security to bearer, the name and address of the holder of the charge; and

(f) details of any prohibition or restriction, if any, contained in the instrument creating the charge on the power of the Company to create any future charge ranking in priority to or equally with the charge.

## THE SEAL, INSTRUMENTS UNDER SEAL AND DEEDS

118. The Directors shall provide for the safe custody of the Seal. An imprint of the Seal shall be kept at the office of the Registered Agent.

119. The Seal shall not be affixed to any instrument except by the authority of a Resolution of Directors provided always that such authority may be given prior to or after the affixing of the Seal and if given after may be in general form confirming a number of affixings of the Seal. The Seal shall be affixed in the presence of a Director or a Secretary (or an assistant Secretary) or in the presence of any one or more persons as the Directors may appoint for the purpose and every person as aforesaid shall sign every instrument to which the Seal is so affixed in their presence.

120. The Company may maintain a facsimile of the Seal in such countries or places as the Directors may appoint and such facsimile Seal shall not be affixed to any instrument except by the authority of a Resolution of Directors provided always that such authority may be given prior to or after the affixing of such facsimile Seal and if given after may be in general form confirming a number of affixings of such facsimile Seal. The facsimile Seal shall be affixed in the presence of such person or persons as the Directors shall for this purpose appoint and such person or persons as aforesaid shall sign every instrument to which the facsimile Seal is so affixed in their presence and such affixing of the facsimile Seal and signing as aforesaid shall have the same meaning and effect as if the Seal had been affixed in the presence of and the instrument signed by a Director or a Secretary (or an assistant Secretary) or in the presence of any one or more persons as the Directors may appoint for the purpose.

121. Notwithstanding the foregoing, a Secretary or any assistant Secretary shall have the authority to affix the Seal, or the facsimile Seal, to any instrument for the purposes of attesting authenticity of the matter contained therein but which does not create any obligation binding on the Company.

122. An instrument under seal or deed may be executed by the Company in any manner permitted by the Act.

## DISTRIBUTIONS

123. The Company may, from time to time, by a Resolution of Directors authorise a Distribution by the Company at such time, and of such amount, to any Shareholders, as it thinks fit if they are satisfied, on reasonable grounds, that immediately after the Distribution:

(a) the value of the Company’s assets will exceed its liabilities; and

(b) the Company will be able to pay its debts as they fall due.

124. The Directors may, before making any Distribution, set aside out of the profits of the Company such sum as they think proper as a reserve fund, and may invest the sum so set apart as a reserve fund upon such securities as they may select.

125. Notice of any Distribution that may have been authorised shall be given to each Shareholder in the manner hereinafter mentioned and all Distributions unclaimed for three years after having been declared may be forfeited by Resolution of Directors for the benefit of the Company.

126. No Distribution shall bear interest as against the Company and no Distribution shall be authorised or made on Treasury Shares.

127. If several Persons are registered as joint holders of any Shares, any one of such Persons may give receipt for any Distribution made in respect of such Shares.

## RECORDS AND UNDERLYING DOCUMENTATION

128. The Company shall keep such records and underlying documentation that:

   (a) are sufficient to show and explain the Company's transactions; and

   (b) will at any time, enable the financial position of the Company to be determined with reasonable accuracy.

129. The records and underlying documentation shall be kept at the office of the Registered Agent or at such other place or places, within or outside the British Virgin Islands as the Directors think fit, and shall always be open to the inspection of the Directors.

130. Subject to the Act, the Directors may from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the records and underlying documentation of the Company or any of them shall be open to the inspection of Shareholders not being Directors, and no Shareholder (not being a Director) shall have any right of inspecting any records or underlying documentation of the Company except as conferred by the Act or other applicable law or authorised by a Resolution of Directors or by a Resolution of Shareholders.

131. Audited accounts relating to the Company's affairs shall only be prepared if the Directors so determine, in which case the financial year end and the accounting principles will be determined by the Directors.

132. Any auditors of the Company appointed shall not be deemed to be Officers.

## NOTICES

133. Any notice or document may be served by the Company or by the Person entitled to give notice to any Shareholder either personally, or by posting it airmail or air courier service in a prepaid letter addressed to such Shareholder at his address as appearing in the Register of Members, by electronic mail or by facsimile should the Directors deem it appropriate. In the case of joint holders of a Share, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders.

134. Any Shareholder present, either personally or by proxy, at any Shareholders' meeting shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.

135. Any notice or other document, if served by:

   (a) post, shall be deemed to have been served five days after the time when the letter containing the same is posted;

   (b) facsimile, shall be deemed to have been served upon production by the transmitting facsimile machine of a report confirming transmission of the facsimile in full to the facsimile number of the recipient;

   (c) recognised courier service, shall be deemed to have been served 48 hours after the time when the letter containing the same is delivered to the courier service; or

(d) electronic mail, shall be deemed to have been served immediately upon the time of the transmission by electronic mail.

In proving service by post or courier service it shall be sufficient to prove that the letter containing the notice or documents was properly addressed and duly posted or delivered to the courier service.

136. Any notice or document delivered or sent by post to or left at the registered address of any Shareholder in accordance with the terms of these Articles shall notwithstanding that such Shareholder be then dead or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any Share registered in the name of such Shareholder as sole or joint holder, unless his name shall at the time of the service of the notice or document, have been removed from the Register of Members as the holder of the Share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all Persons interested (whether jointly with or as claiming through or under him) in the Share.

137. Notice of every Shareholders' meeting shall be given to:

(a) all Shareholders holding Shares with the right to receive notice and who have supplied to the Company an address for the giving of notices to them; and

(b) every Person entitled to a Share in consequence of the death or bankruptcy of a Shareholder, who but for his death or bankruptcy would be entitled to receive notice of the meeting, provided such Person has given notice of the death or bankruptcy to the Company.

No other Person shall be entitled to receive notices of Shareholders' meetings, except any parties to whom the Company has agreed to provide such notices under any participation arrangements or participation agreements.

## INDEMNITY

138. Subject to the limitations hereinafter provided the Company may indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any Person (an "*Indemnifiable Person*") who:

(a) is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the Person is or was a Director, an Officer, agent or a liquidator of the Company; or

(b) is or was, at the request of the Company, serving as a director, officer, agent or liquidator of, or in any other capacity is or was acting for, another body corporate or a partnership, joint venture, trust or other enterprise.

139. The Company may only indemnify an Indemnifiable Person if such Person acted honestly and in good faith and in what the Indemnifiable Person believed to be in the best interests of the Company and, in the case of criminal proceedings, the Indemnifiable Person had no reasonable cause to believe that his conduct was unlawful.

140. The decision of the Directors as to whether the Indemnifiable Person acted honestly and in good faith and in what the Indemnifiable Person believed to be in the best interests of the Company and, in the case of criminal proceedings, as to whether such Person had no reasonable cause to believe that his conduct was unlawful, is in the absence of fraud, sufficient for the purposes of these Articles, unless a question of law is involved.

141. The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a *nolle prosequi* does not, by itself, create a presumption that the Indemnifiable Person did not act honestly and in good faith and with a view to the best interests of the Company or that such Person had reasonable cause to believe that his conduct was unlawful.

142. Expenses, including legal fees, incurred by an Indemnifiable Person in defending any legal, administrative or investigative proceedings may be paid by the Company in advance of the final disposition of such proceedings upon receipt of an undertaking by or on behalf of the Indemnifiable Person to repay the amount if it shall ultimately be determined that the Indemnifiable Person is not entitled to be indemnified by the Company in accordance with these Articles.

143. Expenses, including legal fees, incurred by a former Director, Officer or agent in defending any legal, administrative or investigative proceedings may be paid by the Company in advance of the final disposition of such proceedings upon receipt of an undertaking by or on behalf of the former Director, Officer or agent, as the case may be, to repay the amount if it shall ultimately be determined that the former Director, Officer or agent is not entitled to be indemnified by the Company in accordance with these Articles and upon such other terms and conditions, if any, as the Company deems appropriate.

144. The indemnification and advancement of expenses provided by, or granted pursuant to, this section is not exclusive of any other rights to which the Person seeking indemnification or advancement of expenses may be entitled under any agreement, resolution of members, resolution of disinterested Directors or otherwise, both as to acting in the Person's official capacity and as to acting in another capacity while serving as a Director, if applicable.

145. If a Person to be indemnified has been successful in defence of any proceedings described above the Person is entitled to be indemnified against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred by the Person in connection with the proceedings.

**INSURANCE**

146. The Company may purchase and maintain insurance in relation to any person who is or was a Director, or who at the request of the Company is or was serving as a Director of, or in any other capacity is or was acting for another body corporate or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability in the preceding Article.

**NON-RECOGNITION OF TRUSTS**

147. Subject to the proviso hereto, no Person shall be recognised by the Company as holding any Share upon any trust and the Company shall not, unless required by law, be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share or (except only as otherwise provided by these Articles or as required by law) any other right in respect of any Share except an absolute right to the entirety thereof in each Shareholder registered in the Register of Members, provided that, notwithstanding the foregoing, the Company shall be entitled to recognise any such interests as shall be determined by the Directors.

## VOLUNTARY LIQUIDATION

148. The Company may voluntarily commence its liquidation and dissolution by appointing a voluntary liquidator in accordance with section 199 of the Act if:

(a) it has no liabilities; or

(b) it is able to pay its debts as they fall due and the value of its assets equals or exceeds its liabilities.

149. A voluntary liquidator may be appointed by a Resolution of Shareholders or, if the Company has never issued Shares, by a Resolution of Directors.

## AMENDMENT OF ARTICLES OF ASSOCIATION

150. These Articles may be amended in the manner prescribed in the Memorandum.

## CLOSING OF REGISTER OF MEMBERS OR FIXING RECORD DATE

151. For the purpose of determining those Shareholders that are entitled to receive notice of, attend or vote at any meeting of Shareholders or any adjournment thereof, or those Shareholders that are entitled to receive payment of any Distribution, or in order to make a determination as to who is a Shareholder for any other purpose, the Directors may provide that the Register of Members shall be closed for transfers for a stated period which shall not exceed in any case forty days. If the Register of Members shall be so closed for the purpose of determining those Shareholders that are entitled to receive notice of, attend or vote at a meeting of Shareholders the Register of Members shall be so closed for at least ten days immediately preceding such meeting and the record date for such determination shall be the date of the closure of the Register of Members.

152. The Directors may fix in advance a date as the record date for any such determination of those Shareholders that are entitled to receive notice of, attend or vote at a meeting of the Shareholders and for the purpose of determining those Shareholders that are entitled to receive payment of any Distribution the Directors may, at or within ninety days prior to the date of declaration of such Distribution, fix a subsequent date as the record date for such determination.

153. If the Register of Members is not so closed and no record date is fixed for the determination of those Shareholders entitled to receive notice of, attend or vote at a meeting of Shareholders or those Shareholders that are entitled to receive payment of a Distribution, the date on which notice of the meeting is posted or the date on which the resolution of the Directors declaring such Distribution is adopted, as the case may be, shall be the record date for such determination of Shareholders. When a determination of those Shareholders that are entitled to receive notice of, attend or vote at a meeting of Shareholders has been made as provided in this Article, such determination shall apply to any adjournment thereof.

## REGISTRATION BY WAY OF CONTINUATION

154. The Company may by Resolution of Directors or by Resolution of Shareholders resolve to be registered by way of continuation in a jurisdiction outside the British Virgin Islands in the manner provided under those laws. In furtherance of a resolution adopted pursuant to this Article, the Directors may cause an application to be made to the Registrar of Corporate Affairs to deregister the Company in the British Virgin Islands and may cause all such further steps as they consider appropriate to be taken to effect the transfer by way of continuation of the Company.

## DISCLOSURE

155. The Directors, or any service providers (including the Officers, the Secretary and the Registered Agent of the Company) specifically authorised by the Directors, shall be entitled to disclose to any regulatory or judicial authority any information regarding the affairs of the Company including without limitation information contained in the Register of Members and books of the Company.

156. The Company shall elect to be classified for U.S. Tax Purposes as a partnership for as long as it has one or more participation agreements in effect and as a disregarded entity in all other instances and shall treat amounts payable to each holder of a participation under any such participation agreement as subject to Subchapter K of the Code. The Company shall for U.S. Tax Purposes only take all actions consistent, and no actions inconsistent, with this Article 156.

We, Estera Corporate Services (BVI) Limited of Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands hereby sign our name to these Articles of Association this [*] day of [*], 2018.

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Incorporator

For and on behalf of
**Estera Corporate Services (BVI) Limited**

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**Exhibit 4.4**

**EXECUTION VERSION**

**STUDIO CITY FINANCE LIMITED**,

as Company

**THE SUBSIDIARY GUARANTORS PARTIES HERETO**,

**8.500% SENIOR NOTES DUE 2020**

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# INDENTURE

**November 26, 2012**

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**DB TRUSTEES (HONG KONG) LIMITED**,

as Trustee and Collateral Agent

**DEUTSCHE BANK TRUST COMPANY AMERICAS**,

as Principal Paying Agent, U.S. Registrar and Transfer Agent

and

**DEUTSCHE BANK LUXEMBOURG S.A.**

as European Registrar

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INDENTURE dated as of November 26, 2012 among Studio City Finance Limited, a BVI business company with limited liability incorporated under the laws of the British Virgin Islands (the "*Company*"), certain subsidiaries of the Company from time to time parties hereto, DB Trustees (Hong Kong) Limited, as Trustee and Collateral Agent, Deutsche Bank Trust Company Americas, as Principal Paying Agent, U.S. Registrar and Transfer Agent, and Deutsche Bank Luxembourg S.A., as European Registrar.

Each party agrees as follows for the benefit of each other and for the other parties and for the equal and ratable benefit of the Holders (as defined herein) of the 8.500% Senior Notes due 2020 (the "*Notes*"):

# ARTICLE 1
# DEFINITIONS

Section 1.01 *Definitions.*

*"144A Global Note"* means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 144A.

"*Account Bank"* means Bank of China Limited, Macau Branch and any successor and assignee named pursuant to any document evidencing the Collateral.

*"Acquired Indebtedness"* means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is Incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

*"Additional Notes"* means additional Notes (other than the Initial Notes) issued under this Indenture in accordance with Sections 2.02 and 4.09 hereof, as part of the same series as the Initial Notes; *provided that* any Additional Notes that are not fungible with the Notes for U.S. federal income tax purposes shall have a separate CUSIP number than any previously issued Notes, unless the Notes and the Additional Notes are issued with no more than a *de minimis* amount of original issue discount for U.S. federal income tax purposes, but shall otherwise be treated as a single class with all other Notes issued under this Indenture.

*"Affiliate"* of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "*control*," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; *provided that* beneficial ownership of 10% or more of the Voting Stock of a Person will be deemed to be control. For purposes of this definition, the terms "*controlling*," "*controlled by*" and "*under common control with*" have correlative meanings.

"*Agent*" means any Registrar, co-registrar, Paying Agent, Transfer Agent or additional paying agents or transfer agents.

"*Applicable Premium*" means, with respect to any Note on any redemption date, the greater of:

(1) 1.0% of the principal amount of the Note; or

(2) the excess of: (a) the present value at such redemption date of (i) the redemption price of the Note at December 1, 2015 (such redemption price being set forth in the table appearing in Section 3.07 hereof) plus (ii) all required interest payments due on the Note through December 1, 2015 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over (b) the principal amount of the Note, if greater.

*"Applicable Procedures"* means, with respect to any transfer or exchange of or for beneficial interests in any Global Note, the rules and procedures of the Depositary, Euroclear and Clearstream, Luxembourg that apply to such transfer or exchange.

"*Asset Sale*" means:

(1) the sale, lease, conveyance or other disposition of any assets or rights; *provided that* the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Company and its Restricted Subsidiaries taken as a whole will be governed by the provisions of this Indenture described in Section 4.15 hereof and/or the provisions described in Section 5.01 hereof and not by the provisions of Section 4.10 hereof;

(2) the issuance of Equity Interests in any of the Company's Restricted Subsidiaries or the sale of Equity Interests in any of its Subsidiaries; and

(3) any Event of Loss.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(4) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than US$5.0 million;

(5) a transfer of assets between or among the Company and its Restricted Subsidiaries;

(6) an issuance of Equity Interests by a Restricted Subsidiary of the Company to the Company or to a Restricted Subsidiary of the Company;

(7) the sale, license, transfer, lease (including the right to use) or other disposal of products, services, accounts receivable or other current assets in the ordinary course of business (including the construction and development activities) and any sale or other disposition of damaged, worn-out, surplus or obsolete assets in the ordinary course of business;

(8) the sale or other disposition of cash or Cash Equivalents;

(9) any transfer, termination or unwinding or other disposition of Hedging Obligations in the ordinary course of business;

(10) a transaction covered under Section 5.01 or Section 4.15;

(11) the lease of, right to use or equivalent interest under Macau law of that portion of real property granted to Studio City Developments pursuant to the applicable land concession granted by the government of the Macau SAR in connection with the development of the Phase II Project in accordance with such applicable land concession;

(12) a Restricted Payment that does not violate the provisions of Section 4.07 hereof or a Permitted Investment, and any other payment under the CMA or the Reinvestment Agreement and any transactions or arrangements involving contractual rights under, pursuant to or in connection with the CMA or the Reinvestment Agreement or any services agreement and related agreements or arrangements with Excluded Projects, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof;

(13) the (i) lease, sublease, license or right to use of any portion of the Project to persons who, either directly or through Affiliates of such persons, intend to develop, operate or manage gaming, hotel, nightclubs, bars, restaurants, malls, amusements, attractions, recreation, spa, pool, exercise or gym facilities, or entertainment facilities or venues or retail shops or venues or similar or related establishments or facilities within the Project and (ii) the grant of declarations of covenants, conditions and restrictions and/or easements or other rights to use with respect to common area spaces and similar instruments benefiting such tenants of such lease, subleases licenses and rights to use generally and/or entered into connection with the Project (collectively, the "*Venue Easements*"); *provided that* no Venue Easements or operations conducted pursuant thereto would reasonably be expected to materially interfere with, or materially impair or detract from, the operation of the Project;

(14) the dedication of space or other dispositions of property in connection with and in furtherance of constructing structures or improvements reasonably related to the development, construction and operation of the Project; *provided*, that in each case such dedication or other disposition is in furtherance of, and does not materially impair or interfere with the use or operations (or intended use or operations) of, the Project;

(15) the granting of easements, rights of way, rights of access and/or similar rights to any governmental authority, utility providers, cable or other communication providers and/or other parties providing services or benefits to the Project, the real property held by the Company, a Restricted Subsidiary or the public at large that would not reasonably be expected to interfere in any material respect with the construction, development or operation of the Project;

(16) the granting of a lease, right to use or equivalent interest to Melco Crown Gaming for purposes of operating a gaming facility under the CMA or any transactions or arrangements contemplated thereunder;

(17) the grant of licenses to intellectual property rights to third Persons (other than Affiliates of the Company or any Restricted Subsidiary) on an arm's length basis in the ordinary course of business or to Melco Crown Gaming and its Affiliates in the ordinary course of business;

(18) any sale of Capital Stock of an Excluded Project Subsidiary;

(19) transfers, assignments or dispositions constituting an Incurrence of a Permitted Lien (but not the actual sale or other disposition of the property subject to such Lien); and

(20) any surrender or waiver of contractual rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business.

*"Attributable Debt"* in respect of a sale and leaseback transaction means, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP.

*"Bankruptcy Law"* means (i) the United States Bankruptcy Code of 1978 or any similar U.S. federal or state law for the relief of debtors, (ii) the provisions of the Code of Civil Procedure of Macau that deal with the placement of a debtor into liquidation, the administration and disposal of its assets, the distribution of the proceeds thereof and the alternatives to such liquidation, or any laws of similar effect, and (iii) those laws included, principally within (but not limited to) the BVI Business Companies Act, 2004 (as amended) and the Insolvency Act, 2007 (as amended) concerning the solvency and insolvency of BVI companies.

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

*"Best Price Auction"* means an auction intended to achieve the best price for an asset, *provided that* if the only bidder in such auction is a representative of the Senior Secured Credit Facilities Lenders, the auction will not constitute a Best Price Auction (and subject to, where applicable, the rules and regulations for any such auction set forth under Macau law or by the Macau government).

*"Board of Directors"* means:

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

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

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

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

*"Business Day"* means any day other than a Legal Holiday.

*"Capital Lease Obligation"* means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

*"Capital Stock"* means:

(1) in the case of a corporation, corporate stock or shares;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

*"Cash Equivalents"* means:

(1) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (*provided that* the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than six months from the date of acquisition;

(2) demand deposits, certificates of deposit, time deposits and eurodollar time deposits with maturities of 12 months or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case, with any commercial bank organized under the laws of Macau, Hong Kong, a member state of the European Union or of the United States of America or any state thereof having capital and surplus in excess of US$500.0 million (or the foreign currency equivalent thereof as of the date of such investment) and whose long-term debt is rated "A-3" or higher by Moody's or "A-" or higher by S&P or the equivalent rating category or another internationally recognized rating agency or, with respect to any Notes Account or the Note Debt Service Reserve Account, any bank with which the Company maintains any of the Notes Accounts or the Note Debt Service Reserve Account, including but not limited to Bank of China Limited, Macau Branch and/or any successor thereto appointed pursuant to, the terms of the applicable agreements governing such Notes Account or the Note Debt Service Reserve Account;

(3) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (1) and (2) above entered into with any financial institution meeting the qualifications specified in clause (2) above;

(4) commercial paper having one of the two highest ratings obtainable from Moody's or S&P and, in each case, maturing within 12 months after the date of acquisition; and

(5) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (4) of this definition.

*"Casualty"* means any casualty, loss, damage, destruction or other similar loss with respect to real or personal property or improvements.

*"Change of Control"* means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its Subsidiaries taken as a whole to any "person" (as that term is used in Section 13(d) of the Exchange Act) (other than a Sponsor or a Related Party of a Sponsor);

(2) the adoption of a plan relating to the liquidation or dissolution of the Company; or

(3) the first day on which MCE ceases to own, directly or indirectly (through a subsidiary), a majority of the outstanding Equity Interests and/or Voting Stock of both the Company and Melco Crown Gaming.

*"Clearstream, Luxembourg"* means Clearstream Banking société anonyme.

*"CMA"* means the services and right to use agreement originally dated May 11, 2007 and as amended and restated on June 15, 2012, executed with Studio City Entertainment Limited (formerly named MSC Diversões, Limitada and New Cotai Entertainment (Macau) Limited), a wholly owned indirect subsidiary of the Senior Secured Credit Facilities Borrower, as amended, modified, supplemented, extended, replaced or renewed from time to time, including pursuant to any direct agreement entered into with any agent or security agent of the Senior Secured Credit Facilities Lenders or the analogous parties under any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities in connection therewith.

*"Collateral"* means all property and assets, whether now owned or hereafter acquired, in which Liens are, from time to time, purported to be granted to secure the Notes pursuant to the Security Documents and which on the Issue Date shall consist of the Note Accounts and any amounts contained therein and the Intercompany Note Proceeds Loan.

*"Collateral Agent"* means DB Trustees (Hong Kong) Limited.

*"Company"* means Studio City Finance Limited, and any and all successors thereto.

*"Condemnation"* means any taking by a Governmental Authority of assets or property, or any part thereof or interest therein, for public or quasi-public use under the power of eminent domain, by reason of any public improvement or condemnation or in any other manner.

*"Consolidated Net Income"* means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; *provided that*:

(1) the Net Income (or loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions actually paid in cash to, or the amount of loss actually funded in cash by, the specified Person or a Restricted Subsidiary of the Person, *provided that* all Excluded Project Revenues shall be excluded from Net Income;

(2) the Net Income of any Restricted Subsidiary that is not a Subsidiary Guarantor will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that Net Income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders *provided*, *however*, that Consolidated Net Income of the specified Person will be increased by the amount of dividends or similar contributions actually paid in cash (or to the extent converted into cash) to the specified Person or any of its Restricted Subsidiaries that is a Subsidiary Guarantor, to the extent not already included therein;

(3) the cumulative effect of a change in accounting principles will be excluded; and

(4) charges or expenses related to deferred financing fees and Indebtedness issuance costs, including related commissions, fees and expenses, premiums paid or other expenses incurred directly in connection with any early extinguishment of Indebtedness and any net gain (loss) from any write-off, extinguishment, repurchase, cancellation or forgiveness of Indebtedness will be excluded.

*"Construction Completion Date"* means the date upon which the Phase I Project has been substantially completed and is open for business (to include the issuance of occupancy certificates for the relevant portions of the Phase I Project and receipt of all necessary operating permits), as determined in accordance with the Senior Secured Credit Facilities and as confirmed in an Officer's Certificate addressed to the Trustee attaching a certification from the agent under the Senior Secured Credit Facilities that such Construction Completion Date has occurred.

*"Construction Completion Long Stop Date"* means December 31, 2016, as subsequently amended or extended pursuant to the Senior Secured Credit Facilities.

*"Construction Consultant"* means Franklin & Andrews (Hong Kong) Limited and its successors and assignees, or such other construction consultant of recognized international standing retained pursuant to the Senior Secured Credit Facilities.

*"Construction Opening Long Stop Date"* means October 1, 2016, as subsequently amended or extended pursuant to the Senior Secured Credit Facilities.

*"Corporate Trust Office of the Trustee"* will be at the address of the Trustee specified in Section 13.02 hereof or such other address as to which the Trustee may give notice to the Company.

*"Credit Facilities"* means one or more debt facilities (including, without limitation, the Senior Secured Credit Facilities) or commercial paper facilities, in each case, with banks or other lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, refunded, replaced (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to investors) in whole or in part from time to time.

"*Credit Facilities Documents*" means the collective reference to any Credit Facilities, any notes issued pursuant thereto and the guarantees thereof, and the collateral or other documents relating thereto, as amended, supplemented, restated, renewed, refunded, replaced, restructured, repaid, refinanced or otherwise modified, in whole or in part, from time to time.

"*Custodian*" means Deutsche Bank Trust Company Americas, as custodian with respect to the Notes in global form, or any successor entity thereto.

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

"*Definitive Note*" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06 hereof, substantially in the form of Exhibit A hereto, except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"*Depositary*" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03 hereof as the Depositary with respect to the Notes, and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provision of this Indenture.

"*Designated Credit Facilities*" means (a) the Senior Secured Credit Facilities, as amended from time to time, and (b) any other secured Credit Facility (or refinancing or replacement of the Senior Secured Credit Facilities) entered into to finance the Phase II Project, *provided that* such Credit Facility provides for borrowings in excess of US$100.0 million and is designated by the Company as a Designated Credit Facility (with notification of such designation to the Trustee).

"*Disbursement Agreements*" means the Note Disbursement and Account Agreement and the Senior Disbursement Agreement.

"*Disqualified Stock*" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the date on which the Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Company to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Company may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 4.07 hereof. The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Indenture will be the maximum amount that the Company and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"*EBITDA*" means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period *plus*, without duplication:

(1) an amount equal to any extraordinary loss *plus* any net loss realized by such Person or any of its Restricted Subsidiaries in connection with an Asset Sale, to the extent such losses were deducted in computing such Consolidated Net Income; *plus*

(2) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; *plus*

(3) the Fixed Charges of such Person and its Restricted Subsidiaries for such period, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; *plus*

(4) depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period), of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income; *plus*

(5) any non-cash compensation charge arising from any grant of stock, stock options or other equity based awards; *plus*

(6) any goodwill or other intangible asset impairment charge; *plus*

(7) Pre-Opening Expenses, to the extent such expenses were deducted in computing Consolidated Net Income; *minus*

(8) non-cash items increasing such Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business,

in each case, on a consolidated basis and determined in accordance with GAAP.

Notwithstanding the preceding, the provision for taxes based on the income or profits of, and the depreciation and amortization and other non-cash expenses of, a Restricted Subsidiary of the Company will be added to Consolidated Net Income to compute EBITDA of the Company only to the extent that a corresponding amount was included in the calculation of Consolidated Net Income.

*"Equity Interests"* means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

*"Equity Offering"* means any public sale or private issuance of Capital Stock (other than Disqualified Stock) of (1) the Company or (2) a direct or indirect parent of the Company to the extent the net proceeds from such issuance are contributed in cash to the common equity capital of the Company (in each case other than pursuant to a registration statement on Form S-8 or otherwise relating to equity securities issuable under any employee benefit plan of the Company).

"*Escrow Agent*" means Bank of China Limited, Macau Branch.

"*Escrow Agreement*" means the escrow agreement among the Company, the Collateral Agent, the Trustee and the Escrow Agent.

*"Escrow Account*" means a U.S. dollar-denominated escrow account (together with any sub-accounts or related accounts, including for term deposits, established in connection therewith) established by, and in the name of, the Company with the Account Bank in accordance with the Escrow Agreement.

*"Euroclear"* means Euroclear Bank SA/NV.

*"Event of Loss"* means, with respect to the Company, any Subsidiary Guarantor or any Restricted Subsidiary of the Company that is a Significant Subsidiary, any (1) Casualty, (2) Condemnation or seizure (other than pursuant to foreclosure) or (3) settlement in lieu of clause (2) above, in each case having a fair market value in excess of US$10.0 million.

*"Exchange Act"* means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

*"Excluded Contributions"* means the net cash proceeds received by the Company subsequent to the Issue Date from:

(1) contributions to its common equity capital; and

(2) the issuance or sale (other than to a Subsidiary of the Company or to any Company or Subsidiary management equity plan or stock option plan or any other management or employee benefit plan or agreement) by the Company of shares of its Capital Stock (other than Disqualified Stock) or a share capital increase;

in each case, designated as Excluded Contributions on the date on which such Excluded Contributions were received pursuant to an Officer's Certificate, and excluded from the calculation set forth in Section 4.07(a)(D)(ii) hereof.

*"Excluded Project Revenues"* means an amount equal to the net cash proceeds of any payments received by the Company or a Restricted Subsidiary subsequent to the Issue Date from revenues and receipts, distributions or sale proceeds generated or derived from an Excluded Project.

*"Excluded Project Subsidiary"* means an Unrestricted Subsidiary established for the purposes of developing, operating or financing an Excluded Project; *provided* the Indebtedness of such Excluded Project Subsidiary may be guaranteed by the Company or a Restricted Subsidiary to the extent such guarantee would be permitted to be incurred under Section 4.09 hereof.

*"Excluded Projects"* means projects designated as excluded projects by the Company or a Restricted Subsidiary in accordance with the Senior Secured Credit Facilities or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities.

*"Fair Market Value"* means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of the Company (unless otherwise provided in this Indenture).

*"Fixed Charge Coverage Ratio"* means with respect to any specified Person for any period, the ratio of EBITDA of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "*Calculation Date*"), then the Fixed Charge Coverage Ratio will be calculated giving pro forma effect to such incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Preferred Stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period.

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions and including increases in ownership of Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date will be given pro forma effect (in accordance with Regulation S-X under the Securities Act) as if they had occurred on the first day of the four-quarter reference period;

(2) the EBITDA attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the Obligations giving rise to such Fixed Charges will not be Obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period; and

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months).

*"Fixed Charges"* means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued, including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges Incurred in respect of letter of credit or bankers' acceptance financings, and net of the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates; *plus*

(2) the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period; *plus*

(3) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries (other than Indebtedness secured by a Lien of the type specified in clause (22) of the definition of "Permitted Liens"), whether or not such Guarantee or Lien is called upon; *plus*

(4) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of Preferred Stock of such Person or any of its Restricted Subsidiaries, other than dividends on Equity Interests payable solely in Equity Interests of the Company (other than Disqualified Stock) or to the Company or a Restricted Subsidiary of the Company, *times* (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with GAAP.

*"GAAP"* means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time.

*"Gaming Authorities"* means, in any jurisdiction in which Melco Crown Gaming (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Company or any of its Subsidiaries manages or conducts any casino, gaming business or activities, the applicable gaming board, commission, or other governmental gaming regulatory body or agency which (a) has, or may at any time after issuance of the Notes have, jurisdiction over the gaming activities of Melco Crown Gaming (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Company or any of its Subsidiaries, or any successor to such authority or (b) is, or may at any time after the issuance of the Notes be, responsible for interpreting, administering and enforcing the Gaming Laws.

*"Gaming Laws"* means all applicable constitutions, treatises, resolutions, laws, regulations, instructions and statutes pursuant to which any Gaming Authority possesses regulatory, licensing or permit authority over gaming, gambling or casino activities, and all rules, rulings, orders, ordinances, regulations of any Gaming Authority applicable to the gambling, casino, gaming businesses or activities of Melco Crown Gaming (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Company or any of its Subsidiaries in any jurisdiction, as in effect from time to time, including the policies, interpretations and administration thereof by the Gaming Authorities.

*"Gaming Licenses"* means any concession, subconcession, license, permit, franchise or other authorization at any time required under any Gaming Laws to own, lease, operate or otherwise conduct the gaming business of Melco Crown Gaming (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Company and its Restricted Subsidiaries.

*"Global Note Legend"* means the legend set forth in Section 2.06(f)(2) hereof, which is required to be placed on all Global Notes issued under this Indenture.

*"Global Notes"* means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes deposited with or on behalf of and registered in the name of the Depository or its nominee, substantially in the form of Exhibit A hereto and that bears the Global Note Legend and that has the "Schedule of Exchanges of Interests in the Global Note" attached thereto, issued in accordance with Section 2.01, 2.06(b)(3), 2.06(b)(4), and with Section 2.06(d)(2) or 2.06(f) hereof.

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

"*Guarantee*" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"*Hedging Obligations*" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates or commodity prices.

"*Holder*" means a Person in whose name a Note is registered.

"*Incur*" means, with respect to any Indebtedness, Capital Stock or other Obligation of any Person, to create, issue, assume, guarantee, incur (by conversion, exchange, or otherwise) or otherwise become liable in respect of such Indebtedness, Capital Stock or other Obligation or the recording, as required pursuant to GAAP or otherwise, of any such Indebtedness or other Obligation on the balance sheet of such Person. Indebtedness or Capital Stock otherwise Incurred by a Person before it becomes a Restricted Subsidiary of the Company shall be deemed to be Incurred at the time at which such Person becomes a Restricted Subsidiary of the Company. The accretion of original issue discount, the accrual of interest, the accrual of dividends, the payment of interest in the form of additional Indebtedness and the payment of dividends on Preferred Stock in the form of additional shares of Preferred Stock shall not be considered an Incurrence of Indebtedness.

"*Indebtedness*" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than one year after such property is acquired or such services are completed; or

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person.

Notwithstanding the foregoing, "Indebtedness" will not include (i) any capital commitments, deposits or advances from customers or any contingent obligations to refund payments (including deposits) to customers (or any guarantee thereof), or (ii) obligations of the Company or a Restricted Subsidiary to pay the deferred and unpaid purchase price of property or services due to suppliers of equipment or other assets (including parts thereof) not more than one year after such property is acquired or such services are completed and the amount of unpaid purchase price retained by the Company or any Restricted Subsidiary in the ordinary course of business in connection with an acquisition of equipment or other assets (including parts thereof) pending full operation or contingent on certain conditions during a warranty period of such equipment or assets in accordance with the terms of the acquisition; *provided that*, in each case, such Indebtedness is not reflected as borrowings on the consolidated balance sheet of the Company (contingent obligations and commitments referred to in a footnote to financial statements and not otherwise reflected as borrowings on the balance sheet will not be deemed to be reflected on such balance sheet).

The amount of Indebtedness of any Person at any time shall be the outstanding balance at such time of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided that*:

(A) the amount outstanding at any time of any Indebtedness issued with original issue discount is the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP;

(B) money borrowed and set aside at the time of the Incurrence of any Indebtedness in order to prefund the payment of the interest on such Indebtedness shall not be deemed to be "Indebtedness" so long as such money is held to secure the payment of such interest; and

(C) that the amount of or the principal amount of Indebtedness with respect to any Hedging Obligation shall be equal to the net amount payable if such Hedging Obligation terminated at or prior to that time due to a default by such Person.

*"Indenture"* means this Indenture, as amended or supplemented from time to time.

*"Indirect Participant"* means a Person who holds a beneficial interest in a Global Note through a Participant.

*"Initial Notes"* means the first US$825,000,000 aggregate principal amount of Notes issued under this Indenture on the date hereof.

*"Initial Purchasers"* means Deutsche Bank AG, Singapore Branch, Australia and New Zealand Banking Group Limited, BOCI Asia Limited, Citigroup Global Markets Inc., Credit Agricole Corporate and Investment Bank, Merrill Lynch International or UBS AG, Hong Kong Branch and any of their respective subsidiaries or Affiliates.

"*Intercompany Note Proceeds Loan*" means the loan or loans in an amount up to the gross proceeds from the issuance of the Notes made from time to time by the Company, as lender, to Studio City Investments Limited, as borrower, pursuant to the intercompany note executed on the Issue Date.

"*Investment Company Act*" means the U.S. Investment Company Act of 1940, and the rules and regulations of the SEC promulgated thereunder.

"*Investment Grade Status*" shall apply at any time the Notes receive (i) a rating equal to or higher than BBB- (or the equivalent) from S&P and (ii) a rating equal to or higher than Baa3 (or the equivalent) from Moody's.

"*Investments*" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees and consultants made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Company or any Subsidiary of the Company sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Company such that, after giving effect to any such sale or disposition (except in the case of a Designated Subsidiary Guarantor Enforcement Sale), such Person is no longer a Subsidiary of the Company, the Company will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Company's Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in the final paragraph of Section 4.07 hereof. The acquisition by the Company or any Subsidiary of the Company of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Company or such Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in the final paragraph of Section 4.07 hereof. Except as otherwise provided in this Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"*Issue Date*" means the date on which the Notes (other than any Additional Notes) are originally issued.

"*Legal Holiday*" means a Saturday, a Sunday or a day on which banking institutions in the City of New York, Hong Kong, Macau or at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction).

"*MCE*" means Melco Crown Entertainment Limited, an exempted company incorporated with limited liability under the laws of the Cayman Islands.

"*Melco Crown Gaming*" means Melco Crown Gaming (Macau) Limited, a Macau company.

*"Moody's"* means Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

*"Net Income"* means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of Preferred Stock dividends, excluding, however:

(1) any gain (or loss), together with any related provision for taxes on such gain (or loss), realized in connection with:

(A) any Asset Sale; or

(B) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment, repurchase or cancellation of any Indebtedness of such Person or any of its Restricted Subsidiaries; and

(2) any extraordinary gain (or loss), together with any related provision for taxes on such extraordinary gain (or loss).

"*Net Proceeds*" means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with GAAP.

"*Non-Recourse Debt*" means Indebtedness:

(1) as to which neither the Company nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender, other than, in the case of (a) and (b), Indebtedness incurred pursuant to Section 4.09(b)(15) hereof; and

(2) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Company or any of its Restricted Subsidiaries (other than to the Equity Interests of any Unrestricted Subsidiary).

*"Non-U.S. Person"* means a Person who is not a U.S. Person.

*"Notes Accounts"* means the Escrow Account, the Note Disbursement Account, the Note Proceeds Account, the Note Interest Accrual Account and the Note Interest Reserve Account.

"*Note Debt Service Reserve Account*" means a U.S. dollar-denominated note debt service reserve account established by, and in the name of, the Senior Secured Credit Facilities Borrower or the analogous party under any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities.

"*Note Disbursement Account*" means a U.S. dollar-denominated and a Hong Kong dollar-denominated note disbursement account (together with any sub-accounts or related accounts, including for term deposits, established in connection therewith) established by, and in the name of, the Company with the Account Bank in accordance with the Note Disbursement and Account Agreement.

"*Note Disbursement Agent*" means Bank of China Limited, Macau Branch, in its capacity as Note Disbursement Agent under the Note Disbursement and Account Agreement, and any successor Note Disbursement Agent appointed pursuant to the terms of the Note Disbursement and Account Agreement.

"*Note Disbursement and Account Agreement*" means that certain Note Disbursement and Account Agreement, to be entered into on the Issue Date, among the Company, the Senior Secured Credit Facilities Borrower, the Collateral Agent, the Trustee and the Note Disbursement Agent.

"*Note Guarantee*" means the Guarantee by each Subsidiary Guarantor of the Company's Obligations under this Indenture and the Notes.

"*Note Interest Accrual Account*" means a U.S. dollar-denominated note interest accrual account (together with any sub-accounts or related accounts, including for term deposits, established in connection therewith) established by, and in the name of, the Company with the Account Bank in accordance with the Note Disbursement and Account Agreement.

"*Note Interest Reserve Account*" means a U.S. dollar-denominated note interest reserve account (together with any sub-accounts or related accounts, including for term deposits, established in connection therewith) established by, and in the name of, the Company with the Account Bank in accordance with the Note Disbursement and Account Agreement.

"*Note Proceeds Account*" means a U.S. dollar-denominated note proceeds account (together with any sub-accounts or related accounts, including for term deposits, established in connection therewith) established by, and in the name of, the Company with the Account Bank in accordance with the Note Disbursement and Account Agreement and holding the net proceeds of the Notes issued on the Issue Date upon the release of such net proceeds from the Escrow Account (less amounts used to fund the Note Interest Reserve Account), to be disbursed for the payment of construction and development costs and other Project Costs, including licensing fees and pre-opening costs, of the Phase I Project.

"*Notes*" has the meaning assigned to it in the preamble to this Indenture. The Initial Notes and the Additional Notes shall be treated as a single class for all purposes under this Indenture, and unless the context otherwise requires, all references to the Notes shall include the Initial Notes and any Additional Notes.

"*Obligations*" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"*Offering Memorandum*" means the offering memorandum dated November 16, 2012 in respect of the Notes.

"*Officer*" means the Chairman of the Board, Chief Executive Officer, Chief Financial Officer, President, any Executive Vice President, Senior Vice President or Vice President, Treasurer or Secretary of the Company or any Directors of the Board or any Person acting in that capacity.

"*Officer's Certificate*" means a certificate signed on behalf of the Company by an Officer of the Company which meets the requirements of Section 13.05 hereof.

"*Opening Date*" means the date upon which occupancy certificates for the Phase I Project have been issued and an agreed part of the Phase I Project (including an agreed number of gaming tables) is open for business, as determined in accordance with the Senior Secured Credit Facilities and as confirmed in an Officer's Certificate addressed to the Trustee attaching a certification from the agent under the Senior Secured Credit Facilities that such Opening Date has occurred.

"*Opinion of Counsel*" means a written opinion from legal counsel who is acceptable to the Trustee that meets the requirements of Section 13.05 hereof. The counsel may be an employee of or counsel to the Company or the Trustee.

"*Participant*" means, with respect to the Depositary, Euroclear or Clearstream, Luxembourg, a Person who has an account with the Depositary, Euroclear or Clearstream, Luxembourg, respectively (and, with respect to DTC, shall include Euroclear and Clearstream, Luxembourg).

"*Permitted Business*" means (1) any businesses, services or activities engaged in by the Company or any Restricted Subsidiaries on the Issue Date, including, without limitation, the construction, development and operation of the Project, (2) any gaming, hotel, food and beverage, entertainment or resort related business, development, project, undertaking or venture of any kind in the Macau SAR, and (3) any other businesses, services, activities or undertaking that are necessary for, supportive of, or connected, related, complementary, incidental, ancillary or similar to, any of the foregoing or are extensions or developments of any thereof.

"*Permitted Investments*" means:

(1) any Investment in the Company or in a Restricted Subsidiary of the Company;

(2) any Investment in cash or Cash Equivalents;

(3) any Investment by the Company or any Restricted Subsidiary of the Company in a Person, if as a result of such Investment:

(A) such Person becomes a Restricted Subsidiary of the Company; or

(B) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary of the Company;

(4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 4.10 hereof;

(5) any acquisition of assets or Capital Stock in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company;

(6) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Company or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (B) litigation, arbitration or other disputes with Persons who are not Affiliates;

(7) Investments represented by Hedging Obligations;

(8) loans or advances to employees, officers, or directors made in the ordinary course of business of the Company or any Restricted Subsidiary of the Company in an aggregate principal amount not to exceed US$1.0 million at any one time outstanding;

(9) repurchases of the Notes;

(10) any Investments consisting of gaming credit extended to customers and junket operators in the ordinary course of business and consistent with applicable law and any Investments made or deemed to be made in connection with or through any transactions or arrangements involving contractual rights under, pursuant to or in connection with (i) the CMA or the Reinvestment Agreement or any services agreement and related agreements or arrangements with Excluded Projects and (ii) any transaction or arrangements made pursuant to clause (10) of the definition of "Asset Sale", including any amendments, modifications, supplements, extensions, replacements, terminations or renewals;

(11) advances to contractors and suppliers and accounts and notes receivables created or acquired in the ordinary course of business;

(12) receivables owing to the Company or any of its Restricted Subsidiaries if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;

(13) any Investment existing on the Issue Date or made pursuant to binding commitments in effect on the Issue Date or an Investment consisting of any extension, modification or renewal of any Investment existing on the Issue Date; *provided that* the amount of any such Investment may be increased (x) as required by the terms of such Investment as in existence on the Issue Date of this Indenture or (y) as otherwise permitted under this Indenture;

(14) Investments in prepaid expenses, negotiable instruments held for collection, deposits made in connection with self-insurance, and performance and other similar deposits and prepayments made in connection with an acquisition of assets or property in the ordinary course of business by the Company or any Restricted Subsidiary;

(15) deposits made by the Company or any Restricted Subsidiary in the ordinary course of business to comply with statutory or regulatory obligations (including land grants) to maintain deposits for the purposes specified by the applicable statute or regulation (including land grants) from time to time;

(16) any Investment consisting of a Guarantee permitted by Section 4.09 hereof and performance guarantees that do not constitute Indebtedness entered into by the Company or any Restricted Subsidiary in the ordinary course of business;

(17) to the extent constituting an Investment, licenses of intellectual property rights granted by the Company or a Restricted Subsidiary of the Company in the ordinary course of business; *provided*, that such grant does not interfere in any material respect with the ordinary conduct of the business of such Person;

(18) Investments consisting of purchases and acquisitions of inventory, supplies, materials, services or equipment or purchases of contract rights or licenses or leases of intellectual property, in each case, in the ordinary course of business;

(19) Investments held by a Person that becomes a Restricted Subsidiary; *provided*, *however*, that such Investments were not acquired in contemplation of the acquisition of such Person;

(20) an Investment in an Unrestricted Subsidiary consisting solely of an Investment in another Unrestricted Subsidiary;

(21) pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business or (y) otherwise described in the definition of "Permitted Liens";

(22) Investments (other than Permitted Investments) made with Excluded Contributions; *provided*, *however*, that any amount of Excluded Contributions made will not be included in the calculation of Section 4.07(a)(D)(ii) hereof;

(23) Investments consisting of the licensing or contribution of intellectual property pursuant to joint marketing arrangements with other Persons; and

(24) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (24) that are at the time outstanding, not to exceed US$5.0 million.

*"Permitted Liens"* means:

(1) Liens securing Indebtedness Incurred pursuant to of Section 4.09(b)(1)(i)(x) hereof;

(2) Liens created for the benefit of (or to secure) the Notes (including any Additional Notes) or the Note Guarantees;

(3) Liens in favor of the Company or the Subsidiary Guarantors;

(4) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with the Company or any Subsidiary of the Company; *provided that* such Liens were not created in connection with, or in contemplation of, such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with the Company or the Subsidiary;

(5) Liens on property (including Capital Stock) existing at the time of acquisition of the property by the Company or any Subsidiary of the Company; *provided that* such Liens were in existence prior to, such acquisition, and not incurred in contemplation of, such acquisition;

(6) Liens incurred or deposits made in the ordinary course of business in connection with workmen's compensation or unemployment obligations or other obligations of a like nature, including any Lien securing letters of credit issued in the ordinary course of business in connection therewith, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

(7) Liens to secure Indebtedness (including Capital Lease Obligations) permitted by Section 4.09(b)(4) covering only the assets acquired with or financed by such Indebtedness and directly related assets such as proceeds (including insurance proceeds), improvements, replacements and substitutions thereto;

(8) Liens existing on the Issue Date;

(9) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided that* any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;

(10) Liens imposed by law, such as carriers, warehousemen's, landlord's, suppliers' and mechanics' Liens, in each case, incurred in the ordinary course of business;

(11) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(12) Liens to secure any Permitted Refinancing Indebtedness permitted to be Incurred under this Indenture; *provided*, *however,* that:

(A) the new Lien shall be limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (*plus* improvements and accessions to, such property or proceeds or distributions thereof); and

(B) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(13) Liens securing Hedging Obligations so long as the related Indebtedness is, and is permitted to be under this Indenture, secured by a Lien on the same assets or property securing such Hedging Obligations;

(14) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks not given in connection with the money borrowed, (ii) relating to pooled deposit or sweep accounts of the Company or any Restricted Subsidiary to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Company and its Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Company or any of its Restricted Subsidiaries in the ordinary course of business;

(15) Liens arising out of judgments against such Person not giving rise to an Event of Default, with respect to which such Person shall then be proceeding with an appeal or other proceedings for review, *provided that* any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;

(16) Liens granted to the Trustee for its compensation and indemnities pursuant to this Indenture;

(17) Liens arising out of or in connection with licenses, sublicenses, leases (other than capital leases) and subleases (including rights to use) of assets (including, without limitation, intellectual property) entered into in the ordinary course of business;

(18) Liens upon specific items of inventory or other goods and proceeds of the Company or any Restricted Subsidiary securing obligations in respect of bankers' acceptances issued or created to facilitate the purchase, shipment or storage of such inventory or other goods in the ordinary course of business;

(19) Liens arising out of conditional sale, title retention, hire purchase, consignment or similar arrangement for the sale of goods in the ordinary course of business;

(20) Liens arising under customary provisions limiting the disposition or distribution of assets or property or any related restrictions thereon in operating agreements, joint venture agreements, partnership agreements, contracts for sale and other agreements arising in the ordinary course of business; *provided*, *that* such Liens do not extend to any assets of the Company or any Restricted Subsidiary other than the assets subject to such agreements or contracts;

(21) Liens on deposits made in the ordinary course of business to secure liability to insurance carriers;

(22) Liens on the Equity Interests of Unrestricted Subsidiaries;

(23) Liens created or Incurred under, pursuant to or in connection with the CMA or the Reinvestment Agreement, including Liens on any revenues or receipts thereunder or any accounts created or maintained thereunder;

(24) limited recourse Liens in respect of the ownership interests in, or assets owned by, any joint ventures which are not Restricted Subsidiaries securing obligations of such joint ventures;

(25) Liens securing Indebtedness Incurred pursuant to Section 4.09(b)(1)(i)(y) hereof, in each case in connection with Indebtedness incurred to finance the Phase II Project following the Opening Date, *provided that* the amount of Indebtedness secured by such Lien does not exceed the greater of (x) 75% of the EBITDA of the Company for the last twelve months (which figure shall be based on audited financial information, if for an annual period) and (y) US$350.0 million; and

(26) Liens incurred in the ordinary course of business of the Company or any Subsidiary of the Company with respect to Obligations that do not exceed US$5.0 million at any one time outstanding.

Notwithstanding the foregoing, no Liens on any Notes Account or the Intercompany Note Proceeds Loan other than Liens of the type described in paragraphs (2), (9), (10), (14)(i), (14)(ii) and (21) of this definition shall constitute Permitted Liens.

*"Permitted Refinancing Indebtedness"* means any Indebtedness of the Company or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge other Indebtedness of the Company or any of its Restricted Subsidiaries (other than intercompany Indebtedness); *provided that*:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged (*plus* all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, Incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Notes or the Note Guarantees, such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and is subordinated in right of payment to, the Notes and the Note Guarantees on with terms at least as favorable to the Holders as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) such Indebtedness is Incurred either by the Company or by the Restricted Subsidiary who is the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

*"Person"* means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

*"Phase I Project"* means the approximate 463,000 gross square meter project to be constructed on the Site and which is currently envisioned to contain retail, hotel, gaming, entertainment, food and beverage outlets and entertainment studios and other facilities.

*"Phase II Project"* the development of the remainder of the Site, which is expected to include one or more hotels, entertainment facilities, expanded gaming capacity, food and beverage, and retail.

"*Plans and Specifications*" means the plans and specifications for the Phase I Project as approved by the Board of Directors of the Company, as subsequently amended in accordance with the Senior Secured Credit Facilities.

*"Preferred Stock"* means any Equity Interest with preferential right of payment of dividends or upon liquidation, dissolution, or winding up.

*"Pre-Opening Expenses"* means, with respect to any fiscal period, the amount of expenses (other than interest expense) incurred with respect to capital projects that are classified as "pre-opening expenses" on the applicable financial statements of the Company and its Restricted Subsidiaries for such period, prepared in accordance with GAAP.

"*Private Placement Legend*" means the legend set forth in Section 2.06(f)(1) hereof to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"*Project*" means the Phase I Project and the Phase II Project.

"*Project Costs*" means the construction and development costs and other project costs, including licensing, financing, interest, fees and pre-opening costs, of the Phase I Project.

"*QIB*" means a "qualified institutional buyer" as defined in Rule 144A.

"*QP*" means a "qualified purchaser" as defined in Section 2(a)(51) of the Investment Company Act.

"*Regulation S*" means Regulation S promulgated under the Securities Act.

"*Regulation S Global Note*" means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 903 of Regulation S.

"*Reinvestment Agreement*" means the reimbursement agreement dated June 15, 2012, between Melco Crown Gaming and Studio City Entertainment Limited, as amended, modified, supplemented, extended, replaced or renewed from time to time, including pursuant to any direct agreement entered into in connection therewith.

"*Related Party*" means*:*

(1) any controlling stockholder, 80% (or more) owned Subsidiary, or immediate family member (in the case of an individual) of any Sponsor; or

(2) any trust, corporation, partnership, limited liability company or other entity, the beneficiaries, stockholders, partners, members, owners or Persons beneficially holding an 80% or more controlling interest of which consist of any one or more Sponsor and/or such other Persons referred to in the immediately preceding clause (1).

"*Responsible Officer,*" when used with respect to the Trustee, means any officer within the Corporate Trust Office of the Trustee (or any successor group of the Trustee) or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"*Restricted Definitive Note*" means a Definitive Note bearing the Private Placement Legend.

"*Restricted Global Note*" means a Global Note bearing the Private Placement Legend.

"*Restricted Investment*" means an Investment other than a Permitted Investment.

"*Restricted Period*" means the 40-day distribution compliance period as defined in Regulation S.

"*Restricted Subsidiary*" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

"*Revenue Sharing Agreement*" means any joint venture, development, management, operating or similar agreement or arrangement for the sharing of revenues, profits, losses, costs or expenses entered into in connection with developments or services complementary or ancillary to the Project in the ordinary course of business and on arms' length terms.

"*Rule 144*" means Rule 144 promulgated under the Securities Act.

*"Rule 144A"* means Rule 144A promulgated under the Securities Act.

*"Rule 903"* means Rule 903 promulgated under the Securities Act.

*"Rule 904"* means Rule 904 promulgated under the Securities Act.

*"S&P"* means Standard & Poor's Ratings Group or any successor to the rating agency business thereof.

*"SEC"* means the Securities and Exchange Commission.

*"Securities Act"* means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

*"Security Documents"* means the security agreements, pledge agreements and related agreements, as amended, supplemented, restated, renewed, refunded, replaced, restructured, repaid, refinanced or otherwise modified from time to time, creating the security interests in the Collateral for the benefit of the Trustee and the Holders as contemplated by this Indenture.

"*Senior Debt Service Accrual Account*" means the debt service accrual account established pursuant to the Senior Secured Credit Facilities.

"*Senior Disbursement Account*" means any construction disbursement account or accounts or other accounts established under the Senior Secured Credit Facilities.

"*Senior Disbursement Agreement*" means the applicable agreement or agreements governing disbursements from the Senior Disbursement Account under the Senior Secured Credit Facilities.

"*Senior Secured Credit Facilities"* means the US$1.4 billion (equivalent) senior secured credit facilities described in the section entitled "Description of Other Material Indebtedness—Senior Secured Credit Facilities" of the Offering Memorandum, among the Senior Secured Credit Facilities Borrower, the Subsidiary Guarantors, the financial institutions named therein as lenders, and the agent for the lenders, including any related notes, guarantees, collateral documents, instruments and agreements executed in connection therewith.

*"Senior Secured Credit Facilities Borrower"* means Studio City Company Limited, a special purpose entity incorporated in the British Virgin Islands.

*"Senior Secured Credit Facilities Finance Parties"* means the Senior Secured Credit Facilities Lenders, the counterparties of any secured Hedging Obligations, and any other administrative parties that benefit from the collateral securing the Senior Secured Credit Facilities.

*"Senior Secured Credit Facilities Lenders"* means the Lenders under the Senior Secured Credit Facilities.

*"Shareholder Subordinated Debt"* means, collectively, any debt provided to the Company by any direct or indirect parent holding company of the Company (or any Sponsor), in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Shareholder Subordinated Debt; *provided that* such Shareholder Subordinated Debt:

(1) does not (including upon the happening of any event) mature or require any amortization or other payment of principal prior to the first anniversary of the maturity of the Notes (other than through conversion or exchange of any such security or instrument for Equity Interests of the Company (other than Disqualified Stock) or for any other security or instrument meeting the requirements of the definition);

(2) does not (including upon the happening of any event) require the payment of cash interest prior to the first anniversary of the maturity of the Notes;

(3) does not (including upon the happening of any event) provide for the acceleration of its maturity nor confer on its shareholders any right (including upon the happening of any event) to declare a default or event of default or take any enforcement action, in each case, prior to the first anniversary of the maturity of the Notes;

(4) is not secured by a Lien on any assets of the Company or a Restricted Subsidiary and is not guaranteed by any Subsidiary of the Company;

(5) is subordinated in right of payment to the prior payment in full in cash of the Notes in the event of any default, bankruptcy, reorganization, liquidation, winding up or other disposition of assets of the Company;

(6) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Notes or compliance by the Company with its obligations under the Notes and this Indenture;

(7) does not (including upon the happening of an event) constitute Voting Stock; and

(8) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder, in whole or in part, prior to the date on which the Notes mature other than into or for Capital Stock (other than Disqualified Stock) of the Company.

*"Significant Subsidiary"* means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such regulation is in effect on the Issue Date.

*"Site"* means an approximately 130,789 square meter parcel of land in the reclaimed area between Taipa and Coloane Island (Cotai), Lotes G300, G310 and G400, registered with the Macau Real Estate Registry under no. 23059.

"*Six-Month Interest Reserve*" means the amount equal to six months of interest due on the Notes paid into the Note Debt Service Reserve Account pursuant to Section 4.23 hereof.

"*Sponsor Project Contributions*" means the US$825.0 million contributed or to be contributed by the Sponsors to the Company and its Subsidiaries (as described in the Offering Memorandum under the caption "Use of Proceeds") for the purpose of financing construction and development costs and other Project Costs, *plus* all other amounts contributed by the Sponsors to the Company or its Subsidiaries subsequent to the Issue Date for the purpose of financing construction and development costs and other Project Costs.

"*Sponsor Purchase Right*" means the purchase right (in form and substance to be agreed pursuant to the Senior Secured Credit Facilities) to be exercised by an agreed person or persons in respect of certain agreed assets which are the subject of security in favor of the security agent under the Senior Secured Credit Facilities or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities.

"*Sponsors*" means (i) Melco Crown Entertainment Limited, (ii) Silver Point Capital L.P. and (iii) Oaktree Capital Management LLC.

"*Stated Maturity*" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the Issue Date, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"*Studio City Developments*" refers to Studio City Developments Limited, the Company's wholly-owned indirect subsidiary (formerly known as MSC Desenvolvimentos, Limitada and as East Asia Satellite Television Limited), a Macau company with company number 14311.

"*Subordinated Indebtedness*" means (a) with respect to the Company, any Indebtedness of the Company which is by its terms subordinated in right of payment to the Notes, and (b) with respect to any Subsidiary Guarantor, any Indebtedness of such Subsidiary Guarantor which is by its terms subordinated in right of payment to such Subsidiary Guarantor's Obligations in respect of its Note Guarantee.

"*Subsidiary*" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

"*Subsidiary Guarantor*" means each of (1) Studio City Investments Limited, Studio City Company Limited, Studio City Holdings Two Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCP One Limited, SCP Two Limited, and Studio City Developments Limited and (2) any other Subsidiary of the Company that provides a Note Guarantee in accordance with the provisions of this Indenture, and their respective successors and assigns, in each case, until the Note Guarantee of such Person has been released in accordance with the provisions of this Indenture.

*"Total Assets"* means, as of any date, the consolidated total assets of the Company and its Restricted Subsidiaries in accordance with GAAP as shown on the most recent balance sheet of such Person.

*"Transactions"* means the offering of the Notes and the application of the proceeds received therefrom as described under "Use of Proceeds" in the Offering Memorandum.

*"Treasury Rate"* means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to December 1, 2015; *provided, however*, that if the period from the redemption date to December 1, 2015 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"*Trustee*" means DB Trustees (Hong Kong) Limited until a successor replaces it in accordance with the applicable provisions of this Indenture and thereafter means the successor serving hereunder.

*"Unrestricted Definitive Note"* means a Definitive Note that does not bear and is not required to bear the Private Placement Legend.

*"Unrestricted Global Note"* means a Global Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Subsidiary*" means any Subsidiary of the Company that is designated by the Board of Directors of the Company as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors, but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by Section 4.11 hereof, is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company;

(3) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Company or any of its Restricted Subsidiaries.

*"U.S. Government Obligations"* means securities that are:

(1) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged, or

(2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America, the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America,

which, in each case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act) as custodian with respect to any such U.S. Government Obligations or a specific payment of principal of or interest on any such U.S. Government Obligations held by such custodian for the account of the holder of such depository receipt; *provided that* (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligations or the specific payment of principal of or interest on the U.S. Government Obligations evidenced by such depository receipt.

*"U.S. Person"* means a U.S. Person as defined in Rule 902(k) promulgated under the Securities Act.

*"Voting Stock"* of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

*"Weighted Average Life to Maturity"* means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

*"Wholly-Owned Restricted Subsidiary"* is any Wholly-Owned Subsidiary that is a Restricted Subsidiary.

*"Wholly-Owned Subsidiary"* of any Person means a Subsidiary of such Person 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

Section 1.02 *Other Definitions.*

| Term | Defined in Section |
|---|---|
| *"Additional Amounts"* | 2.13 |
| *"Affiliate Transaction"* | 4.11 |
| *"Asset Sale Offer"* | 3.09 |
| *"Authentication Order"* | 2.02 |
| *"Change of Control Offer"* | 4.15 |
| *"Change of Control Payment"* | 4.15 |
| *"Change of Control Payment Date"* | 4.15 |
| *"Covenant Defeasance"* | 8.03 |
| *"Designated Subsidiary Guarantor Enforcement Sale"* | 11.08 |
| *"direct parent companies"* | 4.20 |
| *"DTC"* | 2.03 |
| *"Event of Default"* | 6.01 |
| *"Excess Proceeds"* | 4.10 |
| *"Guaranteed Obligations"* | 11.01 |
| *"Legal Defeasance"* | 8.02 |
| *"New Intermediate Holding Companies"* | 4.20 |
| *"Offer Amount"* | 3.09 |
| *"Offer Period"* | 3.09 |
| *"Paying Agent"* | 2.03 |
| *"Permitted Debt"* | 4.09 |
| *"Payment Default"* | 6.01 |
| *"Purchase Date"* | 3.09 |
| *"Redemption Date"* | 3.07 |
| *"Registrar"* | 2.03 |
| *"Relevant Jurisdiction"* | 2.13 |
| *"Restricted Payments"* | 4.07 |
| *"Revenue Account"* | 4.23 |
| *"Reversion Date"* | 4.26 |
| *"Special Mandatory Escrow Redemption"* | 3.12 |
| *"Special Mandatory Escrow Redemption Event"* | 3.12 |
| *"Special Mandatory Note Proceeds Redemption"* | 3.13 |
| *"Special Mandatory Note Proceeds Redemption Event"* | 3.13 |
| *"Suspended Covenants"* | 4.26 |
| *"Suspension Period"* | 4.26 |
| *"Taxes"* | 2.13 |

Section 1.03 *Rules of Construction.*

Unless the context otherwise requires:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(3) "or" is not exclusive;

(4) words in the singular include the plural, and in the plural include the singular;

(5) "will" shall be interpreted to express a command;

(6) provisions apply to successive events and transactions; and

(7) references to sections of or rules under the Securities Act will be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time.

## ARTICLE 2
## THE NOTES

Section 2.01 *Form and Dating.*

(a) *General*. The Notes and the Trustee's certificate of authentication will be substantially in the form of Exhibit A hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Note will be dated the date of its authentication. The Notes shall be in denominations of US$250,000 and integral multiples of US$1,000 in excess thereof.

The terms and provisions contained in the Notes will constitute, and are hereby expressly made, a part of this Indenture and the Company, the Subsidiary Guarantors and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) *Global Notes*. Notes issued in global form will be substantially in the form of Exhibit A hereto (including the Global Note Legend thereon and the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Notes issued in definitive form will be substantially in the form of Exhibit A hereto (but without the Global Note Legend thereon and without the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Each Global Note will represent such of the outstanding Notes as will be specified therein and each shall provide that it represents the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Trustee or the Registrar, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof.

(c) *Euroclear and Clearstream, Luxembourg Procedures Applicable.* The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" and the "General Terms and Conditions—Clearstream Banking, Luxembourg" and "Customer Handbook" of Clearstream, Luxembourg will be applicable to transfers of beneficial interests in the Regulation S Global Note that are held by Participants through Euroclear or Clearstream, Luxembourg.

Section 2.02 *Execution and Authentication.*

At least one Officer must sign the Notes for the Company by manual or facsimile signature.

If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note will nevertheless be valid.

A Note will not be valid until authenticated by the manual signature of the Trustee. The signature will be conclusive evidence that the Note has been authenticated under this Indenture.

As a condition precedent to authenticating the Notes, the Trustee shall be entitled to receive an Officer's Certificate complying with Sections 13.04 and 13.05 hereof and covering subparagraphs (1) and (2) below, and an Opinion of Counsel which shall state:

(1) that the form of such Notes has been established by a supplemental indenture or by or pursuant to a resolution of the Board of Directors and in conformity with the provisions of this Indenture;

(2) that the terms of such Notes have been established in accordance with Section 2.01 and in conformity with the other provisions of this Indenture;

(3) that such Notes, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles; and

(4) that all laws, requirements and conditions in respect of the execution and delivery by the Company by such Notes and authentication by the Trustee have been complied with.

The Trustee will, upon receipt of a written order of the Company signed by an Officer or a director (an "*Authentication Order*"), authenticate Notes for original issue that may be validly issued under this Indenture, including any Additional Notes. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount of Notes authorized for issuance by the Company pursuant to one or more Authentication Orders, except as provided in Section 2.07 hereof.

The Trustee may appoint an authenticating agent acceptable to the Company to authenticate Notes. An authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with Holders or an Affiliate of the Company.

Section 2.03 *Registrar and Paying Agent.*

The Company will maintain an office or agency where Notes may be presented for registration of transfer or for exchange ("*Registrar*") and an office or agency where Notes may be presented for payment ("*Paying Agent*"). The Registrar will keep a register of the Notes and of their transfer and exchange. The Company may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Company may change any Paying Agent or Registrar without notice to any Holder and shall so notify the Trustee and each Paying Agent thereof in writing of the name and address of any Agent not a party to this Indenture. If the Company fails to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. The Company or any of its Subsidiaries may act as Paying Agent or Registrar.

The Company initially appoints The Depository Trust Company (*"DTC"*) to act as Depositary with respect to the Global Notes.

The Company initially appoints Deutsche Bank Trust Company Americas to act as the U.S. Registrar and Paying Agent and to act as Custodian, and Deutsche Bank Luxembourg S.A. to act as European Registrar, with respect to the Global Notes.

Section 2.04 *Paying Agent to Hold Money in Trust.*

The Company will require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal, premium or Additional Amounts, if any, or interest on the Notes, and will notify the Trustee of any default by the Company in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Company at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Company or a Subsidiary) will have no further liability for the money. If the Company or a Subsidiary acts as Paying Agent, it will segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Upon any bankruptcy or reorganization proceedings relating to the Company, the Trustee will serve as Paying Agent for the Notes.

Section 2.05 *Holder Lists.*

The Trustee, through the Registrars, will preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders. If the Trustee is not the Registrar, the Company will furnish to the Trustee at least seven Business Days before each interest payment date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders of Notes.

Section 2.06 *Transfer and Exchange.*

(a) *Transfer and Exchange of Global Notes*. A Global Note may not be transferred except as a whole by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Notes will be exchanged by the Company for Definitive Notes if:

(1) the Company delivers to the Trustee notice from the Depositary that it is unwilling or unable to continue to act as Depositary or that it is no longer a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Company within 120 days after the date of such notice from the Depositary;

(2) the Company in its sole discretion determines that the Global Notes (in whole but not in part) should be exchanged for Definitive Notes and delivers a written notice to such effect to the Trustee; or

(3) there has occurred and is continuing a Default or Event of Default with respect to the Notes.

Upon the occurrence of either of the preceding events in (1) or (2) above, Definitive Notes shall be issued in such names as the Depositary shall instruct the Trustee. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a), however, beneficial interests in a Global Note may be transferred and exchanged as provided in Section 2.06(b), (c) or (f) hereof.

(b) *Transfer and Exchange of Beneficial Interests in the Global Notes*. The transfer and exchange of beneficial interests in the Global Notes will be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes will be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in the Global Notes also will require compliance with either subparagraph (1) or (2) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(1) *Transfer of Beneficial Interests in the Same Global Note*. Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; *provided, however*, that prior to the expiration of the Restricted Period, transfers of beneficial interests in the Regulation S Global Note may not be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(1).

(2) *All Other Transfers and Exchanges of Beneficial Interests in Global Notes.* In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(1) above, the transferor of such beneficial interest must deliver to the Registrar either:

(A) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase; or

(B) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (1) above.

Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.06(g) hereof.

(3) *Transfer of Beneficial Interests to Another Restricted Global Note.* A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof; and

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof.

(4) *Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note*. A beneficial interest in any Restricted Global Note may be exchanged by any Holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(i) if the Holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(ii) if the Holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to the paragraph above at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to the paragraph above.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Note.

(c) *Transfer or Exchange of Beneficial Interests for Definitive Notes*.

(1) *Beneficial Interests in Restricted Global Notes to Restricted Definitive Notes.* If any Holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(F) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Company shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the Holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c)(1) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(2) *Beneficial Interests in Restricted Global Notes to Unrestricted Definitive Notes.* A Holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if the Registrar receives the following:

(i) if the Holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(ii) if the Holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in such case set forth in this paragraph, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes.* If any Holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in Section 2.06(b)(2) hereof, the Trustee will cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Company will execute and the Trustee will authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will be registered in such name or names and in such authorized denomination or denominations as the Holder of such beneficial interest requests through instructions to the Registrar from or through the Depositary and the Participant or Indirect Participant. The Trustee will deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will not bear the Private Placement Legend.

(d) *Transfer and Exchange of Definitive Notes for Beneficial Interests*.

(1) *Restricted Definitive Notes to Beneficial Interests in Restricted Global Notes.* If any Holder of a Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such Restricted Definitive Note is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(F) if such Restricted Definitive Note is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee will cancel the Restricted Definitive Note, increase or cause to be increased the aggregate principal amount of the appropriate Restricted Global Note.

(2) *Restricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if the Registrar receives the following:

(i) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(ii) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in such case set forth in this paragraph, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions in this Section 2.06(d)(2), the Trustee will cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(3) *Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee will cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

If any such exchange or transfer from a Definitive Note to a beneficial interest is effected pursuant to subparagraphs (1)(B), (1)(D) or (3) above at a time when an Unrestricted Global Note has not yet been issued, the Company will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee will authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) *Transfer and Exchange of Definitive Notes for Definitive Notes.* Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar will register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder must present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder must provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(1) *Restricted Definitive Notes to Restricted Definitive Notes.* Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications and certificates required by item (3) thereof, if applicable.

(2) *Restricted Definitive Notes to Unrestricted Definitive Notes.* Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if the Registrar receives the following:

(i) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(ii) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in such case set forth in this paragraph, if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Unrestricted Definitive Notes to Unrestricted Definitive Notes.* A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) *Legends.* The following legends will appear on the face of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(1) Private Placement Legend.

(A) Except as permitted by subparagraph (C) below, each 144A Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THE NOTES MAY BE PURCHASED AND TRANSFERRED ONLY IN MINIMUM PRINCIPAL AMOUNTS OF US$250,000 AND INTEGRAL MULTIPLES OF US$1,000 IN EXCESS THEREOF. IF AT ANY TIME THE ISSUER DETERMINES IN GOOD FAITH THAT A HOLDER OR BENEFICIAL OWNER OF THIS SECURITY OR BENEFICIAL INTERESTS HEREIN IS IN BREACH, AT THE TIME GIVEN, OF ANY OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE INDENTURE, THE ISSUER SHALL REQUIRE SUCH HOLDER TO TRANSFER THIS SECURITY (OR INTEREST HEREIN) TO A TRANSFEREE ACCEPTABLE TO THE ISSUER WHO IS ABLE TO AND WHO DOES SATISFY ALL OF THE REQUIREMENTS SET FORTH HEREIN AND IN THE INDENTURE. PENDING SUCH TRANSFER, SUCH HOLDER WILL BE DEEMED NOT TO BE THE HOLDER OF THIS SECURITY (OR INTEREST HEREIN) FOR ANY PURPOSE, INCLUDING BUT NOT LIMITED TO RECEIPT OF PRINCIPAL AND INTEREST PAYMENTS ON THE SECURITY, AND SUCH HOLDER WILL BE DEEMED TO HAVE NO INTEREST WHATSOEVER IN THE SECURITY EXCEPT AS OTHERWISE REQUIRED TO SELL ITS INTEREST THEREIN AS DESCRIBED HEREIN.

THE NOTES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER APPLICABLE SECURITIES LAW. THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “INVESTMENT COMPANY ACT”). ACCORDINGLY, OFFERS AND SALES OF THE NOTES MAY BE MADE ONLY IN COMPLIANCE WITH AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS IN THE UNITED STATES OR THE APPLICABLE SECURITIES LAWS OF ANY OTHER JURISDICTION AND IN A TRANSACTION THAT DOES NOT CAUSE THE ISSUER TO BE REQUIRED TO REGISTER UNDER THE INVESTMENT COMPANY ACT. BY ITS ACCEPTANCE OF A NOTE, THE PURCHASER WILL BE DEEMED TO REPRESENT THAT (I) IT HAS BEEN AFFORDED AN OPPORTUNITY TO INVESTIGATE MATTERS RELATING TO THE ISSUER, THE SUBSIDIARY GUARANTORS AND THE NOTES, (II) IT IS NOT ACQUIRING SUCH NOTE WITH A VIEW TO ANY DISTRIBUTION THEREOF, (III) IT IS A QUALIFIED INSTITUTIONAL BUYER (“QIB”) (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND A QUALIFIED PURCHASER (“QP”) (AS DEFINED IN SECTION 2(A)(51) OF THE INVESTMENT COMPANY ACT AND RELATED RULES), IN EACH CASE PURCHASING FOR ITS OWN ACCOUNT OR THE ACCOUNT OF A QIB WHO IS ALSO A QP AS TO WHICH THE PURCHASER EXERCISES SOLE INVESTMENT DISCRETION, IN RELIANCE ON THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT PROVIDED BY RULE 144A, (IV) IT IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN US$25,000,000 IN SECURITIES OF ISSUERS THAT ARE NOT ITS AFFILIATED PERSONS, EITHER (V) IT IS NOT AND IS NOT USING THE ASSETS OF ANY (I) “EMPLOYEE BENEFIT PLAN” (AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”)) WHICH IS SUBJECT TO TITLE I OF ERISA OR “PLAN” SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”) OR ENTITY WHOSE UNDERLYING ASSETS ARE TREATED AS ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN PURSUANT TO THE U.S. DEPARTMENT OF LABOR PLAN ASSETS REGULATION CODIFIED AT 29 C.F.R. SECTION 2510.3-101 OR (II) GOVERNMENTAL, CHURCH OR NON-U.S. PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (“SIMILAR LAW”) OR ENTITY WHOSE ASSETS ARE TREATED AS ASSETS OF ANY SUCH PLAN OR (B) ITS PURCHASE AND HOLDING OF A NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF APPLICABLE SIMILAR LAW, (VI) IT IS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER, (VII) IT, AND EACH ACCOUNT FOR WHICH IT IS PURCHASING, WILL HOLD AND TRANSFER AT LEAST THE MINIMUM DENOMINATION OF SECURITIES, (VIII) IT UNDERSTANDS THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THIS SECURITY FROM ONE OR MORE BOOK-ENTRY DEPOSITARIES, (IX) IF IT IS A SECTION 3(C)(1) OR SECTION 3(C)(7) INVESTMENT COMPANY, OR A SECTION 7(D) FOREIGN INVESTMENT COMPANY RELYING ON SECTION 3(C)(1) OR SECTION 3(C)(7) OF THE INVESTMENT COMPANY ACT WITH RESPECT TO ITS U.S. HOLDERS AND WAS FORMED ON OR BEFORE APRIL 30, 1996, IT HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS AS REQUIRED BY THE INVESTMENT COMPANY ACT, AND (X) IT MUST BE ABLE TO AND WILL BE DEEMED TO REPRESENT THAT IT AGREES TO COMPLY WITH THE APPLICABLE TRANSFER RESTRICTIONS, AND WILL NOT TRANSFER THIS SECURITY OR ANY BENEFICIAL INTERESTS HEREIN EXCEPT TO A PURCHASER WHO CAN MAKE THE SAME REPRESENTATIONS AND AGREEMENTS ON BEHALF OF ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING OR IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S (“REGULATION S”) UNDER THE SECURITIES ACT, AND IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING OR ACCEPTING THIS NOTE, REPRESENTS AND AGREES FOR THE BENEFIT OF THE ISSUER THAT IT WILL NOTIFY ANY PURCHASER OF THIS NOTE FROM THE HOLDER OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. AS A CONDITION TO THE REGISTRATION OF THE TRANSFER HEREOF, THE ISSUER OR THE TRUSTEE MAY REQUIRE THE DELIVERY OF ANY DOCUMENTS, INCLUDING AN OPINION OF COUNSEL, THAT IT, IN ITS SOLE DISCRETION, MAY DEEM NECESSARY OR APPROPRIATE TO EVIDENCE COMPLIANCE WITH EXEMPTIONS FROM REGISTRATION UNDER THE SECURITIES ACT AND THE INVESTMENT COMPANY ACT.

THE FOREGOING LEGEND MAY BE REMOVED FROM THIS NOTE ONLY ON THE CONDITIONS SPECIFIED IN THE INDENTURE REFERRED TO HEREIN."

(B) Except as permitted by subparagraph (C) below, each Regulation S Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THE NOTES MAY BE PURCHASED AND TRANSFERRED ONLY IN MINIMUM PRINCIPAL AMOUNTS OF US$250,000 AND INTEGRAL MULTIPLES OF US$1,000 IN EXCESS THEREOF.

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY JURISDICTION AND MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT. THE ISSUER OF THIS SECURITY HAS AGREED THAT THIS LEGEND SHALL BE DEEMED TO HAVE BEEN REMOVED ON THE 41ST DAY FOLLOWING THE LATER OF THE COMMENCEMENT OF THE OFFERING OF THE NOTES AND THE FINAL DELIVERY DATE WITH RESPECT THERETO."

(C) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraphs (b)(4), (c)(2), (d)(2), (d)(3), (e)(2) or (e)(3) of this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) will not bear the Private Placement Legend.

(2) *Global Note Legend*. Each Global Note will bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(g) *Cancellation and/or Adjustment of Global Notes.* At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note will be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note will be reduced accordingly and an endorsement will be made on such Global Note by the Trustee or by the Registrar at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note will be increased accordingly and an endorsement will be made on such Global Note by the Trustee or by the Registrar at the direction of the Trustee to reflect such increase.

(h) General Provisions Relating to Transfers and Exchanges.

(1) To permit registrations of transfers and exchanges, the Company will execute and the Trustee will authenticate Global Notes and Definitive Notes upon receipt of an Authentication Order in accordance with Section 2.02 hereof or at the Registrar’s request.

(2) No service charge will be made to a Holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.06, 3.06, 3.09, 4.10, 4.15 and 9.05 hereof).

(3) The Registrar will not be required to register the transfer of or exchange of any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(4) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes will be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(5) Neither the Registrar nor the Company will be required:

(A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business 15 days before the day of any selection of Notes for redemption under Section 3.02 hereof and ending at the close of business on the day of selection;

(B) to register the transfer of or to exchange any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part; or

(C) to register the transfer of or to exchange a Note between a record date and the next succeeding interest payment date.

(6) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Company may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Notes and for all other purposes, and none of the Trustee, any Agent or the Company shall be affected by notice to the contrary.

(7) The Trustee will authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.02 hereof.

(8) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

Section 2.07 *Replacement Notes.*

If any mutilated Note is surrendered to the Trustee or the Company and the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, the Company will issue and the Trustee, upon receipt of an Authentication Order, will authenticate a replacement Note if the Trustee's requirements are met. If required by the Trustee or the Company, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Company to protect the Company, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Note is replaced. The Company may charge for its expenses in replacing a Note.

Every replacement Note is an additional obligation of the Company and will be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08 *Outstanding Notes.*

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Trustee in accordance with the provisions hereof, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09 hereof, a Note does not cease to be outstanding because the Company or an Affiliate of the Company holds the Note; however, Notes held by the Company or a Subsidiary of the Company shall not be deemed to be outstanding for purposes of Section 3.07(a) hereof.

If a Note is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Note is held by a protected purchaser.

If the principal amount of any Note is considered paid under Section 4.01 hereof, it ceases to be outstanding and interest on it ceases to accrue.

If the Paying Agent (other than the Company, a Subsidiary or an Affiliate of any thereof) holds, on a redemption date or maturity date, money sufficient to pay Notes payable on that date, then on and after that date such Notes will be deemed to be no longer outstanding and will cease to accrue interest.

Section 2.09 *Treasury Notes.*

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Company or any Subsidiary Guarantor, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any Subsidiary Guarantor, will be considered as though not outstanding, except that for the purposes of determining whether the Trustee will be protected in relying on any such direction, waiver or consent, only Notes that the Trustee knows are so owned will be so disregarded.

Section 2.10 *Temporary Notes.*

Until certificates representing Notes are ready for delivery, the Company may prepare and the Trustee, upon receipt of an Authentication Order, will authenticate temporary Notes. Temporary Notes will be substantially in the form of certificated Notes but may have variations that the Company considers appropriate for temporary Notes and as may be reasonably acceptable to the Trustee. Without unreasonable delay, the Company will prepare and the Trustee will authenticate definitive Notes in exchange for temporary Notes.

Holders of temporary Notes will be entitled to all of the benefits of this Indenture.

Section 2.11 *Cancellation.*

The Company at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent will forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee and no one else will cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and will destroy canceled Notes (subject to the record retention requirement of the Exchange Act). Certification of the destruction of all canceled Notes will be delivered to the Company. The Company may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12 *Defaulted Interest.*

If the Company defaults in a payment of interest on the Notes, it will pay the defaulted interest in any lawful manner *plus*, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders on a subsequent special record date, in each case at the rate provided in the Notes and in Section 4.01 hereof. The Company will notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment. The Company will fix or cause to be fixed each such special record date and payment date; *provided that* no such special record date may be less than ten (10) days prior to the related payment date for such defaulted interest. At least fifteen (15) days before the special record date, the Company (or, upon the written request of the Company, the Trustee in the name and at the expense of the Company) will mail or cause to be mailed to Holders a notice that states the special record date, the related payment date and the amount of such interest to be paid.

Section 2.13 *Additional Amounts.*

(a) All payments of principal of, premium, if any, and interest on the Notes and all payments under the Note Guarantees will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever ("*Taxes*") nature imposed or levied by or within any jurisdiction in which the Company or any applicable Subsidiary Guarantor is organized or resident for tax purposes (or any political subdivision or taxing authority thereof or therein) or any jurisdiction from or through which payment is made by or on behalf of the Company or any Subsidiary Guarantor (or any political subdivision or taxing authority thereof or therein) (each, as applicable, a "*Relevant Jurisdiction*"), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In such event, the Company or the applicable Subsidiary Guarantor, as the case may be, will make such deduction or withholding, make payment of the amount so withheld to the appropriate governmental authority and will pay such additional amounts ("*Additional Amounts*") as will result in receipt by the Holder of such amounts as would have been received by such holder had no such withholding or deduction been required, *provided that* no Additional Amounts will be payable for or on account of:

(1) any tax, duty, assessment or other governmental charge that would not have been imposed but for:

(A) the existence of any present or former connection between the Holder or beneficial owner of such Note or Note Guarantee, as the case may be, and the Relevant Jurisdiction including, without limitation, such holder or beneficial owner being or having been a citizen or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein, other than merely holding such Note or the receipt of payments thereunder or under the Note Guarantee;

(B) the presentation of such Note (where presentation is required) more than thirty (30) days after the later of the date on which the payment of the principal of, premium, if any, or interest on, such Note became due and payable pursuant to the terms thereof or was made or duly provided for, except to the extent that the holder thereof would have been entitled to such Additional Amounts if it had presented such Note for payment on any date within such 30-day period;

(C) the failure of the holder or beneficial owner to comply with a timely request of the Company or any Subsidiary Guarantor addressed to the holder or beneficial owner, as the case may be, to provide information concerning such holder's or beneficial owner's nationality, residence, identity or connection with any Relevant Jurisdiction, if and to the extent that due and timely compliance with such request would have reduced or eliminated any withholding or deduction as to which Additional Amounts would have otherwise been payable to such holder; or

(D) the presentation of such Note (where presentation is required) for payment in the Relevant Jurisdiction, unless such Note could not have been presented for payment elsewhere;

(2) any estate, inheritance, gift, sale, transfer, excise or personal property or similar tax, assessment or other governmental charge;

(3) any withholding or deduction in respect of any tax, duty, assessment or other governmental charge where such withholding or deduction is imposed or levied on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of November 26-27, 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directives;

(4) any tax, duty, assessment or other governmental charge which is payable other than (i) by deduction or withholding from payments of principal of or interest on the Note or payments under the Note Guarantees, or (ii) by direct payment by the Company or applicable Subsidiary Guarantor in respect of claims made against the Company or the applicable Subsidiary Guarantor; or

(5) any combination of taxes, duties, assessments or other governmental charges referred to in the preceding clauses (1), (2), (3) and (4); or

(b) with respect to any payment of the principal of, or premium, if any, or interest on, such Note or any payment under any Note Guarantee to such holder, if the holder is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that such payment would be required to be included in the income under the laws of a Relevant Jurisdiction, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner, or beneficial owner been the holder thereof.

In addition to the foregoing, the Company and the Subsidiary Guarantors will also pay and indemnify the holder of a Note for any present or future stamp, issue, registration, court or documentary taxes, or any other excise or property taxes, charges or similar levies (including penalties, interest and other reasonable expenses related thereto) which are levied by any Relevant Jurisdiction on the execution, delivery, issuance, or registration of any of the Notes, the Indenture, any Note Guarantee or any other document or instrument referred to therein, or the receipt of any payments with respect thereto, or enforcement of, any of the Notes or any Note Guarantee.

(c) Whenever there is mentioned in any context the payment of principal of, and any premium or interest, on any Note or under any Note Guarantee, such mention will be deemed to include payment of Additional Amounts provided for in the Indenture to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Section 2.14 *Forced Sale or Redemption for Non-QIBs/QPs.*

(a) The Company has the right to require any Holder of a Note (or beneficial interest therein) that is a U.S. Person and is determined not to have been both (i) a QIB and (ii) a QP at the time of acquisition of such Note or is otherwise determined to be in breach, at the time given, of any of the representations and agreements required to be made pursuant to the transfer restrictions set forth herein, to transfer such Security (or beneficial interest therein) to a transferee acceptable to the Company who is able to and who does make all of the representations and agreements required to be made pursuant to the transfer restrictions set forth herein, or to redeem such Note (or beneficial interest therein) within 30 days of receipt of notice of the Company’s election to so redeem such Holder’s Notes on the terms set forth in paragraph (b) below. Pending such transfer or redemption, such Holder will be deemed not to be the Holder of such Note for any purpose, including but not limited to receipt of interest and principal payments on such Note, and such Holder will be deemed to have no interest whatsoever in such Note except as otherwise required to sell or redeem its interest therein.

(b) Any such redemption occurring pursuant to paragraph (a) above shall be at a redemption price equal to the lesser of (i) the person's cost, plus accrued and unpaid interest, if any, to the redemption date and (ii) 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. The Company shall notify the Trustee in writing of any such redemption as soon as practicable.

## ARTICLE 3
## REDEMPTION AND PREPAYMENT

Section 3.01 *Notices to Trustee.*

If the Company elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07 hereof, it must furnish to the Trustee, the Registrars and the Paying Agent, at least 45 days but not more than 60 days before a redemption date, an Officer's Certificate setting forth:

(1) the clause of this Indenture pursuant to which the redemption shall occur;

(2) the redemption date;

(3) the principal amount of Notes to be redeemed; and

(4) the redemption price.

Section 3.02 *Selection of Notes to Be Redeemed or Purchased.*

If fewer than all of the Notes are to be redeemed or purchased at any time, the Registrar will select Notes for redemption or purchase (i) in compliance with the requirements of the principal national securities exchange, if any, on which Notes are listed and any applicable depositary procedures, (ii) by lot or such other similar method in accordance with the applicable procedures of the Depositary or any other applicable clearing system (if the Notes are Global Notes), or (iii) if there are no such requirements of such exchange or the Notes are not then listed on a national securities exchange or cleared through the Depositary or any other applicable clearing system, on a *pro rata* basis or by such other method the Trustee deems fair and reasonable. No Notes of a principal amount of US$250,000 or less may be redeemed or purchased in part, and if Notes are redeemed or purchased in part, the remaining outstanding amount must be at least equal to US$250,000 and integral multiples of US$1,000 in excess thereof.

In the event of partial redemption or purchase by lot, the particular Notes to be redeemed or purchased will be selected, unless otherwise provided herein, not less than 30 nor more than 60 days prior to the redemption or purchase date by the Registrar from the outstanding Notes not previously called for redemption or purchase.

The Registrar will promptly notify the Company in writing of the Notes selected for redemption or purchase and, in the case of any Note selected for partial redemption or purchase, the principal amount thereof to be redeemed or purchased. Notes and portions of Notes selected will be in amounts of US$250,000 or integral multiples of US$1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder, even if not a multiple of US$1,000, shall be redeemed or purchased. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption or purchase also apply to portions of Notes called for redemption or purchase.

Section 3.03 *Notice of Redemption.*

Subject to the provisions of Section 3.09 hereof, at least 30 days but not more than 60 days before a redemption date, the Company will mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date (with prior notice to the Trustee) if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Articles 8 or 11 hereof.

The notice will identify the Notes to be redeemed and will state:

(1) the redemption date;

(2) the redemption price;

(3) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the redemption date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note, *provided that* the unredeemed portion has a minimum denomination of US$250,000;

(4) the name and address of the Paying Agent;

(5) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(6) that, unless the Company defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;

(7) the paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed; and

(8) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

At the Company's request, the Trustee will give the notice of redemption in the Company's name and at its expense; *provided, however*, that the Company has delivered to the Trustee, at least 45 days prior to the redemption date, an Officer's Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

Section 3.04 *Effect of Notice of Redemption.*

Once notice of redemption is mailed in accordance with Section 3.03 hereof, Notes called for redemption become irrevocably due and payable on the redemption date at the redemption price. A notice of redemption may not be conditional.

Section 3.05 *Deposit of Redemption or Purchase Price.*

No later than 10 a.m. New York time two Business Days prior to the redemption or purchase date, the Company will deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption or purchase price of and accrued interest and Additional Amounts, if any, on all Notes to be redeemed or purchased on that date. The Trustee or the Paying Agent will promptly return to the Company any money deposited with the Trustee or the Paying Agent by the Company in excess of the amounts necessary to pay the redemption or purchase price of, and accrued interest and Additional Amounts, if any, on all Notes to be redeemed or purchased.

If the Company complies with the provisions of the preceding paragraph, on and after the redemption or purchase date, interest will cease to accrue on the Notes or the portions of Notes called for redemption or purchase. If a Note is redeemed or purchased on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption or purchase is not so paid upon surrender for redemption or purchase because of the failure of the Company to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 hereof.

Section 3.06 *Notes Redeemed or Purchased in Part.*

Upon surrender of a Note that is redeemed or purchased in part, the Company will issue and, upon receipt of an Authentication Order, the Trustee will authenticate for the Holder at the expense of the Company a new Note equal in principal amount to the unredeemed or unpurchased portion of the Note surrendered.

Section 3.07 *Optional Redemption.*

(a) At any time prior to December 1, 2015, the Company may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes issued under this Indenture at a redemption price of 108.500% of the principal amount thereof, *plus* accrued and unpaid interest and Additional Amounts, if any, to the redemption date (subject to the rights of the Holders on the relevant record date to receive interest on the relevant interest payment date), with the net cash proceeds of one or more Equity Offerings; *provided that*:

(1) at least 65% of the aggregate principal amount of Notes originally issued under this Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 45 days of the date of the closing of such Equity Offering.

(b) At any time prior to December 1, 2015, the Company may also redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' prior notice mailed by first-class mail to each Holder's registered address, at a redemption price equal to 100% of the principal amount of Notes redeemed *plus* the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to, the date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

(c) Except pursuant to the two preceding paragraphs, the Notes will not be redeemable at the Company's option prior to December 1, 2015.

(d) On or after December 1, 2015, the Company may redeem all or a part of the Notes upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest and Additional Amounts, if any, on the Notes redeemed, to the applicable redemption date, if redeemed during the twelve-month period beginning on December 1 of the years indicated below, subject to the rights of Holders on the relevant record date to receive interest on the relevant interest payment date:

| Year | Percentage |
| --- | --- |
| 2015 | 106.375% |
| 2016 | 104.250% |
| 2017 | 102.125% |
| 2018 and thereafter | 100.000% |

Unless the Company defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(e) Any redemption pursuant to this Section 3.07 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.08 *Mandatory Redemption.*

Other than pursuant to Sections 3.12 and 3.13, the Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

Section 3.09 *Offer to Purchase by Application of Excess Proceeds.*

In the event that, pursuant to Section 4.10 hereof, the Company is required to commence an offer to all Holders to purchase Notes (an "*Asset Sale Offer*"), it will follow the procedures specified below.

The Asset Sale Offer shall be made to all Holders and all holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in this Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets. The Asset Sale Offer will remain open for a period of at least 20 Business Days following its commencement and not more than 30 Business Days, except to the extent that a longer period is required by applicable law (the "*Offer Period*"). No later than five Business Days after the termination of the Offer Period (the "*Purchase Date*"), the Company will apply all Excess Proceeds (the "*Offer Amount*") to the purchase of Notes and such other *pari passu* Indebtedness (on a *pro rata* basis, if applicable) or, if less than the Offer Amount has been tendered, all Notes and other Indebtedness tendered in response to the Asset Sale Offer. Payment for any Notes so purchased will be made in the same manner as interest payments are made.

If the Purchase Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest and Additional Amounts, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to Holders who tender Notes pursuant to the Asset Sale Offer.

Upon the commencement of an Asset Sale Offer, the Company will send, by first class mail, a notice to the Trustee and each of the Holders, with a copy to the Trustee. The notice will contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Asset Sale Offer. The notice, which will govern the terms of the Asset Sale Offer, will state:

(1) that the Asset Sale Offer is being made pursuant to this Section 3.09 and Section 4.10 hereof and the length of time the Asset Sale Offer will remain open;

(2) the Offer Amount, the purchase price and the Purchase Date;

(3) that any Note not tendered or accepted for payment will continue to accrue interest;

(4) that, unless the Company defaults in making such payment, any Note accepted for payment pursuant to the Asset Sale Offer will cease to accrue interest after the Purchase Date;

(5) that Holders electing to have a Note purchased pursuant to an Asset Sale Offer may elect to have Notes purchased in integral multiples of US$250,000 and integral multiples of US$1,000 in excess thereof only;

(6) that Holders electing to have Notes purchased pursuant to any Asset Sale Offer will be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Company, a Depositary, if appointed by the Company, or a Paying Agent at the address specified in the notice at least three days before the Purchase Date;

(7) that Holders will be entitled to withdraw their election if the Company, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(8) that, if the aggregate principal amount of Notes and other *pari passu* Indebtedness surrendered by holders thereof exceeds the Offer Amount, the Company will select the Notes and other *pari passu* Indebtedness to be purchased in accordance with Section 3.02 based on the principal amount of Notes and such other *pari passu* Indebtedness surrendered (with such adjustments as may be deemed appropriate by the Company so that only Notes in denominations of US$250,000, or integral multiples of US$1,000 in excess thereof, will be purchased); and

(9) that Holders whose Notes were purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer), *provided* that the unpurchased portion has a minimum denomination of US$250,000.

On or before the Purchase Date, the Company will, to the extent lawful, accept for payment, on a *pro rata* basis to the extent necessary (but subject to Section 3.02), the Offer Amount of Notes or portions thereof tendered pursuant to the Asset Sale Offer, or if less than the Offer Amount has been tendered, all Notes tendered, and will deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating that such Notes or portions thereof were accepted for payment by the Company in accordance with the terms of this Section 3.09. The Company, the Depositary or the Paying Agent, as the case may be, will promptly (but in any case not later than five days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Company for purchase, and the Company will promptly issue a new Note, and the Trustee, upon written request from the Company, will authenticate and mail or deliver (or cause to be transferred by book entry) such new Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered, *provided* that the unpurchased portion has a minimum denomination of US$250,000. Any Note not so accepted shall be promptly mailed or delivered by the Company to the Holder thereof. The Company will publicly announce the results of the Asset Sale Offer on the Purchase Date.

Other than as specifically provided in this Section 3.09, any purchase pursuant to this Section 3.09 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.10 *Redemption for Taxation Reasons.*

The Notes may be redeemed, at the option of the Company, as a whole but not in part, upon giving not less than 30 days' nor more than 60 days' notice to Holders (which notice will be irrevocable), at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest (including any Additional Amounts), if any, to the date fixed by the Company for redemption (the "*Tax Redemption Date*") if, as a result of:

(1) any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of a Relevant Jurisdiction affecting taxation; or

(2) any change in, or amendment to, an official position regarding the application or interpretation of such laws, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction),

which change or amendment becomes effective on or after the date of this Indenture with respect to any payment due or to become due under the Notes, this Indenture or a Note Guarantee, the Company or a Subsidiary Guarantor, as the case may be, is, or on the next Interest Payment Date would be, required to pay Additional Amounts, and such requirement cannot be avoided by the Company or a Subsidiary Guarantor, as the case may be, taking reasonable measures available to it; *provided that* for the avoidance of doubt, changing the jurisdiction of the Company or a Subsidiary Guarantor is not a reasonable measure for the purposes of this Section 3.10; *provided*, *further*, that no such notice of redemption will be given earlier than 90 days prior to the earliest date on which the Company or a Subsidiary Guarantor, as the case may be, would be obligated to pay such Additional Amounts if a payment in respect of the Notes were then due.

Prior to the mailing of any notice of redemption of the Notes pursuant to the foregoing, the Company will deliver to the Trustee:

(1) an Officer's Certificate stating that such change or amendment referred to in the prior paragraph has occurred, and describing the facts related thereto and stating that such requirement cannot be avoided by the Company or such Subsidiary Guarantor, as the case may be, taking reasonable measures available to it; and

(2) an Opinion of Counsel or an opinion of a tax consultant of recognized international standing stating that the requirement to pay such Additional Amounts results from such change or amendment referred to in the prior paragraph.

The Trustee will accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent described above, in which event it will be conclusive and binding on the Holders.

Any Notes that are redeemed will be cancelled.

Section 3.11 *Gaming Redemption.*

Each Holder, by accepting a Note, shall be deemed to have agreed that if the Gaming Authority of any jurisdiction in which the Company or any of its Affiliates (including Melco Crown Gaming) conducts or proposes to conduct gaming requires that a person who is a holder or the beneficial owner of Notes be licensed, qualified or found suitable under applicable Gaming Laws, such holder or beneficial owner, as the case may be, shall apply for a license, qualification or a finding of suitability within the required time period. If such Person fails to apply or become licensed or qualified or is found unsuitable, the Company shall have the right, at its option:

(1) to require such Person to dispose of its Notes or beneficial interest therein within 30 days of receipt of notice of the Company's election or such earlier date as may be requested or prescribed by such Gaming Authority; or

(2) to redeem such Notes, which redemption may be less than 30 days following the notice of redemption if so requested or prescribed by the applicable gaming authority, at a redemption price equal to:

(A) the lesser of:

(1) the person's cost, plus accrued and unpaid interest, if any, to the earlier of the redemption date or the date of the finding of unsuitability or failure to comply; and

(2) 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the earlier of the redemption date or the date of the finding of unsuitability or failure to comply; or

(B) such other amount as may be required by applicable law or order of the applicable Gaming Authority.

The Company shall notify the Trustee in writing of any such redemption as soon as practicable. Neither the Company nor the Trustee shall be responsible for any costs or expenses any Holder may incur in connection with such Holder's application for a license, qualification or a finding of suitability.

Section 3.12 *Escrow of Proceeds and Special Mandatory Escrow Redemption.*

(a) Pursuant to the Escrow Agreement, in the event the Senior Secured Credit Facilities are not executed on or before March 31, 2013 (the "*Special Mandatory Escrow Redemption Event*"), the Notes will be subject to a special mandatory redemption (the "*Special Mandatory Escrow Redemption*") at a redemption price equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest thereon from and including the Issue Date through the date of redemption. If a Special Mandatory Redemption Event occurs, the Company will cause a notice of Special Mandatory Escrow Redemption to be delivered to the Trustee and each of the Holders (with a copy to the Escrow Agent and the Collateral Agent) within five Business Days following the date of the occurrence of the Special Mandatory Escrow Redemption Event and will redeem the Notes, in whole and not in part, no later than ten (10) Business Days following the date of such notice of redemption. If the amount of funds in the Escrow Account is insufficient to pay the redemption price, plus accrued and unpaid interest, the Company will provide such amounts to the Trustee directly, as provided in the Escrow Agreement.

Section 3.13 *Special Mandatory Note Proceeds Redemption.*

(a) Pursuant to the Note Disbursement and Account Agreement, in the event that no funds have been released from the Note Proceeds Account by prior to the date that is one year from the date of the execution of the Senior Secured Credit Facilities due to the failure of all conditions precedent to first utilization of the Senior Secured Credit Facilities to be satisfied or waived (other than with respect to (a) the utilization or disbursement of the proceeds of the Notes, (b) any provision for future land premium payments to be made from the proceeds of the Notes and (c) funding of the Note Debt Service Reserve Account) by such date (the "*Special Mandatory Note Proceeds Redemption Event*"), the Notes will be subject to a special mandatory redemption (the "*Special Mandatory Note Proceeds Redemption*") at a redemption price equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest thereon through the date of redemption. If a Special Mandatory Note Proceeds Redemption Event occurs, the Company will cause a notice of Special Mandatory Note Proceeds Redemption to be delivered to the Trustee and each of the Holders (with a copy to the Note Disbursement Agent and the Collateral Agent) within five Business Days following the date of the occurrence of the Special Mandatory Note Proceeds Redemption Event and will redeem the Notes, in whole and not in part, no later than ten (10) Business Days following the date of such notice of redemption. If the amount of funds in the Note Proceeds Account is insufficient to pay the redemption price, plus accrued and unpaid interest, the Company will provide such amounts to the Trustee directly, as provided in the Note Disbursement and Account Agreement.

## ARTICLE 4
## COVENANTS

Section 4.01 *Payment of Notes.*

The Company will pay or cause to be paid the principal of, premium, if any, and interest and Additional Amounts, if any, on, the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest and Additional Amounts, if any, will be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds as of 10:00 a.m. New York Time two Business Days prior to the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due.

The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, at the rate equal to 1% per annum in excess of the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Additional Amounts (without regard to any applicable grace period) at the same rate to the extent lawful.

Section 4.02 *Maintenance of Office or Agency.*

The Company will maintain in the Borough of Manhattan, the City of New York, an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, Registrar or co-registrar) where Notes may be surrendered for registration of transfer or for exchange and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company fails to maintain any such required office or agency or fails to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee.

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

The Company hereby designates Deutsche Bank Trust Company Americas as one such office or agency of the Company in accordance with Section 2.03 hereof.

Section 4.03 *Reports.*

(a) The Company will provide to the Trustee and the Holders and make available to potential investors:

(1) within 120 days after the end of the Company's fiscal year, annual reports of the Company containing: (a) information with a level of detail that is substantially comparable to the sections in the Offering Memorandum entitled "Selected Consolidated Financial Information", "Business", "Management", "Related Party Transactions" and "Description of Other Indebtedness"; (b) the Company's audited consolidated (i) balance sheet as of the end of the two most recent fiscal years (or such shorter period as the Company has been in existence) and (ii) income statement and statement of cash flow for the two most recent fiscal years (or such shorter period as the Company has been in existence), in each case prepared in accordance with U.S. GAAP and including complete footnotes to such financial statements and the report of the independent auditors on the financial statements; (c) an operating and financial review of the two most recent fiscal years (or such shorter period as the Company has been in existence) for the Company and its Restricted Subsidiaries, including a discussion of (i) the financial condition and results of operations of the Company on a consolidated basis and any material changes between such two fiscal years (or such shorter period as the Company has been in existence) and (ii) any material developments in the business of the Company and its Restricted Subsidiaries; and (d) *pro forma* income statement and balance sheet information of the Company, together with explanatory footnotes, for any Change of Control or material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal year, unless *pro forma* information has been provided in a previous report pursuant to paragraph (2)(c) below, *provided that* no *pro forma* information shall be required to be provided for any material acquisitions or dispositions relating solely to the Project;

(2) within 60 days after the end of each day of the first three fiscal quarters in each fiscal year of the Company, quarterly reports containing: (a) the Company's unaudited condensed consolidated (i) balance sheet as of the end of such quarter and (ii) statement of income and cash flow for the quarterly and year to date periods ending on the most recent balance sheet date, and the comparable prior year periods, in each case prepared in accordance with U.S. GAAP; (b) an operating and financial review of such periods for the Company and its Restricted Subsidiaries including a discussion of (i) the financial condition and results of operations of the Company on a consolidated basis and material changes between the current period and the period of the prior year and (ii) any material developments in the business of the Company and its Restricted Subsidiaries; (c) *pro forma* income statement and balance sheet information of the Company, together with explanatory footnotes, for any Change of Control or material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal quarter, *provided that* no pro forma information shall be required to be provided for any material acquisitions or dispositions relating solely to the Project, and *provided further* that the Company may provide any such *pro forma* information relating to a material acquisition within 75 days following such quarterly report in the form of a report provided pursuant to clause (3) below; and

(3) promptly from time to time after the occurrence of any of the events listed in (a) to (e) of this clause (3) information with respect to (a) any change in the independent accountants of the Company or any of its Significant Subsidiaries, (b) resignation of any member of the Board of Director or management of the Company, (c) any material acquisition or disposition, (d) any material event that the Company or any Restricted Subsidiary announces publicly and (e) any information that the Company is required to make publicly available under the requirements of the Singapore Exchange Securities Trading Limited or such other exchanges on which the securities of the Company or its Subsidiaries are then listed.

(b) If the Company has designated any of its Subsidiaries as Unrestricted Subsidiaries and any such Unrestricted Subsidiary or group of Unrestricted Subsidiaries constitute Significant Subsidiaries of the Company, then the annual and quarterly information required by the paragraphs (a)(1) and (a)(2) hereof shall include a reasonably detailed presentation of the financial condition and results of operations of the Company and the Restricted Subsidiaries separate from the financial condition and results of operations of such Unrestricted Subsidiaries of the Company.

(c) In addition, so long as the Notes are “restricted securities” within the meaning of Rule 144(a)(3) of the Securities Act and in any period during which the Company is not subject to Section 13 or 15(d) of the Exchange Act nor exempt therefrom pursuant to Rule 12g3-2(b), the Company shall furnish to the holders of the Notes, securities analysts and prospective investors, upon their request, any information that Rule 144A(d)(4) under the Securities Act would require the Company to provide to such parties.

(d) All financial statement information required under this covenant shall be prepared on a consistent basis in accordance with U.S. GAAP. In addition, all financial statement information and all reports required under this covenant shall be presented in the English language.

(e) Contemporaneously with the provision of each report discussed above, the Company will also post such report on the Company’s website.

Section 4.04 *Compliance Certificate.*

(a) The Company shall deliver to the Trustee, (x) within 120 days after the end of each fiscal year and (y) within five (5) Business Days of receipt of a written request from the Trustee, an Officer’s Certificate stating that a review of the activities of the Company and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Company has kept, observed, performed and fulfilled its obligations under this Indenture, and the Security Documents, and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge the Company has kept, observed, performed and fulfilled each and every covenant contained in this Indenture, and the Security Documents and is not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture or any Security Document (or, if a Default or Event of Default has occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Company is taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action the Company is taking or proposes to take with respect thereto.

(b) [Intentionally Omitted].

(c) So long as any of the Notes are outstanding, the Company will deliver to the Trustee, as soon as possible and in any event within five (5) days after the Company becomes aware of any Default or Event of Default, an Officer's Certificate specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto. The Trustee shall not be deemed to have a duty to monitor compliance by the Company, nor to have knowledge of a Default or an Event of Default (other than a payment default on a scheduled interest payment date) unless a Responsible Officer of the Trustee receives written notice thereof, stating that it is a notice of default and referencing the applicable section of this Indenture.

Section 4.05 *Taxes.*

The Company will pay, and will cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies required to be paid by the Company or such Subsidiaries except such as are contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders.

Section 4.06 *Stay, Extension and Usury Laws.*

The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07 *Limitation on Restricted Payments.*

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company and other than dividends or distributions payable to the Company or a Restricted Subsidiary of the Company);

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company or any direct or indirect parent of the Company;

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Indebtedness of the Company or any Subsidiary Guarantor (excluding any intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries), except a payment of interest or principal at the Stated Maturity thereof; or

(4) make any Restricted Investment,

(all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as "*Restricted Payments*"),

unless, at the time of and after giving effect to such Restricted Payment:

(A) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;

(B) the Company would, at the time of such Restricted Payment and after giving *pro forma* effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to Incur at least US$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a) hereof;

(C) the Opening Date has occurred; and

(D) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries since the Issue Date (excluding Restricted Payments permitted by clauses (2) through (12) of Section 4.07(b), is less than the sum, without duplication, of:

(i) 75% of the EBITDA of the Company *less* 2.25 times Fixed Charges for the period (taken as one accounting period) from the beginning of the fiscal quarter during which the Opening Date occurs to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such EBITDA for such period is a deficit, *minus* 100% of such deficit); *plus*

(ii) 100% of the aggregate net cash proceeds received by the Company since the Issue Date as a contribution to its common equity capital or from the issue or sale of Equity Interests (other than Disqualified Stock) of the Company (in each case, other than in connection with any Excluded Contribution or Sponsor Project Contribution) or from the issue or sale of convertible or exchangeable Disqualified Stock or convertible or exchangeable debt securities of the Company that have been converted into or exchanged for such Equity Interests (other than Equity Interests (or Disqualified Stock or debt securities) sold to a Subsidiary of the Company); *plus*

(iii) to the extent that any Restricted Investment that was made after the Issue Date (x) is reduced as a result of payments of dividends to the Company or a Restricted Subsidiary or (y) is sold for cash or otherwise liquidated or repaid for cash, (in the case of sub-clauses (x) and (y)) the lesser of (i) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (ii) the initial amount of such Restricted Investment or (z) is reduced upon the release of a Guarantee granted by the Company or a Restricted Subsidiary that constituted a Restricted Investment, to the extent that the initial granting of such Guarantee reduced the restricted payments capacity under Section 4.07(a)(D); *plus*

(iv) to the extent that any Unrestricted Subsidiary of the Company designated as such after the Issue Date is re-designated as a Restricted Subsidiary after the Issue Date, the lesser of (i) the Fair Market Value of the Company's Restricted Investment in such Subsidiary as of the date of such re-designation or (ii) the Fair Market Value of the net aggregate Investments made by the Company or a Restricted Subsidiary in such Unrestricted Subsidiary from the date such entity was originally designated as an Unrestricted Subsidiary through the date of such re-designation; *plus*

(v) 100% of the aggregate amount received from the sale of the stock of any Unrestricted Subsidiary of the Company after the Issue Date or 100% of any dividends received by the Company or a Restricted Subsidiary after the Issue Date from an Unrestricted Subsidiary of the Company.

(b) The provisions of Section 4.07(a) hereof will not prohibit:

(1) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of this Indenture;

(2) the making of any Restricted Payment in exchange for, or out of the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Company) of, Equity Interests of the Company (other than Disqualified Stock) or from the substantially concurrent contribution of common equity capital to the Company (in each case, other than in connection with any Excluded Contribution or Sponsor Project Contribution); *provided that* the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from Section 4.07(a)(D)(ii) hereof;

(3) the repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of the Company or any Subsidiary Guarantor with the net cash proceeds from a substantially concurrent Incurrence of Permitted Refinancing Indebtedness;

(4) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution) by a Restricted Subsidiary of the Company to the holders of its Equity Interests on a *pro rata* basis;

(5) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company or any Restricted Subsidiary of the Company held by any current or former officer, director or employee of the Company or any of its Restricted Subsidiaries pursuant to any equity subscription agreement, stock option agreement, shareholders' agreement or similar agreement; *provided that* the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed US$1.0 million in any twelve-month period;

(6) the repurchase of Equity Interests deemed to occur upon the exercise of stock options to the extent such Equity Interests represent a portion of the exercise price of those stock options;

(7) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Company or any Restricted Subsidiary of the Company issued on or after the Issue Date in accordance with the Fixed Charge Coverage Ratio test described in Section 4.09(a) hereof;

(8) any Restricted Payment made or deemed to be made by the Company or a Restricted Subsidiary under, pursuant to or in connection with the CMA or the Reinvestment Agreement;

(9) to the extent constituting Restricted Payments, the payment of Project Costs as permitted pursuant to the Disbursement Agreements;

(10) Restricted Payments that are made with Excluded Contributions;

(11) Restricted Payments made or deemed to be made with Excluded Project Revenues; provided the amount of such Restricted Payment will be excluded from Section 4.07(a)(D)(v);

(12) the making of Restricted Payments, if applicable:

(A) in amounts required for any direct or indirect parent of the Company to pay fees and expenses (including franchise or similar taxes) required to maintain its corporate existence, customary salary, bonus and other benefits payable to, and indemnities provided on behalf of, officers and employees of any direct or indirect parent of the Company and general corporate operating and overhead expenses of any direct or indirect parent of the Company in each case to the extent such fees and expenses are attributable to the ownership or operation of the Company, if applicable, and its Subsidiaries, in an aggregate amount not to exceed US$1.0 million per annum;

(B) in amounts required for any direct or indirect parent of the Company, if applicable, to pay interest and/or principal on Indebtedness the proceeds of which have been contributed to the Company or any of its Restricted Subsidiaries and that has been guaranteed by, or is otherwise considered Indebtedness of, the Company Incurred in accordance with Section 4.09; *provided that* the amount of any such proceeds will be excluded from Section 4.07(a)(D)(ii);

(C) in amounts required for any direct or indirect parent of the Company to pay fees and expenses, other than to Affiliates of the Company, related to any unsuccessful equity or debt offering of such parent; and

(D) payments for services under any Revenue Sharing Agreement that would constitute or be deemed to constitute a Restricted Payment;

(13) any Restricted Payment used to fund the Transactions and the payment of fees and expenses incurred in connection with the Transactions or owed by the Company or any direct or indirect parent of the Company or Restricted Subsidiaries of the Company to Affiliates, and any other payments made, including any such payments made to any direct or indirect parent of the Company to enable it to make payments, in connection with the consummation of the Transactions, whether payable on the Issue Date or thereafter, in each case on terms described in the Offering Memorandum under “Use of Proceeds” and to the extent permitted by Section 4.11;

(14) payments to a direct or indirect parent company of the Company to reimburse such parent entity for reasonably documented costs and expenses associated with the development and construction of the Phase I Project incurred in the event the Company or any Restricted Subsidiary of the Company is unable to satisfy certain conditions to disbursement from the Note Proceeds Account (other than the condition that the funding of the Sponsors in an aggregate amount of US$825.0 million must be exhausted prior to any disbursement from the Note Proceeds Account) in accordance with the Note Disbursement and Account Agreement or under the Senior Secured Credit Facilities or from the Senior Disbursement Account in accordance with the Senior Disbursement Agreement; *provided*, the amount of any such payment does not exceed the net cash proceeds received by the Company since the Issue Date for the purposes described in this clause (14) either (a) as a contribution to its common equity or from the issue or sale of Equity Interests (other than Disqualified Stock) of the Company (and the amount of any such proceeds will be excluded from Section 4.07(a)(D)(ii) or (b) from the proceeds of the issuance of Subordinated Shareholder Debt; *provided*, any such payments made in accordance with this clause (b) shall be made through repayment of such Subordinated Shareholder Debt (including, for the avoidance of doubt, through voluntary prepayment thereof);

(15) any Restricted Payments, to the extent required to be made by any Gaming Authority having jurisdiction over the Company or any of its Restricted Subsidiaries or Melco Crown Gaming;

(16) cash payments in lieu of the issuance of fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Capital Stock of the Company or any Restricted Subsidiary; *provided*, *however*, that any such cash payment shall not be for the purpose of evading the limitation of this Section 4.07;

(17) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Indebtedness of the Company or any Subsidiary Guarantor pursuant to provisions similar to those described under Section 4.15, *provided that* all Notes tendered by holders of the Notes in connection with a Change of Control Offer have been repurchased, redeemed or acquired for value;

(18) payments or distributions to dissenting stockholders of Capital Stock of the Company pursuant to applicable law in connection with a consolidation, merger or transfer of all or substantially all of the assets of the Company and its Restricted Subsidiaries, taken as a whole, that complies with Section 5.01; *provided that* as a result of such consolidation, merger or transfer of assets, the Company shall have made a Change of Control Offer (if required by this Indenture) and that all Notes tendered by holders in connection with such Change of Control Offer have been repurchased, redeemed or acquired for value; and

(19) other Restricted Payments in an aggregate amount not to exceed US$10.0 million since the Issue Date; *provided that* the Opening Date has occurred,

*provided*, *however*, that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (12), (13), (14) and (19) of this Section 4.07(b), no Default shall have occurred and be continuing or would occur as a consequence thereof.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this Section 4.07 will be determined by the Board of Directors of the Company whose resolution with respect thereto will be delivered to the Trustee as set forth in an Officer's Certificate. The Board of Directors' determination must be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of international standing if the Fair Market Value exceeds US$30.0 million.

Section 4.08 *Dividend and Other Payment Restrictions Affecting Subsidiaries.*

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause, permit or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock to the Company or any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Company or any of its Restricted Subsidiaries;

(2) make loans or advances to the Company or any of its Restricted Subsidiaries; or

(3) sell, lease or transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries.

(b) The restrictions in Section 4.08(a) hereof will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements governing Indebtedness or any other agreements in existence on the Issue Date as in effect on the Issue Date and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in those agreements on the Issue Date;

(2) the Credit Facilities Documents (including the Senior Secured Credit Facilities), and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in the Senior Secured Credit Facilities on the original execution date thereof;

(3) the Indenture, the Notes, the Note Guarantees and the Security Documents;

(4) applicable law, rule, regulation or order, or governmental license, permit or concession;

(5) any agreement or instrument governing Indebtedness or Capital Stock of a Person or assets acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was Incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired (and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements or instruments; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in those agreements or instruments at the time of such acquisition); *provided further, that*, in the case of Indebtedness, such Indebtedness was permitted by the terms of this Indenture to be Incurred;

(6) customary non-assignment provisions in contracts and licenses including, without limitation, with respect to any intellectual property, entered into in the ordinary course of business;

(7) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in Section 4.08(a)(3);

(8) any agreement for the sale or other disposition of Equity Interests or property or assets of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending the sale or other disposition;

(9) Permitted Refinancing Indebtedness; *provided that* the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(10) Liens permitted to be incurred under the provisions of Section 4.12 hereof that limit the right of the debtor to dispose of the assets subject to such Liens;

(11) provisions limiting dividends or the disposition or distribution of assets, property or Equity Interests in joint venture or operating agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements, merger agreements and other similar agreements entered into with the approval of the Company's Board of Directors, which limitation is applicable only to the assets, property or Equity Interests that are the subject of such agreements;

(12) restrictions on cash or other deposits or net worth imposed by customers or suppliers under contracts entered into in the ordinary course of business; and

(13) any agreement or instrument with respect to any Unrestricted Subsidiary or the property or assets of such Unrestricted Subsidiary that is designated as a Restricted Subsidiary in accordance with the terms of this Indenture at the time of such designation and not incurred in contemplation of such designation, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Subsidiary or its subsidiaries or the property or assets of such Subsidiary or its subsidiaries, and any extensions, refinancing, renewals, supplements or amendments or replacements thereof; *provided that* the encumbrances and restrictions in any such extension, refinancing, renewal, supplement, amendment or replacement, taken as a whole, are no more restrictive in any material respect than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed, supplemented, amended or replaced.

Section 4.09 *Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock.*

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, Incur any Indebtedness (including Acquired Indebtedness) and the Company will not issue any shares of Disqualified Stock and the Company will not permit any of its Restricted Subsidiaries to issue any shares of Preferred Stock; *provided*, *however*, that the Company may Incur Indebtedness (including Acquired Indebtedness) or issue Disqualified Stock, and any Subsidiary Guarantor may Incur Indebtedness (including Acquired Indebtedness) or issue Preferred Stock, if (1) the Opening Date has occurred and (2) the Fixed Charge Coverage Ratio of the Company for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is Incurred or such Disqualified Stock or Preferred Stock is issued, as the case may be, would have been at least 2.25 to 1.00 determined on a *pro forma* basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been Incurred, or the Disqualified Stock or Preferred Stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period.

(b) The provisions of Section 4.09(a) hereof do not apply to any of the following (collectively, "*Permitted Debt*"):

(1) the Incurrence by the Company and the Subsidiary Guarantors of Indebtedness under Credit Facilities up to an aggregate principal amount of (i) (x) US$1.400 billion *plus*, after the occurrence of the Opening Date, (y) US$100.0 million incurred in respect of the Phase II Project *less* (ii) the aggregate amount of all Net Proceeds of Asset Sales applied since the Issue Date to repay any term Indebtedness Incurred pursuant to this clause (1) or to repay any revolving credit indebtedness Incurred under this clause (1) and effect a corresponding commitment reduction thereunder pursuant to Section 4.10 hereof;

(2) the Incurrence of Indebtedness represented by the Notes (other than Additional Notes), the Note Guarantees and the Intercompany Note Proceeds Loan, and, to the extent those obligations would represent Indebtedness, the Security Documents;

(3) Indebtedness existing on the Issue Date (other than Indebtedness described in clauses (1) and (2));

(4) Indebtedness of the Company or any of its Restricted Subsidiaries represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, Incurred for the purpose of financing all or any part of the purchase price or cost of design, construction, installation or improvement of property, plant or other assets (including through the acquisition of Capital Stock of any person that owns property, plant or other assets which will, upon acquisition, become a Restricted Subsidiary) used in the business of the Company or any of its Restricted Subsidiaries, in an aggregate principal amount, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (4), not to exceed the greater of (x) US$50.0 million and (y) 2.0% of Total Assets at any time outstanding;

(5) the Incurrence by the Company or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted by this Indenture to be Incurred under the first paragraph of this covenant or clauses (2), (3), (4), (5) or (15) of this Section 4.09(b);

(6) (a) Obligations in respect of workers' compensation claims, self-insurance obligations, bankers' acceptances, performance, bid, appeal and surety bonds and completion or performance guarantees (including the guarantee of any land grant) provided by the Company or any Restricted Subsidiary in connection with the Project or in the ordinary course of business and (b) Indebtedness constituting reimbursement obligations with respect to letters of credit or trade or bank guarantees (including for land grants) issued in the ordinary course of business to the extent that such letters of credit, trade or bank guarantees (including for land grants) are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than thirty (30) days following receipt of a demand for reimbursement;

(7) the Incurrence by the Company or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries; *provided, however*, that:

(A) if the Company or any Subsidiary Guarantor is the obligor on such Indebtedness and the payee is not the Company or a Subsidiary Guarantor, such Indebtedness must be expressly subordinated to the prior payment in full in cash of all Obligations then due with respect to the Notes, in the case of the Company, or the Note Guarantee, in the case of a Subsidiary Guarantor; and

(B) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary of the Company and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either the Company or a Restricted Subsidiary of the Company, will be deemed, in each case, to constitute an Incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (7);

(8) shares of Preferred Stock of a Restricted Subsidiary issued to the Company or another Restricted Subsidiary; *provided that*

(A) any subsequent issuance or transfer of Equity Interests that results in any such Preferred Stock being held by a Person other than the Company or a Restricted Subsidiary of the Company; and

(B) any sale or other transfer of any such Preferred Stock to a Person that is not either the Company or a Restricted Subsidiary of the Company,

will be deemed, in each case, to constitute an issuance of such Preferred Stock by such Restricted Subsidiary that was not permitted by this clause (8).

(9) the Incurrence by the Company or any of its Restricted Subsidiaries of Hedging Obligations in the ordinary course of business and not for speculative purposes;

(10) the guarantee by the Company or any Restricted Subsidiary of the Company of Indebtedness of the Company or a Restricted Subsidiary of the Company that was permitted to be Incurred by another provision of this Section 4.09; *provided that* if the Indebtedness being guaranteed is subordinated to or *pari passu* with the Notes, then the guarantee shall be subordinated or *pari passu*, as applicable, to the same extent as the Indebtedness guaranteed;

(11) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is extinguished within five (5) Business Days of its Incurrence;

(12) to the extent constituting Indebtedness, agreements to pay service fees to professionals (including architects, engineers, contractors and designers) in furtherance of and/or in connection with the Project or agreements to pay fees and expenses or other amounts pursuant to the CMA or otherwise arising under the CMA in the ordinary course of business (*provided, that* no such agreements shall give rise to Indebtedness for borrowed money);

(13) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, or from guarantees or letters of credit, surety bonds, or performance bonds securing any obligation of the Company or any Restricted Subsidiary pursuant to such agreements, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or Capital Stock of a Restricted Subsidiary of the Company, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition; *provided, that* the maximum aggregate liability in respect of all such Indebtedness shall at no time exceed the gross proceeds actually received in connection with such disposition;

(14) Obligations in respect of Shareholder Subordinated Debt;

(15) any guarantees made solely in connection with (and limited in scope to) the giving of a Lien of the type specified in clause (22) of "Permitted Liens" to secure Indebtedness of an Unrestricted Subsidiary, the only recourse of which to the Company and its Restricted Subsidiaries is to the Equity Interests subject to the Liens; and

(16) after the Opening Date, the Incurrence by the Company or the Subsidiary Guarantors of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (16), not to exceed US$30.0 million.

The Company will not Incur, and will not permit any Subsidiary Guarantor to Incur, any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Company or such Subsidiary Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the Notes and the applicable Note Guarantee on substantially identical terms; *provided, however*, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Company solely by virtue of being unsecured or by virtue of being secured on a first or junior Lien basis.

For purposes of determining compliance with this Section 4.09, in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (16) above, or is entitled to be Incurred pursuant to the first paragraph of this covenant, the Company will be permitted to classify such item of Indebtedness on the date of its Incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this Section 4.09. Indebtedness incurred under the Senior Secured Credit Facilities will be deemed to have been incurred in reliance on the exception provided by clause (1) of the definition of Permitted Debt. The accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of Preferred Stock as Indebtedness due to a change in accounting principles, and the payment of dividends on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock will not be deemed to be an Incurrence of Indebtedness or an issuance of Disqualified Stock for purposes of this Section 4.09; provided, in each such case, that the amount of any such accrual, accretion or payment is included in Fixed Charges of the Company as accrued. Notwithstanding any other provision of this Section 4.09, the maximum amount of Indebtedness that the Company or any Restricted Subsidiary may Incur pursuant to this Section 4.09 shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

(a) the Fair Market Value of such assets at the date of determination; and

(b) the face amount of the Indebtedness of the other Person.

Section 4.10 *Asset Sales.*

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale (other than an Event of Loss), unless:

(1) the Company (or the Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) at least 75% of the consideration received in the Asset Sale by the Company or such Restricted Subsidiary is in the form of cash. For purposes of this provision, each of the following will be deemed to be cash:

(A) any liabilities, as shown on the Company's most recent consolidated balance sheet, of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Note Guarantee) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Company or such Restricted Subsidiary from further liability;

(B) any securities, notes or other Obligations received by the Company or any such Restricted Subsidiary from such transferee that are, within 30 days of the receipt thereof, converted by the Company or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion; and

(C) any stock or assets of the kind referred to in Section 4.10(b)(2) or Section 4.10(b)(4).

(b) Within 360 days after the receipt of any Net Proceeds from an Asset Sale (including an Event of Loss), the Company (or the applicable Restricted Subsidiary, as the case may be) may apply such Net Proceeds:

(1) to repay (a) Indebtedness Incurred under Section 4.09 (b)(1) and Indebtedness that is secured under clause (25) of the definition of "Permitted Liens", (b) other Indebtedness of the Company or a Subsidiary Guarantor secured by the asset that is the subject of such Asset Sale, and, in each case, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto, or
(c) Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor;

(2) to acquire all or substantially all of the assets of another Permitted Business, or any Capital Stock of, a Person undertaking another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary of the Company (*provided that* (a) such acquisition funded with any proceeds from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to acquire such assets or Capital Stock is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss, and (b) if such acquisition is not consummated within the period set forth in clause (a), the Net Proceeds not so applied will be deemed to be Excess Proceeds);

(3) to make a capital expenditure (*provided that* any such capital expenditure funded with any proceeds from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss); or

(4) to acquire other assets that are not classified as current assets under GAAP and that are used or useful in a Permitted Business (*provided that* (a) such acquisition funded from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to acquire such assets is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss, and (b) if such acquisition is not consummated within the period set forth in clause (a), the Net Proceeds not so applied will be deemed to be Excess Proceeds);

or enter into a binding commitment regarding clauses (2), (3) or (4) above (in addition to the binding commitments expressly referenced in those clauses), *provided that* such binding commitment shall be treated as a permitted application of Net Proceeds from the date of such commitment until the earlier of (x) the date on which such acquisition or expenditure is consummated and (y) the 180th day following the expiration of the aforementioned 360 day period. To the extent such acquisition or expenditure is not consummated on or before such 180th day and the Company or such Restricted Subsidiary shall not have applied such Net Proceeds pursuant to clauses (2), (3) or (4) above on or before such 180th day, such commitment shall be deemed not to have been a permitted application of Net Proceeds, and such Net Proceeds will constitute Excess Proceeds, provided further that, if such Asset Sale is an Event of Loss, the time periods set forth for the applications of the Net Proceeds therefrom shall be extended to any date set forth in the Senior Secured Credit Facilities for the application of the Net Proceeds therefrom towards mandatory prepayment of the Senior Secured Credit Facilities or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities, if later.

(c) Pending the final application of any Net Proceeds, the Company may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by this Indenture.

(d) Any Net Proceeds from Asset Sales that are not applied or invested as provided in the second paragraph of this Section 4.10 will constitute "Excess Proceeds." When the aggregate amount of Excess Proceeds exceeds US$5.0 million, within ten (10) days thereof, the Company shall make an Asset Sale Offer to all Holders and all holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in this Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets to purchase the maximum principal amount of Notes and such other *pari passu* Indebtedness that may be purchased out of the Excess Proceeds. The offer price in any Asset Sale Offer will be equal to 100% of the principal amount plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use those Excess Proceeds for any purpose not otherwise prohibited by this Indenture. If the aggregate principal amount of Notes and other *pari passu* Indebtedness tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds, the Company will purchase all tendered Notes and such other *pari passu* Indebtedness on a *pro rata* basis unless otherwise required under Section 3.02. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

(e) The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations to the extent such laws or regulations are applicable in connection with the repurchase of the Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of Section 3.09 hereof or this Section 4.10, the Company will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under Section 3.09 hereof or this Section 4.10 by virtue thereof.

Section 4.11 *Transactions with Affiliates.*

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Company (each, an "*Affiliate Transaction*"), unless:

(1) the Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with a Person that is not an Affiliate of the Company; and

(2) the Company delivers to the Trustee:

(A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$15.0 million, a resolution of the Board of Directors of the Company set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with clause (1) of this Section 4.11(a) and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Company or, prior to the Opening Date only, in the event the Board of Directors of the Company has no disinterested directors, a majority of the members of the Board of Directors; and

(B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$30.0 million, an opinion as to the fairness to the Company or such Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of international standing, or other recognized independent expert of national standing with experience appraising the terms and conditions of the type of transaction or series of related transactions.

(b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 4.11(a) hereof:

(1) any employment agreement, employee benefit plan (including compensation, retirement, disability, severance and other similar plan), officer or director indemnification, stock option or incentive plan or agreement, employee equity subscription agreement or any similar arrangement entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business and payments pursuant thereto;

(2) transactions between or among the Company and/or its Restricted Subsidiaries;

(3) transactions with a Person (other than an Unrestricted Subsidiary of the Company) that is an Affiliate of the Company solely because the Company owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of reasonable officers' and directors' fees and reimbursement of expenses (including the provision of indemnity to officers and directors) to Persons who are not otherwise Affiliates of the Company;

(5) any issuance of Equity Interests (other than Disqualified Stock) of the Company to Affiliates of the Company or contribution to the common equity capital of the Company;

(6) Restricted Payments (including any payments made under, pursuant to or in connection with the CMA or the Reinvestment Agreement) that do not violate Section 4.07 hereof or any other payment or investment made or deemed to be made with Excluded Project Revenues;

(7) any agreement or arrangement existing on the Issue Date, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals (so long as any such agreement or arrangement together with all such amendments, modifications, supplements, extensions, replacements, terminations and renewals, taken as a whole, is not materially more disadvantageous to the Company and its Restricted Subsidiaries, taken as a whole, than the original agreement or arrangement as in effect on the Issue Date, unless any such amendments, modifications, supplements, extensions, replacements, terminations or renewals are imposed by any Gaming Authority or any other public authority having jurisdiction over the Company, Melco Crown Gaming or any of its Restricted Subsidiaries, including, but not limited to, the government of the Macau SAR);

(8) loans or advances to employees in the ordinary course of business not to exceed US$1.0 million in the aggregate at any one time outstanding;

(9) the payment of Project Costs and the reimbursement of Affiliates of the Company or a Restricted Subsidiary, in each case, as permitted pursuant to the Disbursement Agreements as in effect as of the Issue Date and any amendments thereto (so long as such agreement together with all amendments thereto, taken as a whole, is not more disadvantageous in any material respect to the Company and its Restricted Subsidiaries, taken as a whole, than the original agreement as in effect on the Issue Date);

(10) (a) transactions or arrangements under, pursuant to or in connection with the CMA or the Reinvestment Agreement, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof (so long as the CMA and the Reinvestment Agreement, taken as a whole, together with all such amendments, modifications, supplements, extensions, replacements, terminations and renewals, taken as a whole, is not materially more disadvantageous to the Company and its Restricted Subsidiaries, taken as a whole, than the CMA and the Reinvestment Agreement, taken as a whole, as in effect on the Issue Date or, as determined in good faith by the Board of Directors of the Company, would not materially and adversely affect the Company's ability to make payments of principal of and interest on the Notes) and (b) other than with respect to transactions or arrangements subject to clause (a) above, transactions or arrangements with customers, clients, suppliers or sellers of goods or services in the ordinary course of business and otherwise in compliance with the terms of this Indenture, on terms that are fair to the Company or any of its Restricted Subsidiaries, as applicable, or are no less favorable than those that might reasonably have been obtained in a comparable transaction at such time on an arms-length basis from a Person that is not an Affiliate of the Company, in the case of each of (a) and (b), unless any such amendments, modifications, supplements, extensions, replacements, terminations or renewals are imposed by any Gaming Authority or any other public authority having jurisdiction over the Company, Melco Crown Gaming or any of its Restricted Subsidiaries, including, but not limited to, the government of the Macau SAR;

(11) the execution of the Transactions, and the payment of all fees and expenses relating to the Transactions described in the Offering Memorandum;

(12) with respect to compliance with Section 4.11(a)(2)(B) hereof, transactions or arrangements to be entered into in connection with the Project in the ordinary course of business including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof; and

(13) with respect to compliance with Section 4.11(a)(2)(B) hereof, transactions with Excluded Project Subsidiaries in the ordinary course of business and otherwise in compliance with the terms of this Indenture, on terms that are no less favorable than those that might reasonably have been obtained in a comparable transaction at such time on an arms-length basis from a Person that is not an Affiliate of the Company.

Section 4.12 *Liens.*

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind on any asset now owned or hereafter acquired or any proceeds, income or profits therefrom or assign or convey any right to receive income therefrom, except Permitted Liens, or, if such Lien is not a Permitted Lien, unless the Notes and the Note Guarantees are secured on a *pari passu* basis with the obligations so secured until such time as such obligations are no longer secured by a Lien.

Section 4.13 *Business Activities.*

The Company will not, and will not permit any of its Restricted Subsidiaries to, engage in any business other than Permitted Businesses, except to such extent as would not be material to the Company and its Restricted Subsidiaries taken as a whole.

Section 4.14 *Corporate Existence.*

Subject to Article 5 hereof, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect:

(1) its corporate existence, and the corporate, partnership or other existence of each of its Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Subsidiary; and

(2) the rights (charter and statutory), licenses and franchises of the Company and its Subsidiaries; *provided, however,* that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Subsidiaries, if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders.

Section 4.15 *Offer to Repurchase upon Change of Control.*

(a) Upon the occurrence of a Change of Control, each Holder will have the right to require the Company to repurchase all or any part of such Holder's Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the date of repurchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), except to the extent the Company has previously or concurrently elected to redeem the Notes pursuant to Section 3.07 hereof. Within ten (10) days following any Change of Control, except to the extent that the Company has exercised its right to redeem the Notes by delivery of a notice of redemption pursuant to Section 3.03 hereof, the Company shall mail a notice (a "*Change of Control Offer*") to each Holder with a copy to the Trustee stating:

(1) that a Change of Control has occurred and that such Holder has the right to require the Company to repurchase such Holder's Notes at a repurchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest to the date of repurchase (subject to the right of holders of record on a record date to receive interest on the relevant interest payment date (the "*Change of Control Payment*"));

(2) the circumstances and relevant facts and financial information regarding such Change of Control;

(3) the repurchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed) (the "*Change of Control Payment Date*");

(4) that any Note not tendered will continue to accrue interest;

(5) that, unless the Company defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest after the Change of Control Payment Date;

(6) the Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Paying Agent at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(7) the Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Notes purchased, and

(8) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, *provided* that the unpurchased portion has a minimum denomination of US$250,000.

(b) On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions of Notes properly tendered and being purchased by the Company.

The Paying Agent will promptly mail (but in any case not later than five (5) days after the Change of Control Payment Date) to each Holder properly tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any, *provided* that the unpurchased portion has a minimum denomination of US$250,000. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(c) Notwithstanding anything to the contrary in this Section 4.15, the Company will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 4.15 hereof and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption has been given pursuant to Section 3.03 hereof, unless and until there is a default in payment of the applicable redemption price.

(d) A Change of Control Offer may be made in advance of a Change of Control, and conditioned upon such Change of Control, if a definitive agreement is in place for the Change of Control at the time of making of the Change of Control Offer.

(e) Notes repurchased by the Company pursuant to a Change of Control Offer will have the status of Notes issued but not outstanding or will be retired and cancelled at the option of the Company. Notes purchased by a third party pursuant to the preceding paragraph will have the status of Notes issued and outstanding.

(f) The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of the Notes pursuant to this Section 4.15. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this Section 4.15, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 4.15 by virtue of such compliance.

Section 4.16 *Payments for Consents.*

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture, the Notes, the Note Guarantees or the Security Documents unless such consideration is (1) offered to be paid; and (2) is paid to all Holders that consent, waive or agree to amend within the time frame and on the terms set forth in the solicitation documents relating to such consent, waiver or agreement.

Section 4.17 *Future Subsidiary Guarantors.*

(a) If the Company or any of its Restricted Subsidiaries acquires or creates another Subsidiary after the Issue Date, then the Company shall cause such newly acquired or created Subsidiary to become a Subsidiary Guarantor (in the event that such Subsidiary provides a guarantee of any other Indebtedness of the Company or a Subsidiary Guarantor of the type specified under clauses (1) or (2) of the definition of "Indebtedness"), at which time such Subsidiary shall:

(1) execute a supplemental indenture in the form attached as Exhibit D hereto pursuant to which such Subsidiary shall unconditionally guarantee, on a senior basis, all of the Company's Obligations under this Indenture and the Notes on the terms set forth in this Indenture;

(2) execute and deliver to the Collateral Agent such amendments or supplements to the Security Documents necessary in order to grant to the Collateral Agent, for the benefit of the Trustee and the holders of the Notes, a perfected security interest (subject to Permitted Liens and to the extent permitted under applicable law) in the Collateral owned by such Subsidiary Guarantor required to be pledged pursuant to the Security Documents;

(3) take such further action and execute and deliver such other documents as otherwise may be reasonably requested by the Trustee or the Collateral Agent to give effect to the foregoing; and

(4) deliver to the Trustee and the Collateral Agent an Opinion of Counsel that (i) such supplemental indenture and any other documents required to be delivered have been duly authorized, executed and delivered by such Subsidiary and constitute legal, valid, binding and enforceable Obligations of such Subsidiary and (ii) the Security Documents to which such Subsidiary is a party create a valid perfected Lien on the Collateral covered thereby to the extent permitted under applicable law.

(b) Notwithstanding Section 4.17(a), the Company shall not be obligated to cause any such Restricted Subsidiary to Guarantee the Notes to the extent that such Guarantee by such Restricted Subsidiary would reasonably be expected to give rise to or result in (i) any liability for the officers, directors or shareholders of such Restricted Subsidiary or (ii) any significant cost, expense, liability or obligation (including with respect of any Taxes, but excluding any reasonable guarantee or similar fee payable to the Company or a Restricted Subsidiary) other than reasonable out of pocket expenses.

Section 4.18 *Designation of Restricted and Unrestricted Subsidiaries.*

The Board of Directors of the Company may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default; *provided that* in no event will the business currently operated by Studio City Company Limited, Studio City Developments Limited, Studio City Entertainment Limited or Studio City Hotels Limited be transferred to or held by an Unrestricted Subsidiary. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Company and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under Section 4.07 hereof or under one or more clauses of the definition of Permitted Investments, as determined by the Company. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary (or, with respect to Excluded Project Subsidiaries, they meet the definition thereof). The Board of Directors of the Company may re-designate any Unrestricted Subsidiary to be a Restricted Subsidiary if that re-designation would not cause a Default.

Any designation of a Subsidiary of the Company as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a certified copy of a resolution of the Board of Directors giving effect to such designation and an Officer's Certificate certifying that such designation complied with the preceding conditions and was permitted by Section 4.07 hereof. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary (or, with respect to an Excluded Project Subsidiary, it would fail to meet the requirements set forth in the definition thereof), it will thereafter cease to be an Unrestricted Subsidiary for purposes of this Indenture and any Indebtedness of such Subsidiary will be deemed to be Incurred by a Restricted Subsidiary of the Company as of such date and, if such Indebtedness is not permitted to be Incurred as of such date under Section 4.09 hereof, the Company will be in Default of such covenant. The Board of Directors of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Company; *provided that* such designation will be deemed to be an Incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under Section 4.09 hereof, calculated on a *pro forma* basis as if such designation had occurred at the beginning of the reference period; and (2) no Default or Event of Default would be in existence following such designation. On such designation, the Company shall deliver an Officer's Certificate to the Trustee regarding such designation and certifying that such designation complies with the preceding conditions and the relevant covenants under this Indenture.

Section 4.19 *Listing.*

The Company will use its commercially reasonable efforts to list and maintain the listing and quotation of the Notes on the Official List of the Singapore Exchange Securities Trading Limited or another comparable exchange.

Section 4.20 *Creation of New Intermediate Holding Companies.*

(a) Prior to any funding under the Senior Secured Credit Facilities, the Company shall create holding companies that are direct parent companies of Studio City Entertainment Limited and Studio City Hotels Limited (and together holding 100% of the Voting Stock thereof) and direct subsidiaries of Studio City Holdings Two Limited (the "*New Intermediate Holding Companies*"). The New Intermediate Holding Companies shall constitute "direct parent companies" for purposes of Section 11.08(c) of this Indenture.

(b) Promptly upon the incorporation of the New Intermediate Holding Companies, the Company shall procure that each New Intermediate Holding Company shall provide a Note Guarantee on a senior basis as provided in this Indenture (including pursuant to Section 4.17 hereof).

Section 4.21 *Escrow of Proceeds.*

The Company shall deposit, or cause to be deposited, the net proceeds of the offering of the Notes issued on the Issue Date into the Escrow Account on the Issue Date and shall comply with the terms of the Escrow Agreement.

Section 4.22 *Limitations on Use of Proceeds*

Upon release from the Escrow Account in accordance with the Escrow Agreement, the Company will deposit all of the net proceeds of the offering of the Notes issued on the Issue Date into the Note Proceeds Account after the funding of the Note Interest Reserve Account. The funds in the Note Proceeds Account will be invested as set forth in the Indenture and the Note Disbursement and Account Agreement and will be disbursed only in accordance with the Note Disbursement and Account Agreement.

Section 4.23 *Note Debt Service Reserve Account.*

(a) On the date of or immediately prior to the submission of the first utilization request under the Senior Secured Credit Facilities, and upon release from the Note Interest Reserve Account pursuant to the Note Disbursement and Account Agreement, the Company shall cause the Six-Month Interest Reserve to be deposited into a U.S. dollar-denominated note debt service reserve account established by, and in the name of, the Senior Secured Credit Facilities Borrower.

(b) At all times the obligations of the Company to deposit monthly payments into the Note Interest Accrual Account shall be substantially identical in priority to any obligations to make periodic payments into the Senior Debt Service Accrual Account or any similar account established for the benefit of the Senior Secured Credit Facilities Finance Parties (or the analogous parties under any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities) with respect to principal and interest due thereunder for the applicable periods in accordance with the terms of the Note Disbursement and Account Agreement, subject to the rights of secured creditors of the Company and its subsidiaries on enforcement, although the failure to fund the Note Interest Accrual Account (to the extent the Senior Debt Service Accrual Account or its equivalent is also not funded as specified above) will not constitute a Default or Event of Default under this Indenture.

Section 4.24 *Operation of Revenue Account.*

All of the revenues of Studio City Investments Limited and its Restricted Subsidiaries derived directly from the operation of the Phase I Project from the Opening Date shall be paid into an agreed account or accounts (collectively, the "*Revenue Account*") secured in favor of the security agent under the Senior Secured Credit Facilities (or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities) and not in favor of the Trustee or the holders of the Notes). Funds shall be paid out of the Revenue Account in support of the Company's and the Senior Secured Credit Facilities Borrower's obligations under the Notes and the Senior Secured Credit Facilities (or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities), respectively, in accordance with the following sequence towards:

(a) payment of construction costs, budgeted operating expenditure, budgeted capital expenditure and taxes;

(b) payment of any fees and expenses owing to the agents and the other administrative parties appointed in connection with the Senior Secured Credit Facilities (or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities) and the Trustee, the Collateral Agent, the Paying and Transfer Agent, the Registrar, and any other administrative parties appointed in connection with the Notes;

(c) payments (on a *pari passu* and *pro rata* basis as among (i), (ii) and (iii)) to (i) the Senior Debt Service Accrual Account (or its equivalent under any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities) up to the required balance of scheduled interest (and additional amounts in the nature of interest) due under the Senior Secured Credit Facilities (or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities) on the next interest payment date (crediting any amounts receivable under relevant interest rate swap agreements); (ii) the Senior Debt Service Accrual Account (or its equivalent under any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities) up to the required balance of scheduled principal due under the Senior Secured Credit Facilities (or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities) on the next repayment date (other than the amount of scheduled principal due on the final repayment date); and (iii) the Note Interest Accrual Account up to the required balance of interest due on the next interest payment date (and additional amounts in the nature of interest), which amounts will be applied in making such payment provided that the amount standing to the credit of the Note Interest Accrual Account shall not accrue at a rate higher than one sixth of interest due under the Notes on the next interest payment date multiplied by the number of months that have passed in each six-month interest period under the Notes (adjusted, in the case of the first interest payment date after the Opening Date, for any amount credited to the Note Interest Accrual Account from the Note Interest Reserve Account and any part month);

(d) payment to the debt service reserve account (or its equivalent) established pursuant to the Senior Secured Credit Facilities (or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities) up to the required balance;

(e) to the extent not paid pursuant to paragraphs (b) and (c) above, payment of any unpaid amounts then due to any of the Senior Secured Credit Facilities Finance Parties (or the analogous parties under any Credit Facility that replaces the Senior Secured Credit Facilities) and the holders of the Notes, the Trustee, the Collateral Agent, the Paying and Transfer Agent, the Registrar, and any other administrative parties appointed in connection with the Notes (excluding those amounts payable as set forth in paragraph (g) below);

(f) to the extent not paid pursuant to paragraph (a) above, payment of the unpaid amount of taxes, contributions, other premia, capital expenditure and operating costs and expenses then due and payable by the obligors under the Senior Secured Credit Facilities (or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities);

(g) payment to a reserve account to meet any payments required under certain mandatory prepayment provisions of the Senior Secured Credit Facilities (or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities); and

(h) payment to an account from which dividends, distributions and any other payments are permitted to be made by the Senior Secured Credit Facilities (or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities).

Section 4.25 *Construction.*

The Company will, and will cause its Restricted Subsidiaries to, construct the Phase I Project, including the furnishing, fixturing and equipping thereof, with diligence and continuity in a good and workman-like manner substantially in accordance with the Plans and Specifications.

Section 4.26 *Suspension of Covenants*

(a) The following covenants (the "*Suspended Covenants*") will not apply during any period during which the Notes have an Investment Grade Status (a "*Suspension Period*"): Section 4.07, Section 4.08, Section 4.09, Section 4.10, Section 4.11, Section 5.01(a)(3), and Section 4.17. Additionally, during any Suspension Period, the Company will no longer be permitted to designate any Restricted Subsidiary as an Unrestricted Subsidiary.

(b) In the event that the Company and its Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the foregoing, and on any subsequent date (the "*Reversion Date*") the Notes cease to have Investment Grade Status, then the Suspended Covenants will apply with respect to events occurring following the Reversion Date (unless and until the Notes subsequently attain an Investment Grade Status, in which case the Suspended Covenants will again be suspended for such time that the Notes maintain an Investment Grade Status); *provided*, *however*, that no Default or Event of Default will be deemed to exist under the Indenture with respect to the Suspended Covenants, and none of the Company or any of its Subsidiaries will bear any liability for any actions taken or events occurring during a Suspension Period and before any related Reversion Date, or any actions taken at any time pursuant to any contractual obligation or binding commitment arising prior to such Reversion Date, regardless of whether those actions or events would have been permitted if the applicable Suspended Covenant had remained in effect during such period.

(c) On each Reversion Date, all Indebtedness Incurred during the Suspension Period prior to such Reversion Date will be deemed to be Indebtedness existing on the Issue Date. For purposes of calculating the amount available to be made as Restricted Payments under Section 4.07(a)(D) on or after the Reversion Date, calculations under such covenant shall be made as though such covenant had been in effect during the entire period of time after the Issue Date (including the Suspension Period). Restricted Payments made during the Suspension Period not otherwise permitted pursuant to any of clauses (2) through (6) or (19) under Section 4.07(b) will reduce the amount available to be made as Restricted Payments under Section 4.07(a)(D); provided, that the amount available to be made as Restricted Payments on the Reversion Date shall not be reduced to below zero solely as a result of such Restricted Payments. In addition, for purposes of the other Suspended Covenants, all agreements entered into and all actions taken during the Suspension Period, including, without limitation, the Incurrence of Indebtedness shall be deemed to have been taken or to have existed prior to the Issue Date.

## ARTICLE 5
## SUCCESSORS

Section 5.01 *Merger, Consolidation, or Sale of Assets.*

(a) The Company will not, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Company is the surviving corporation); or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person unless:

(1) either:

(A) if the transaction or series of transactions is a consolidation of the Company with or a merger of the Company with or into any other Person, the Company shall be the surviving corporation of such merger or consolidation; or

(B) the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, conveyance or other disposition has been made shall be a corporation organized and existing under the laws of the British Virgin Islands, Cayman Islands, Hong Kong, Macau, Singapore, United States, any state of the United States or the District of Columbia, and such Person shall expressly assume all the Obligations of the Company under the Notes, this Indenture and the Security Documents pursuant to supplemental indentures or other documents or agreements reasonably satisfactory to the Trustee and the Collateral Agent, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions and take such other actions as may be required by applicable law to perfect or continue the perfection of the Lien created under the Security Documents on the Collateral owned by or transferred to the surviving Person;

(2) immediately after such transaction, no Default or Event of Default exists; and

(3) the Company or the Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, conveyance or other disposition has been made, would, on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period, be permitted to Incur at least US$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a) hereof.

(b) No Subsidiary Guarantor will, and the Company will not permit any Subsidiary Guarantor to, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not such Subsidiary Guarantor is the surviving corporation); or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of such Subsidiary Guarantor in one or more related transactions, to another Person, unless:

(1) either:

(A) if the transaction or series of transactions is a consolidation of such Subsidiary Guarantor with or a merger of such Subsidiary Guarantor with or into any other Person, such Subsidiary Guarantor shall be the surviving corporation of such consolidation or merger; or

(B) the Person formed by or surviving any such consolidation or merger (if other than such Subsidiary Guarantor) or to which such sale, assignment, transfer, conveyance or other disposition has been made shall be a corporation organized and existing under the laws of the British Virgin Islands, Cayman Islands, Hong Kong, Macau, Singapore, United States, any state of the United States or the District of Columbia, and such Person shall expressly assume all the Obligations of such Subsidiary Guarantor under its Note Guarantee, this Indenture and the Security Documents pursuant to supplemental indentures or other documents or agreements reasonably satisfactory to the Trustee and the Collateral Agent, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions and take such other actions as may be required by applicable law to perfect or continue the perfection of the Lien created under the Security Documents on the Collateral owned by or transferred to the surviving Person; and

(2) immediately after such transaction, no Default or Event of Default exists;

*provided, however,* that the provisions of this Section 5.01(b) shall not apply if such Subsidiary Guarantor is released from its Note Guarantee as a result of such consolidation, merger, sale or other disposition pursuant to Section 11.08 hereof.

(c) This Section 5.01 will not apply to:

(1) a merger of the Company or a Subsidiary Guarantor, as the case may be, with an Affiliate solely for the purpose of reincorporating the Company or a Subsidiary Guarantor, as the case may be, in another jurisdiction; or

(2) any consolidation or merger, or any sale, assignment, transfer, conveyance, or other disposition of assets between or among the Company and the Subsidiary Guarantors or between or among the Subsidiary Guarantors.

Section 5.02 *Successor Corporation Substituted.*

Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the properties or assets of the Company in a transaction that is subject to, and that complies with the provisions of, Section 5.01 hereof, the successor Person formed by such consolidation or into or with which the Company is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition, the provisions of this Indenture referring to the "Company" shall refer instead to the successor Person and not to the Company), and may exercise every right and power of the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein; *provided*, *however*, that the predecessor Company shall not be relieved from the obligation to pay the principal of and interest on the Notes except in the case of a sale of all of the Company's assets in a transaction that is subject to, and that complies with the provisions of, Section 5.01 hereof.

## ARTICLE 6
## DEFAULTS AND REMEDIES

Section 6.01 *Events of Default.*

(a) Each of the following is an "*Event of Default*":

(1) default for 30 days in the payment when due of interest or Additional Amounts, if any, on the Notes;

(2) default in the payment when due (at maturity, upon redemption, upon required repurchase, or otherwise) of the principal of, or premium, if any, on the Notes;

(3) failure by the Company or any of its Restricted Subsidiaries to comply with its obligations under the provisions of Sections 3.09, 3.12, 3.13, 4.10, 4.15, 4.22 or 5.01 hereof;

(4) failure by the Company or any of its Restricted Subsidiaries for 60 days after notice to the Company by the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class to comply with any of the other agreements in this Indenture or the Security Documents;

(5) default under any mortgage, indenture or instrument (other than a Designated Credit Facility) under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Company or any of its Restricted Subsidiaries), whether such Indebtedness or Guarantee now exists, or is created after the date of this Indenture, if that default:

(A) is caused by a failure to pay principal of, or interest or premium, if any, on, such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "*Payment Default*"); or

(B) results in the acceleration of such Indebtedness prior to its express maturity,

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates US$10.0 million or more at any time outstanding;

(6) default under any Designated Credit Facility that results in the acceleration thereof prior to the final maturity thereof;

(7) failure by the Company or any of its Restricted Subsidiaries to pay final judgments entered by a court or courts of competent jurisdiction (other than any judgment as to which a reputable third party insurer has accepted full responsibility and coverage) aggregating in excess of US$10.0 million, which judgments are not paid, discharged or stayed for a period of 60 days;

(8) the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary pursuant to or within the meaning of Bankruptcy Law:

(A) commences a voluntary case or is the subject of a petition by a creditor to have it declared bankrupt,

(B) consents to the entry of an order for relief against it in an involuntary case,

(C) consents to the appointment of a custodian of it or for all or substantially all of its property,

(D) makes a general assignment for the benefit of its creditors, or

(E) generally is not paying its debts as they become due;

(9) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary in an involuntary case;

(B) appoints a custodian of the Company or of any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary or for all or substantially all of the property of the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary; or

(C) orders the liquidation of the Company or of any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary;

(10) the repudiation by the Company or any Subsidiary Guarantor of any of their Obligations under the Security Documents or the unenforceability of the Security Documents against the Company or any Subsidiary Guarantor for any reason;

(11) except as permitted by this Indenture, (a) any Note Guarantee is held in any judicial proceeding in a competent jurisdiction to be unenforceable or invalid or ceases for any reason to be in full force and effect, or (b) any Person acting on behalf of any Subsidiary Guarantor, denies or disaffirms its Obligations under its Note Guarantee;

(12) except in accordance with this Indenture or as a result of a repayment in full, the Intercompany Note Proceeds Loan ceases to be in full force and effect or is declared fully or partially void in a judicial proceeding or the Company or any other Restricted Subsidiary asserts that the Intercompany Note Proceeds Loan is fully or partially invalid;

(13) the termination or rescission of any Gaming License or the Macau government takes any formal measure to do so;

(14) the abandonment or loss or destruction of all or substantially all of the Phase I Project; and

(15) the failure of the Phase I Project to achieve the Opening Date by the Construction Opening Long Stop Date or the Construction Completion Date not occurring by the Construction Completion Long Stop Date.

Section 6.02 *Acceleration*.

In the case of an Event of Default specified in Section 6.01(a)(8) or 6.01(a)(9) hereof, with respect to the Company, any Restricted Subsidiary of the Company that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary, all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes may declare all the Notes to be due and payable immediately.

Upon any such declaration, the Notes shall become due and payable immediately.

The Holders of a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may, on behalf of all of the Holders, rescind an acceleration and its consequences, if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal, interest, premium or Additional Amounts, if any, that has become due solely because of the acceleration) have been cured or waived.

Section 6.03 *Other Remedies.*

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal, premium and Additional Amounts, if any, and interest on the Notes or to enforce the performance of any provision of the Notes, this Indenture or the Security Documents.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

Section 6.04 *Waiver of Past Defaults.*

Holders of not less than a majority in aggregate principal amount of the then outstanding Notes by notice to the Trustee may on behalf of the Holders of all of the Notes waive an existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Default in the payment of the principal of, premium, Additional Amounts, if any, or interest on, the Notes (including in connection with an offer to purchase); *provided*, *however*, that the Holders of a majority in aggregate principal amount of the then outstanding Notes may rescind an acceleration and its consequences, including any related payment default that resulted from such acceleration. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05 *Control by Majority.*

Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on it. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture that the Trustee determines may be unduly prejudicial to the rights of other Holders or that may involve the Trustee in personal liability.

Section 6.06 *Limitation on Suits.*

(a) Subject to the provisions of this Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under this Indenture at the request or direction of any Holders unless such Holders have offered to the Trustee reasonable indemnity or security to its satisfaction against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium, if any, or interest or Additional Amounts, if any, when due, no Holder may pursue any remedy with respect to this Indenture or the Notes unless:

(1) such Holder has previously given the Trustee written notice that an Event of Default is continuing;

(2) Holders of at least 25% in aggregate principal amount of the then outstanding Notes have made a written request to the Trustee to pursue the remedy;

(3) such Holders have offered the Trustee security or indemnity to its satisfaction against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security or indemnity to its satisfaction; and

(5) during such 60-day period, Holders of a majority in aggregate principal amount of the then outstanding Notes have not given the Trustee a direction inconsistent with such request.

(b) A Holder may not use this Indenture to prejudice the rights of another Holder or to obtain a preference or priority over another Holder.

Section 6.07 *Rights of Holders to Receive Payment.*

Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of principal, premium, Additional Amounts, if any, and interest on the Notes, on or after the respective due dates expressed in the Note (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder; *provided that* a Holder shall not have the right to institute any such suit for the enforcement of payment if and to the extent that the institution or prosecution thereof or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the Lien of this Indenture upon any property subject to such Lien.

Section 6.08 *Collection Suit by Trustee.*

If an Event of Default specified in Section 6.01(a)(1) or (a)(2) hereof occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal of, premium, Additional Amounts, if any, and interest remaining unpaid on, the Notes and interest on overdue principal and premium, if any and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

Section 6.09 *Trustee May File Proofs of Claim.*

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders allowed in any judicial proceedings relative to the Company (or any other obligor upon the Notes), its creditors or its property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.08 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.08 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10 *Priorities.*

If the Trustee collects any money pursuant to this Article 6, it shall pay out the money in the following order:

*First*: to the Trustee, the Collateral Agent, the Agents, and their respective agents and attorneys for amounts due under Section 7.08 hereof, including payment of all compensation, expenses and liabilities incurred, and all advances made, by the Trustee, the Collateral Agent or any Agent, and the costs and expenses of collection;

*Second*: to Holders for amounts due and unpaid on the Notes for principal, premium, Additional Amounts, if any, and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, Additional Amounts, if any, and interest, respectively; and

*Third*: to the Company or to such party as a court of competent jurisdiction shall direct.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 6.10.

Section 6.11 *Undertaking for Costs.*

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07 hereof, or a suit by Holders of more than 10% in aggregate principal amount of the then outstanding Notes.

## ARTICLE 7
## TRUSTEE

Section 7.01 *Duties of Trustee.*

(a) If an Event of Default has occurred and is continuing, the Trustee will exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the duties of the Trustee will be determined solely by the express provisions of this Indenture and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee will examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture.

(3) other than with respect to a payment default, the Trustee shall not be charged with knowledge of any Default or Event of Default unless written notice has been delivered to a Responsible Officer at the Corporate Trust Office of the Trustee referencing the applicable provision of this Indenture.

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

(2) the Trustee will not be liable for any error of judgment made in good faith by a Responsible Officer; and

(3) the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), and (c) of this Section 7.01.

(e) No provision of this Indenture will require the Trustee to expend or risk its own funds or incur any liability.

(f) The Trustee will not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

Section 7.02 *Rights of Trustee.*

(a) The Trustee may conclusively rely upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate or an Opinion of Counsel or both. The Trustee will not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel. The Trustee may engage and consult with professional advisors and counsel selected by it at the reasonable expense of the Company and the Trustee may rely conclusively upon advice of such professional advisors and counsel or any Opinion of Counsel will be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon by the Trustee and any of its directors, officers, employees or agents duly appointed.

(c) The Trustee may act through its attorneys and agents and will not be responsible for the misconduct or negligence of any agent appointed with due care. The Trustee shall have no duty to monitor the performance of such agents.

(d) The Trustee will not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture. The Trustee shall not be required to take action at the direction of the Company or Holders which conflicts with the requirements of this Indenture, or for which it is not indemnified to its satisfaction, or which involves undue risk or would be contrary to applicable law or regulation.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company will be sufficient if signed by an Officer or a director of the Company.

(f) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee indemnity and/or security satisfactory to the Trustee in its sole discretion against the losses, liabilities and expenses that might be incurred by it in compliance with such request or direction.

(g) In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

(h) The recitals contained herein and in the Notes are made by the Company and not by the Trustee, and the Trustee assumes no responsibility for the correctness thereof. The Trustee makes no representation as to the validity or sufficiency of this Indenture, the Notes, the Intercompany Note Proceeds Loan or Security Document.

(i) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records, and premises of the Company, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation.

(j) In no event shall the Trustee be responsible or liable for special, indirect, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(k) The rights, privileges, indemnity, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and the Collateral Agent, and each agent, custodian and other Person employed to act hereunder and shall be incorporated by reference and made a part of the Security Documents, *provided, however* the Collateral Agent and any such agent or custodian shall not be deemed to be a fiduciary;

(l) The Trustee may request that the Company deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture;

(m) In the event that the Trustee and Agents shall be uncertain as to their respective duties or rights hereunder or shall receive instructions, claims or demands from the Company, which in their opinion, conflict with any of the provisions of this Indenture, they shall be entitled to refrain from taking action until directed in writing by a final order or judgment of a court of competent jurisdiction; and

(n) So long as any of the Notes remains outstanding, the Company shall provide the Agents with a sufficient number of copies of this Indenture and each of the documents sent to the Trustee or which are required to be made available by stock exchange regulations or stated in the Offering Memorandum relating to the Notes, to be available and, subject to being provided with such copies, each of the Agents will procure that such copies shall be available at its specified office during normal office hours for examination by the Holders and that copies thereof will be furnished to the Holders upon written request at their own expense.

Section 7.03 *Limitation on Duty of Trustee and Collateral Agent in Respect of Collateral; Indemnification*

(a) Beyond the exercise of reasonable care in the custody thereof, the Trustee and Collateral Agent shall have no duty as to any Collateral in its possession or control or in the possession or control of any agent or bailee or any income thereon or as to preservation of rights against prior parties or any other rights pertaining thereto and the Trustee and Collateral Agent shall not be responsible for filing any financing or continuation statements or recording any documents or instruments in any public office at any time or times or otherwise perfecting or maintaining the perfection of any security interest in the Collateral. The Trustee and Collateral Agent shall be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords other collateral and shall not be liable or responsible for any loss or diminution in the value of any of the Collateral, by reason of the act or omission of any carrier, forwarding agency or other agent or bailee selected by the Trustee or Collateral Agent in good faith.

(b) The Trustee and Collateral Agent shall not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority of enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, except to the extent such action or omission constitutes gross negligence, bad faith or willful misconduct on the part of the Trustee and Collateral Agent, for the validity or sufficiency of the Collateral or any agreement or assignment contained therein, for the validity or sufficiency of the Collateral or any agreement or assignment contained therein, for the validity of the title of the Company to the Collateral, for insuring the Collateral or otherwise as to the maintenance of the Collateral. The Trustee and Collateral Agent shall have no duty to ascertain or inquire as to the performance or observance of any of the terms of this Indenture or the Security Documents, by the Company or the Subsidiary Guarantors.

Section 7.04 *Individual Rights of Trustee.*

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company or any Affiliate of the Company with the same rights it would have if it were not Trustee. The Trustee is also subject to Section 7.11 hereof.

Section 7.05 *Trustee's Disclaimer.*

The Trustee will not be responsible for and makes no representation as to the validity or adequacy of this Indenture, the Security Documents or the Notes, it shall not be accountable for the Company's use of the proceeds from the Notes or any money paid to the Company or upon the Company's direction under any provision of this Indenture, it will not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it will not be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication. The Trustee shall not be deemed to be required to calculate any Fixed Charges, Treasury Rates, Additional Amounts, any make-whole amount, any Fixed Charge Coverage Ratio or other coverage ratio, or otherwise.

Section 7.06 *Notice of Defaults.*

If a Default or Event of Default occurs and is continuing and if it is known to the Trustee, the Trustee will mail to Holders a notice of the Default or Event of Default within ninety (90) days after it occurs. Except in the case of a Default or Event of Default in payment of principal of, premium, Additional Amounts, if any, or interest on, any Note, the Trustee shall not be deemed to have such actual knowledge and may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders.

Section 7.07 *[Intentionally Omitted.]*

Section 7.08 *Compensation and Indemnity.*

(a) The Company will pay to the Trustee from time to time reasonable compensation for its acceptance of this Indenture and services hereunder pursuant to a written fee agreement executed by the Trustee and the Company. The Trustee's compensation will not be limited by any law on compensation of a trustee of an express trust. The Company will reimburse the Trustee promptly upon request for all reasonable disbursements, advances and expenses properly incurred or made by it in addition to the compensation for its services. Such expenses will include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

(b) The Company and the Subsidiary Guarantors will indemnify the Trustee (which for purposes of this Section 7.08, shall be deemed to include its officers, directors, employees and agents) against any and all losses, liabilities or expenses (including the fees and expenses of counsel) incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture, including the costs and expenses of enforcing this Indenture against the Company and the Subsidiary Guarantors (including this Section 7.08) and defending itself against any claim (whether asserted by the Company, the Subsidiary Guarantors, any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent any such loss, liability or expense may be attributable solely to its negligence or willful default or fraud by a court of competent jurisdiction in a final non-appealable order. The Trustee will notify the Company promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Company will not relieve the Company or any of the Subsidiary Guarantors of their obligations hereunder. The Company or such Subsidiary Guarantor will defend the claim and the Trustee will cooperate in the defense. The Trustee may have separate counsel and the Company will pay the reasonable fees and expenses of such counsel. Neither the Company nor any Subsidiary Guarantor need to pay for any settlement made without its consent, which consent will not be unreasonably withheld.

(c) The obligations of the Company and the Subsidiary Guarantors under this Section 7.08 will survive the satisfaction and discharge of this Indenture, and the resignation or removal of the Trustee, the Collateral Agent and/or any Agent.

(d) To secure the Company's and the Subsidiary Guarantors' payment obligations in this Section 7.08, the Trustee will have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal and interest on particular Notes. Such Lien will survive the satisfaction and discharge of this Indenture.

(e) When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(a)(8) or Section 6.01(a)(9) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

(f) The Collateral Agent shall have the same rights to compensation and indemnity as the Trustee hereunder. For purposes of this Section 7.08 "hereunder" shall be deemed to include this Indenture, the Notes and the Security Documents.

Section 7.09 *Replacement of Trustee.*

(a) A resignation or removal of the Trustee and appointment of a successor Trustee will become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.09.

(b) The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Company. The Holders of a majority in aggregate principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Company in writing. The Company may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.11 hereof;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

(c) If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company will promptly appoint a successor Trustee. Within one (1) year after the successor Trustee takes office, the holders of a majority in aggregate principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

(d) If a successor Trustee does not take office within sixty (60) days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company, or the holders of at least 10% in aggregate principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee at the sole expense of the Company.

(e) If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.11 hereof, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(f) A successor Trustee will deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon, the resignation or removal of the retiring Trustee will become effective, and the successor Trustee will have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee will mail a notice of its succession to Holders. The retiring Trustee will promptly transfer all property held by it as Trustee to the successor Trustee; *provided* all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.08 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.09, the Company's obligations under Section 7.08 hereof will continue for the benefit of the retiring Trustee.

Section 7.10 *Successor Trustee by Merger, etc.*

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act will be the successor Trustee.

Section 7.11 *Eligibility; Disqualification.*

There will at all times be a Trustee hereunder that is a corporation organized and doing business under the laws of the United States of America or of any state thereof, the United Kingdom or Hong Kong that is authorized under such laws to exercise corporate trustee power and that has a combined capital and surplus of at least US$100.0 million as set forth in its most recent published annual report of condition.

Section 7.12 *Appointment of Co-Trustee.*

(a) Notwithstanding any other provisions of this Indenture, at any time, for the purpose of meeting any legal requirement of any jurisdiction or otherwise, the Trustee shall have the power and may execute and deliver all instruments necessary to appoint one or more Persons to act as a co-trustee or co-trustees, or separate trustees, of all or any part of this Indenture, and to vest in such Person or Persons, in such capacity and for the benefit of the Holders, such powers, duties, obligations, rights and trusts as the Trustee may consider necessary or desirable. No co-trustee or separate trustee hereunder shall be required to meet the terms of eligibility as a successor trustee under Section 7.09 and no notice to the Holders of the appointment of any co-trustee or separate trustee shall be required.

(b) Every separate trustee and co-trustee shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:

(1) All rights, powers, duties and obligations conferred or imposed upon the Trustee shall be conferred or imposed upon and exercised or performed by the Trustee and such separate trustee or co-trustee jointly (it being understood that such separate trustee or co-trustee is not authorized to act separately without the Trustee joining in such act), except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations shall be exercised and performed singly by such separate trustee or co-trustee, but solely at the direction of the Trustee.

(2) No trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder; and

(3) The Trustee may at any time accept the resignation of or remove any separate trustee or co-trustee.

(c) Any notice, request or other writing given to the Trustee shall be deemed to have been given to each of the then separate trustees and co-trustees, as effectively as if given to each of them. Every instrument appointing any separate trustee or co-trustee shall refer to this Indenture and the conditions of this Section 7.12. Each separate trustee and co-trustee, upon its acceptance of the trusts conferred, shall be vested with the estates or property specified in its instrument of appointment, either jointly with the Trustee or separately, as may be provided therein, subject to all the provisions of this Indenture, specifically including every provision of this Indenture relating to the conduct of, affecting the liability of, or affording protection or rights (including the rights to compensation, reimbursement and indemnification hereunder) to, the Trustee. Every such instrument shall be filed with the Trustee.

(d) Any separate trustee or co-trustee may at any time constitute the Trustee its agent or attorney-in-fact with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of this Indenture on its behalf and in its name. If any separate trustee or co-trustee shall die, become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies, and trusts shall vest in and be exercised by the Trustee, to the extent permitted by law, without the appointment of a new or successor trustee.

Section 7.13 *[Intentionally Omitted].*

Section 7.14 *Rights of Trustee in Other Roles; Collateral Agent.*

All rights, powers and indemnities contained in this Article 7 shall apply to the Trustee in its other roles hereunder and to the Collateral Agent (including, for the avoidance of doubt, in relation to the Security Documents) and the Agents, *provided*, *however*, that each of the Collateral Agent and the Agents is an agent and not a fiduciary.

## ARTICLE 8
## LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01 *Option to Effect Legal Defeasance or Covenant Defeasance.*

The Company may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an Officer's Certificate, elect to have either Section 8.02 or 8.03 hereof be applied to all outstanding Notes upon compliance with the conditions set forth below in this Article 8.

Section 8.02 *Legal Defeasance and Discharge.*

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.02, the Company and each of the Subsidiary Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed to have been discharged from their Obligations with respect to all outstanding Notes (including the Note Guarantees) on the date the conditions set forth below are satisfied (hereinafter, "*Legal Defeasance*"). For this purpose, Legal Defeasance means that the Company and the Subsidiary Guarantors will be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes (including the Note Guarantees), which will thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 hereof and the other Sections of this Indenture referred to in clauses (1) and (2) below, and to have satisfied all their other obligations under such Notes, the Note Guarantees and this Indenture (and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following provisions which will survive until otherwise terminated or discharged hereunder:

(1) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, or interest or premium and Additional Amounts, if any, on, such Notes when such payments are due from the trust referred to in Section 8.04 hereof;

(2) the Company's Obligations with respect to such Notes under Article 2 and Section 4.02 hereof;

(3) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Company's and the Subsidiary Guarantors' Obligations in connection therewith; and

(4) this Article 8.

Subject to compliance with this Article 8, the Company may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03 hereof.

Section 8.03 *Covenant Defeasance.*

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, the Company and each of the Subsidiary Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from each of their obligations under the covenants contained in Sections 4.07, 4.08, 4.09, 4.10, 4.11, 4.12, 4.13, 4.15, 4.16, 4.17, 4.18, 4.19 and hereof and Section 5.01(a)(3) hereof with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 hereof are satisfied (hereinafter, "*Covenant Defeasance*"), and the Notes will thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes will not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes and Note Guarantees, the Company and the Subsidiary Guarantors may omit to comply with and will have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01 hereof, but, except as specified above, the remainder of this Indenture and such Notes and Note Guarantees will be unaffected thereby. In addition, upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, Sections 6.01(a)(3) through 6.01(a)(5) hereof will not constitute Events of Default.

Section 8.04 *Conditions to Legal or Covenant Defeasance.*

In order to exercise either Legal Defeasance or Covenant Defeasance under either Section 8.02 or 8.03 hereof:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, cash in U.S. dollars, non-callable U.S. Government Obligations, or a combination of cash in U.S. dollars and non-callable U.S. Government Obligations, in amounts as will be sufficient, in the opinion of an internationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, or interest and premium, and Additional Amounts, if any, on, the outstanding Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Company must specify whether the Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of an election under Section 8.02 hereof, the Company must deliver to the Trustee an Opinion of Counsel confirming that:

(A) the Company has received from, or there has been published by, the U.S. Internal Revenue Service a ruling; or

(B) since the date of this Indenture, there has been a change in the applicable U.S. federal income tax law,

in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the holders of the outstanding Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of such Legal Defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of an election under Section 8.03 hereof, the Company must deliver to the Trustee an Opinion of Counsel confirming that the holders of the outstanding Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of such Covenant Defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Company or any Subsidiary Guarantor is a party or by which the Company or any Subsidiary Guarantor is bound;

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

(6) the Company must deliver to the Trustee an Officer’s Certificate stating that the deposit was not made by the Company with the intent of preferring the Holders over the other creditors of the Company with the intent of defeating, hindering, delaying or defrauding any creditors of the Company or others; and

(7) the Company must deliver to the Trustee an Officer’s Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

(8) The Trustee shall be entitled to its usual fees and, in addition, any fees and expenses incurred or charged by the Trustee and its counsel in connection with defeasance, satisfaction and discharge, and investment or custody services provided hereunder.

Section 8.05 *Deposited Money and U.S. Government Obligations to be Held in Trust; Other Miscellaneous Provisions.*

Subject to Section 8.06 hereof, all money and non-callable U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "*Trustee*") pursuant to Section 8.04 hereof in respect of the outstanding Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may determine, to the holders of such Notes of all sums due and to become due thereon in respect of principal, premium, and Additional Amounts, if any, and interest, but such money need not be segregated from other funds except to the extent required by law.

The Company will pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable U.S. Government Obligations deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the holders of the outstanding Notes.

Notwithstanding anything in this Article 8 to the contrary, the Trustee will deliver or pay to the Company from time to time upon the request of the Company any money or non-callable U.S. Government Obligations held by it as provided in Section 8.04 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(1) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06 *Repayment to Company.*

Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, premium or Additional Amounts, if any, or interest on, any Note and remaining unclaimed for two (2) years after such principal, premium, or Additional Amounts, if any, or interest has become due and payable shall be paid to the Company on its request or (if then held by the Company) will be discharged from such trust; and the holder of such Note will thereafter be permitted to look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, will thereupon cease; *provided, however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which will not be less than thirty (30) days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 8.07 *Reinstatement.*

If the Trustee or Paying Agent is unable to apply any U.S. dollars or non-callable U.S. Government Obligations in accordance with Section 8.02 or 8.03 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's and the Subsidiary Guarantors' obligations under this Indenture and the Notes and the Note Guarantees will be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.02 or 8.03 hereof, as the case may be; *provided, however*, that, if the Company makes any payment of principal of, premium or Additional Amounts, if any, or interest on, any Note following the reinstatement of its obligations, the Company will be subrogated to the rights of the holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

## ARTICLE 9
## AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01 *Without Consent of Holders of Notes.*

Notwithstanding Section 9.02 of this Indenture, the Company, the Subsidiary Guarantors, the Trustee, the Collateral Agent and each Agent, as the case may be, may amend or supplement this Indenture, the Notes, the Note Guarantees, the Security Documents, the Escrow Agreement, the Note Disbursement and Account Agreement or the Intercompany Note Proceeds Loan without the consent of any Holder:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(3) to provide for the assumption of the Company's or a Subsidiary Guarantor's Obligations under the Notes or the Note Guarantees in the case of a merger or consolidation or sale of all or substantially all of the Company's or such Subsidiary Guarantor's assets, as applicable;

(4) to make any change that would provide any additional rights or benefits to the Holders or that does not adversely affect the legal rights under this Indenture of any such Holder;

(5) to conform the text of the Notes, this Indenture, the Note Guarantees, the Security Documents or the Intercompany Note Proceeds Loan to any provision of the "Description of Notes" section of the Offering Memorandum, to the extent that such provision in that "Description of Notes" section of the Offering Memorandum was intended to be a verbatim recitation of a provision of the Notes, this Indenture, the Note Guarantees, the Security Documents or the Intercompany Note Proceeds Loan, which intent shall be evidenced by an Officer's Certificate to that effect;

(6) to provide for the issuance of Additional Notes in accordance with the limitations set forth in this Indenture as of the date of this Indenture;

(7) to make, complete or confirm any grant of Collateral permitted or required by this Indenture or the Security Documents; or

(8) to allow any Subsidiary Guarantor to execute a supplemental indenture and/or a Note Guarantee with respect to the Notes or to release any Subsidiary Guarantor from its Note Guarantee in accordance with the terms of this Indenture.

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon receipt by the Trustee of the documents described in Section 7.02 hereof, the Trustee, the Collateral Agent and each Agent will join with the Company and the Subsidiary Guarantors in the execution of any amended or supplemental indenture authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained, but neither the Trustee, the Collateral Agent nor any Agent will be obligated to (although they may at their discretion) enter into such amended or supplemental indenture that affects their own rights, duties or immunities under this Indenture or otherwise.

Section 9.02 *With Consent of Holders of Notes.*

Except as provided below in this Section 9.02, the Company, the Trustee, the Collateral Agent and each Agent may amend or supplement this Indenture (including, without limitation, Section 3.09, 4.10 and 4.15 hereof) and the Notes, and the Company, the Subsidiary Guarantors, the Trustee and the Collateral Agent, as the case may be, may amend or supplement the Note Guarantees, the Security Documents, the Escrow Agreement, the Note Disbursement and Account Agreement, or the Intercompany Note Proceeds Loan with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes), and, subject to Sections 6.04 and 6.07 hereof, any existing Default or Event of Default (other than a Default or Event of Default in the payment of the principal of, premium or Additional Amounts, if any, or interest on, the Notes, except a payment default resulting from an acceleration that has been rescinded) or compliance with any provision of this Indenture, the Notes, the Note Guarantees, the Security Documents or the Intercompany Note Proceeds Loan may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes).

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon the filing with the Trustee of evidence satisfactory to the Trustee of the consent of the holders of Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 7.02, 9.06, 13.04 and 13.05 hereof, the Trustee, the Collateral Agent and each Agent will join with the Company and the Subsidiary Guarantors in the execution of such amended or supplemental indenture unless such amended or supplemental indenture directly affects either the Trustee's, the Collateral Agent's or any Agent's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee, the Collateral Agent and each Agent (as the case may be) may in their discretion, but will not be obligated to, enter into such amended or supplemental indenture.

It is not be necessary for the consent of the Holders under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver, but it is sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Company will mail to the Holders of Notes affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Company to mail such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver. Subject to Sections 6.04 and 6.07 hereof, the Holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class may waive compliance in a particular instance by the Company with any provision of this Indenture or the Notes. However, without the consent of each Holder (including the Additional Notes) affected, an amendment, supplement or waiver under this Section 9.02 may not (with respect to any Notes (including the Additional Notes) held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of, premium, if any, or change the fixed maturity of any Note or alter the provisions with respect to the redemption of the Notes (except as provided above with respect to Sections 3.09, 4.10 and 4.15 hereof);

(3) reduce the rate of or change the time for payment of interest, including default interest, on any Note;

(4) waive a Default or Event of Default in the payment of principal of, or interest, premium or Additional Amounts, if any, on, the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any Note payable in money other than that stated in the Notes;

(6) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of, or interest, premium or Additional Amounts, if any, on, the Notes;

(7) waive a redemption payment with respect to any Note (other than a payment required by Sections 3.09, 4.10 or 4.15 hereof);

(8) release any Subsidiary Guarantor from any of its Obligations under its Note Guarantee or this Indenture, except in accordance with the terms of this Indenture;

(9) release the Collateral from the Liens securing the Notes or making any changes to the priority of the Liens under the Security Documents that would adversely affect the Holders, except in accordance with the terms of this Indenture and the applicable Security Documents; or

(10) make any change in the preceding amendment and waiver provisions.

Section 9.03 *Supplemental Indenture.*

Every amendment or supplement to this Indenture or the Notes will be set forth in an amended or supplemental indenture.

Section 9.04 *Revocation and Effect of Consents.*

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder is a continuing consent by such Holder and every subsequent holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder or subsequent holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

Section 9.05 *Notation on or Exchange of Notes.*

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Company in exchange for all Notes may issue and the Trustee shall, upon receipt of an Authentication Order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

Section 9.06 *Trustee to Sign Amendments, etc.*

The Trustee will sign any amended or supplemental indenture authorized pursuant to this Article 9 if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee. The Company may not sign an amended or supplemental indenture until the Board of Directors of the Company approves it. In executing any amended or supplemental indenture, the Trustee will be entitled to receive security and/or indemnity to its reasonable satisfaction and (subject to Section 7.01 hereof) will be fully protected in relying upon, in addition to the documents required by Section 13.04 hereof, an Officer's Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this Indenture, that the supplemental indenture is legal, valid, binding and enforceable against the Company in accordance with its terms and such other matters as the Trustee may request. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

## ARTICLE 10
## COLLATERAL AND SECURITY

Section 10.01 *Pledge of Collateral.*

The due and punctual payment of the principal of, and premium, interest and Additional Amounts, if any, on the Notes when and as the same shall be due and payable, whether on an interest payment date, at maturity, by acceleration, repurchase, redemption or otherwise, and interest on the overdue principal of and interest and Additional Amounts (to the extent permitted by law), if any, on the Notes and performance of all other obligations of the Company to the Holders of Notes or the Trustee, the Collateral Agent and the Agents under this Indenture and the Notes according to the terms hereunder or thereunder, are secured as provided in the Security Documents. Each Holder of Notes, by its acceptance thereof, consents and agrees to the terms of the Security Documents in effect or may be amended from time to time in accordance with its terms and authorizes and directs the Collateral Agent to enter into the Security Documents and to perform its obligations and exercise its rights thereunder in accordance therewith. The Company will deliver to the Trustee copies of all documents delivered to the Collateral Agent pursuant to the Security Documents, and the Company will, and the Company will cause each of its Restricted Subsidiaries to, do or cause to be done all such acts and things as may be required, to assure and confirm to the Trustee that the Collateral Agent holds, for the benefit of the Holders and the Trustee, duly created, enforceable and perfected Liens as contemplated hereby and by the Security Documents, so as to render the same available for the security and benefit of this Indenture and of the Notes secured hereby, according to the intent and purposes herein expressed. The Company will take, and will cause its Restricted Subsidiaries to take, upon request of the Trustee or Collateral Agent, any and all actions reasonably required to cause the Security Documents to create and maintain, as security for the Obligations of the Company hereunder, in respect of the Collateral, valid and enforceable perfected first priority Liens on all such Collateral, superior to and prior to the rights of all third parties and subject to no Liens other than the Permitted Liens described in paragraphs (2), (9), (10), (14)(i), (14)(ii) and (21) of the definition thereof.

Certain provisions with respect to enforcement of security interests are set out in each of the Security Documents.

Section 10.02 *Collateral Agent.*

(a) By its acceptance thereof, the Trustee, also in the name and on behalf of each Holder of Notes, irrevocably appoints the Collateral Agent to act as its agent in connection with this Indenture and the Security Documents and for such purposes irrevocably authorizes the Collateral Agent to take such action and to exercise and carry out all the discretions, authorities, rights, powers and duties as are specifically delegated to the Collateral Agent under this Indenture and the Security Documents, together with such powers and discretions as are incidental thereto.

(b) The Collateral Agent agrees that it will hold the security interests in Collateral created under any Security Documents to which it is a party as contemplated by this Indenture, and any and all proceeds thereof, for the benefit of, among others, itself, the Trustee and the Holders, without limiting the Collateral Agent's rights including under Section 10.04, to act in preservation of the security interest in the Collateral. The Collateral Agent will take action or refrain from taking action in connection therewith only as directed by the Trustee.

Section 10.03 *Release of Collateral and Certain Matters with Respect to Collateral.*

(a) Collateral may be released from the Liens and security interests created by the Security Documents at any time or from time to time in accordance with the provisions of the Security Documents and Section 10.06 of this Indenture. In connection therewith, and subject to the terms and conditions of the relevant Security Documents, upon the request of the Company pursuant to an Officer's Certificate certifying that all conditions precedent hereunder have been met, the Collateral Agent shall, at the expense of the Company, execute, deliver or acknowledge any necessary or proper instruments of termination, satisfaction or release to evidence the release of any Collateral permitted to be released pursuant to this Indenture or the Security Documents.

(b) So long as no Default or Event of Default has occurred and is continuing, and subject to certain terms and conditions set forth in the Security Documents, the Note Disbursement and Account Agreement and the Escrow Agreement, the Company will be entitled to receive all payments made upon or with respect to the Collateral and to exercise any rights pertaining to the Collateral.

(c) Upon the occurrence and during the continuance of a Default or Event of Default:

(1) all rights of the Company to exercise such rights will cease, and all such rights will become vested in the Collateral Agent, which, to the extent permitted by law, will have the sole right to exercise such rights on behalf of the Trustee and the holders of the Notes; and

(2) all rights of the Company to receive all interest and other payments made upon or with respect to the Collateral will cease and such interest and other payments will be paid to the Collateral Agent for the benefit of the Trustee and the holders of the Notes.

Section 10.04 *Authorization of Actions to Be Taken by the Trustee and the Collateral Agent.*

Subject to the provisions of Section 6.05, 7.01 and 7.02 and the terms of the Security Documents, the Collateral Agent may, in its sole discretion and shall if so directed by the Trustee (acting on the instruction of Holders holding at least 25% of the aggregate principal amount of the Notes), take all actions it deems necessary or appropriate in order to:

(a) enforce any of the terms of the Security Documents; and

(b) collect and receive any and all amounts payable in respect of the Obligations of the Company hereunder.

The Trustee and/or the Collateral Agent will have power to institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Collateral by any acts that may be unlawful or in violation of the Security Documents or this Indenture, and such suits and proceedings as the Trustee and/or the Collateral Agent may deem expedient to preserve or protect its interests and the interests of the Holders of Notes in the Collateral (including power to institute and maintain suits or proceedings to restrain the enforcement of or compliance with any legislative or other governmental enactment, rule or order that may be otherwise invalid if the enforcement of, or compliance with, such enactment, rule or order would impair the security interest hereunder or be prejudicial to the interests of the Holders of Notes or of the Trustee and/or the Security Collateral).

Section 10.05 *Authorization of Receipt of Funds by the Trustee under the Security Documents.*

The Trustee and/or the Collateral Agent is authorized to receive any funds for the benefit of the Holders of Notes distributed under the Security Documents, and to make further distributions of such funds to the Holders of Notes according to the provisions of this Indenture.

Section 10.06 *Termination of Security Interest.*

The Trustee shall, at the request and expense of the Company upon having provided the Trustee an Officer's Certificate (which shall certify, among other things, that all action under the relevant Security Document(s) with respect to the release of the security thereunder has been taken and the release of the Collateral complies with the terms of the relevant Security Document(s)) and Opinion of Counsel certifying compliance with this Section 10.06, execute and deliver a certificate to the Collateral Agent releasing the relevant Collateral or other appropriate instrument evidencing such release (in the form provided by the Company):

(a) upon the full and final payment and performance of all Obligations of the Company under the Indenture and the Notes;

(b) upon the Legal Defeasance or satisfaction and discharge of the Notes as provided in Sections 8.02 and Article 12 hereof; and

(c) once all amounts in the Notes Accounts have been released or disbursed, as the case may be, in accordance with the terms of the Indenture and the Note Disbursement and Account Agreement and the Escrow Agreement.

Section 10.07 *Defaults.*

The Collateral Agent shall not be obliged to take any steps to ascertain whether any Default or Event of Default has happened or exists and, until the Collateral Agent shall have received express notice to the contrary from the Trustee, the Collateral Agent shall be entitled to assume that no Default or Event of Default has happened or exists.

Section 10.08 *Protections.*

The Collateral Agent shall have the protections accorded to it pursuant to Section 7.14.

Section 10.09 *Own Participation.*

With respect to its own participations in Notes, the Collateral Agent shall have the same rights and powers under and in respect of this Indenture and the Security Documents as though it was not also acting as agent for the Holders of the Notes. The Collateral Agent may, without liability to account, accept deposits from, lend money to and generally engage in any kind of banking or trust business with or for the Company and any Affiliate of the Company as if it were not the agent and trustee for the Holders of the Notes.

Section 10.10 *Indemnity.*

(a) The Company shall pay to the Collateral Agent from time to time reasonable compensation for its acceptance of this Indenture, the Security Documents and services hereunder and thereunder pursuant to a written fee agreement executed by the Collateral Agent and the Company. The Company shall reimburse the Collateral Agent promptly upon request for all reasonable disbursements, advances and expenses properly incurred or made by it in addition to the compensation for its services. Such expenses shall include the reasonable compensation, disbursements and expenses of the Collateral Agent's agents and counsel.

(b) The Company shall indemnify the Collateral Agent against any and all losses, liabilities or expenses incurred by it arising out of, or in connection with, the acceptance or administration of its duties under this Indenture and the Security Documents, including the costs and expenses of enforcing this Indenture against the Company and any Subsidiary Guarantor (including this Section 10.10) and defending itself against any claim (whether asserted by the Company or any Subsidiary Guarantor or any Holder or any other person) or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent any such loss, liability or expense may be attributable to its willful misconduct, negligence or bad faith. The Collateral Agent shall notify the Company promptly of any claim for which it may seek indemnity. Failure by the Collateral Agent to so notify the Company shall not relieve the Company of its obligations hereunder. The Company shall defend the claim and the Collateral Agent shall cooperate in the defense. The Collateral Agent may have separate counsel and the Company shall pay the reasonable fees and expenses of such counsel. The Company need not pay for any settlement made without its consent, which consent shall not be unreasonably withheld.

Section 10.11 *Resignation.*

Subject to the appointment and acceptance of a successor Collateral Agent as provided below, the Collateral Agent may resign at any time by giving to the Trustee not less than 30 days' notice of its intention to do so. After giving such notice of resignation to the Trustee, the Collateral Agent shall, after consultation with the Company, appoint any internationally reputable bank or financial institution selected by the Collateral Agent and acceptable to the Company and the Trustee as successor Collateral Agent which is willing and able to act as such agent for the Holders of the Notes. If no such successor Collateral Agent selected by the Collateral Agent shall have accepted such appointment within 30 days after such Collateral Agent's giving of notice of resignation then the Trustee shall, after consultation with the Company, have the right to appoint such a successor Collateral Agent. Any such appointment shall take effect upon (a) notice thereof being given to the Trustee and the Company and (b) the resigning Collateral Agent having assigned to the successor Collateral Agent any independent rights of the resigning Collateral Agent in its individual capacity under any of this Indenture, the Notes or the Security Documents by an assignment not constituting a novation of debt and to the extent legally possible not having any negative effect on the Security Documents executed in favor of the resigning Collateral Agent, the benefit of which shall be explicitly reserved to the successor Collateral Agent. Thereafter, the resigning Collateral Agent shall be discharged from any further obligation under this Indenture and the Security Documents and its successor and each of the other parties hereto and thereto shall have the same rights and obligations *inter se* as they would have had if such successor had been a party to this Indenture and the Security Documents in place of the resigning Collateral Agent. The resigning Collateral Agent shall make over to its successor all such records as its successor requires to carry out its duties.

Section 10.12 *Removal.*

The Company may remove the Collateral Agent if it is adjudged a bankrupt or an insolvent or an order for relief is entered into with respect to the Collateral Agent under any Bankruptcy Law. In this case, a successor Collateral Agent shall be appointed by the Trustee (in consultation with the Company).

Section 10.13 *Enforcement Costs.*

On the enforcement (whether successful or not) of all or any of the Security Documents, the Collateral Agent shall be entitled to deduct from the proceeds of each enforcement its costs, charges and expenses incurred in connection with such enforcement together with an amount equal to all sums due to the Collateral Agent from the Company.

Section 10.14 *Further Action.*

The Company shall use its best efforts to take, or cause to be taken, all appropriate action, and to do or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the security over the Collateral as contemplated by the Security Documents, including, without limitation, (i) cooperating in the preparation of any required filings under the Security Documents, (ii) using best efforts to make all required filings, notifications, releases and applications and to obtain licenses, permits, consents, approvals, authorizations, qualifications and orders of governmental authorities and parties to contracts with the Company as are necessary for the grants of security contemplated by this Indenture and the Security Documents and to fulfill the conditions of the Security Documents including, without limitation, delivery of title deeds and all other documents of title relating to the Collateral secured by the Security Documents in the manner as provided for therein, (iii) taking any and all action to perfect the security over the Collateral as contemplated by this Indenture and the Security Documents, (iv) cooperating in all respects with each other in connection with any investigation or other inquiry, including any proceeding initiated by any Person, in connection with the granting of security over the Collateral, (v) keeping the Trustee and Collateral Agent informed in all material respects of any material communication received by the Company from, or given by them to, any governmental authority or any other Person regarding any matters contemplated by the Security Documents or with respect to the Collateral, and (vi) permitting the Trustee and Collateral Agent to review any material communication given by the Company to any such governmental authority or any other Person.

Notwithstanding any other provision of this Indenture, neither the Trustee nor the Collateral Agent has any responsibility for the validity, perfection, priority or enforceability of any lien, Collateral, Security Documents or other security interest.

## ARTICLE 11
## NOTE GUARANTEES

Section 11.01 *Guarantee.*

(a) Each Subsidiary Guarantor hereby jointly and severally, irrevocably and unconditionally guarantees to each Holder and to the Trustee, successors and assigns (1) the full and punctual payment when due, whether at Stated Maturity, by acceleration, by redemption or otherwise, of all obligations of the Company under this Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of, interest, premium or Additional Amounts, if any, on the Notes and all other monetary obligations of the Company under this Indenture and the Notes and (2) the full and punctual performance within applicable grace periods of all other obligations of the Company whether for fees, expenses, indemnification or otherwise under this Indenture and the Notes (all the foregoing being hereinafter collectively called the "*Guaranteed Obligations*"). Each Subsidiary Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from each such Subsidiary Guarantor, and that each such Subsidiary Guarantor shall remain bound under this Article 11 notwithstanding any extension or renewal of any Guaranteed Obligation.

(b) Each Subsidiary Guarantor waives presentation to, demand of payment from and protest to the Company of any of the Guaranteed Obligations and also waives notice of protest for nonpayment. Each Subsidiary Guarantor waives notice of any default under the Notes or the Guaranteed Obligations. The obligations of each Subsidiary Guarantor hereunder shall not be affected by (1) the failure of any Holder or the Trustee to assert any claim or demand or to enforce any right or remedy against the Company or any other Person under this Indenture, the Notes or any other agreement or otherwise; (2) any extension or renewal of any thereof; (3) any rescission, waiver, amendment or modification of any of the terms or provisions of this Indenture, the Notes or any other agreement; (4) the release of any security held by any Holder or the Trustee for the Guaranteed Obligations or any of them; (5) the failure of any Holder or the Trustee to exercise any right or remedy against any other guarantor of the Guaranteed Obligations; or (6) any change in the ownership of such Subsidiary.

(c) Each Subsidiary Guarantor hereby waives any right to which it may be entitled to have its obligations hereunder divided among the Subsidiary Guarantors, such that such Subsidiary Guarantor's obligations would be less than the full amount claimed. Each Subsidiary Guarantor hereby waives any right to which it may be entitled to have the assets of the Company first be used and depleted as payment of the Company's or such Subsidiary Guarantor's obligations hereunder prior to any amounts being claimed from or paid by such Subsidiary Guarantor hereunder. Each Subsidiary Guarantor hereby waives any right to which it may be entitled to require that the Company be sued prior to an action being initiated against such Subsidiary Guarantor.

(d) Each Subsidiary Guarantor further agrees that its Note Guarantee herein constitutes a guarantee of payment, performance and compliance when due (and not a guarantee of collection) and waives any right to require that any resort be had by any Holder or the Trustee to any security held for payment of the Guaranteed Obligations.

(e) Except as expressly set forth in Sections 8.02, 11.02 and 11.08, the obligations of each Subsidiary Guarantor hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense of setoff, counterclaim, recoupment or termination whatsoever or by reason of the invalidity, illegality or unenforceability of the Guaranteed Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of each Subsidiary Guarantor herein shall not be discharged or impaired or otherwise affected by the failure of any Holder or the Trustee to assert any claim or demand or to enforce any remedy under this Indenture, the Notes or any other agreement, by any waiver or modification of any thereof, by any default, failure or delay, willful or otherwise, in the performance of the obligations, or by any other act or thing or omission or delay to do any other act or thing which may or might in any manner or to any extent vary the risk of any Subsidiary Guarantor or would otherwise operate as a discharge of any Subsidiary Guarantor as a matter of law or equity.

(f) Except as expressly set forth in Sections 8.02, 11.02 and 11.08, each Subsidiary Guarantor agrees that its Note Guarantee shall remain in full force and effect until payment in full of all the Guaranteed Obligations. Each Subsidiary Guarantor further agrees that its Note Guarantee herein shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of principal of or interest on any Guaranteed Obligation is rescinded or must otherwise be restored by any Holder or the Trustee upon the bankruptcy or reorganization of the Company or otherwise.

(g) In furtherance of the foregoing and not in limitation of any other right which any Holder or the Trustee has at law or in equity against any Subsidiary Guarantor by virtue hereof, upon the failure of the Company to pay the principal of or interest on any Guaranteed Obligation when and as the same shall become due, whether at maturity, by acceleration, by redemption or otherwise, or to perform or comply with any other Guaranteed Obligation, each Subsidiary Guarantor hereby promises to and shall, upon receipt of written demand by the Trustee, forthwith pay, or cause to be paid, in cash, to the Holders or the Trustee an amount equal to the sum of (1) the unpaid principal amount of such Guaranteed Obligations, (2) accrued and unpaid interest on such Guaranteed Obligations (but only to the extent not prohibited by law) and (3) all other monetary obligations of the Company to the Holders and the Trustee.

(h) Each Subsidiary Guarantor further agrees that, as between it, on the one hand, and the Holders and the Trustee, on the other hand, (1) the maturity of the Guaranteed Obligations guaranteed hereby may be accelerated as provided in Article 6 for the purposes of any Note Guarantee herein, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the Guaranteed Obligations guaranteed hereby, and (2) in the event of any declaration of acceleration of such Guaranteed Obligations as provided in Article 6, such Guaranteed Obligations (whether or not due and payable) shall forthwith become due and payable by such Subsidiary Guarantor for the purposes of Section 11.01.

(i) Each Guarantor also agrees to pay any and all costs and expenses (including attorneys' fees and expenses) incurred by the Trustee in enforcing any rights under Section 11.01.

(j) Upon request of the Trustee, each Subsidiary Guarantor shall execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purpose of this Indenture.

Section 11.02 *Limitation on Liability.*

Any term or provision of this Indenture to the contrary notwithstanding, the maximum aggregate amount of the Guaranteed Obligations guaranteed hereunder by any Subsidiary Guarantor shall not exceed the maximum amount that can be hereby guaranteed by the applicable Subsidiary Guarantor without rendering the Note Guarantee, as it relates to such Subsidiary Guarantor, voidable under applicable law relating to ultra vires, fraudulent conveyance, fraudulent transfer, corporate benefit, financial assistance or similar laws affecting the rights of creditors generally or other considerations under applicable law.

Section 11.03 *Successors and Assigns.*

This Article 11 shall be binding upon each Subsidiary Guarantor and its successors and assigns and shall inure to the benefit of the successors and assigns of the Trustee and the Holders and, in the event of any transfer or assignment of rights by any Holder or the Trustee, the rights and privileges conferred upon that party in this Indenture and in the Notes shall automatically extend to and be vested in such transferee or assignee, all subject to the terms and conditions of this Indenture.

Section 11.04 *No Waiver.*

Neither a failure nor a delay on the part of either the Trustee or the Holders in exercising any right, power or privilege under this Article 11 shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of any right, power or privilege. The rights, remedies and benefits of the Trustee and the Holders herein expressly specified are cumulative and not exclusive of any other rights, remedies or benefits which either may have under this Article 11 at law, in equity, by statute or otherwise.

Section 11.05 *Modification.*

No modification, amendment or waiver of any provision of this Article 11, nor the consent to any departure by any Subsidiary Guarantor therefrom, shall in any event be effective unless the same shall be in writing and signed by the Trustee, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on any Subsidiary Guarantor in any case shall entitle such Subsidiary Guarantor to any other or further notice or demand in the same, similar or other circumstances.

Section 11.06 *Execution of Supplemental Indenture for Future Guarantors.*

Each Restricted Subsidiary which is required to become a Subsidiary Guarantor pursuant to Section 4.17 shall promptly execute and deliver to the Trustee a supplemental indenture pursuant to which such Subsidiary shall become a Subsidiary Guarantor under this Article 11 and shall guarantee the Guaranteed Obligations. Concurrently with the execution and delivery of such supplemental indenture, the Company shall deliver to the Trustee an Opinion of Counsel and an Officer's Certificate to the effect that such supplemental indenture has been duly authorized, executed and delivered by such Restricted Subsidiary and that, subject to the application of bankruptcy, insolvency, moratorium, fraudulent conveyance or transfer and other similar laws relating to creditors' rights generally and to the principles of equity, whether considered in a proceeding at law or in equity, the Note Guarantee of such Subsidiary Guarantor is a legal, valid and binding obligation of such Subsidiary Guarantor, enforceable against such Subsidiary Guarantor in accordance with its terms and or to such other matters as the Trustee may reasonably request.

Section 11.07 *Non-Impairment.*

The failure to endorse a Note Guarantee on any Note shall not affect or impair the validity thereof.

Section 11.08 *Release of Guarantees.*

(a) Subject to paragraphs (b), (c) and (d), each Note Guarantee, once it becomes due, is a continuing guarantee and shall (i) remain in full force and effect until payment in full of all the Guaranteed Obligations, (ii) be binding upon each Subsidiary Guarantor and its successors and (iii) inure to the benefit of, and be enforceable by, the Trustee, the Holders and their successors, transferees and assigns.

(b) Each Note Guarantee by a Subsidiary Guarantor shall be automatically and unconditionally released and discharged, and each Subsidiary Guarantor and its obligations under the Note Guarantee, this Indenture and the Security Documents shall be released and discharged:

(1) in connection with any sale or other disposition of all or substantially all of the assets of that Subsidiary Guarantor (including by way of merger or, consolidation) to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company, if the sale or other disposition does not violate Sections 3.09 or 4.15 hereof;

(2) in connection with any sale or other disposition of the Capital Stock of that Subsidiary Guarantor to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company, if the sale or other disposition does not violate Sections 3.09 or 4.15 hereof and such Subsidiary Guarantor ceases to be a Restricted Subsidiary of the Company as a result of such sale or other disposition;

(3) if the Company designates any Restricted Subsidiary that is a Subsidiary Guarantor to be an Unrestricted Subsidiary in accordance with Section 4.18 hereof;

(4) upon Legal Defeasance or satisfaction and discharge of the Indenture as provided by Articles 8 and 12 of this Indenture;

(5) upon payment in full of the principal of, premium, if any, and accrued and unpaid interest on, the Notes and all other Obligations that are then due and payable thereunder;

(6) upon the merger or consolidation of any Subsidiary Guarantor with and into the Company or a Wholly-Owned Subsidiary Guarantor (or a Wholly-Owned Restricted Subsidiary that becomes a Subsidiary Guarantor concurrently with the transaction) that is the surviving Person in such merger or consolidation, or upon the liquidation of such Subsidiary Guarantor following the transfer of all or substantially all of its assets to the Company or a Wholly-Owned Subsidiary Guarantor (or a Wholly-Owned Restricted Subsidiary that becomes a Subsidiary Guarantor concurrently with the transaction); or

(7) as provided in Sections 9.01 or 9.02 hereof.

(c) In addition, upon an enforcement action under the Senior Secured Credit Facilities or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities resulting in the sale or disposal, directly or indirectly, (a "*Designated Subsidiary Guarantor Enforcement Sale*") of (x) all of the shares of Capital Stock of Studio City Entertainment Limited or Studio City Hotels Limited or (y) more than 50% of the voting power of the Capital Stock of (and at least 50% of the economic interests comprised in the Capital Stock of) Studio City Developments (each of Studio City Entertainment Limited, Studio City Hotels Limited and Studio City Developments, the "*Designated Subsidiary Guarantors*"), the Note Guarantees provided by the applicable Designated Subsidiary Guarantor (and the Note Guarantees provided by the direct parent company or companies of such Designated Subsidiary Guarantor, to the extent such disposal is of the shares of such parent company or companies, as well as the Note Guarantees provided by any Restricted Subsidiary of such Designated Subsidiary Guarantor) will be released by the Collateral Agent at the expense of the Company upon the written instruction of the security agent under the Senior Secured Credit Facilities or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities with no further action or consent provided by or required from the Trustee or the Holders of the Notes if such sale or disposal is conducted:

(1) in accordance with applicable law and for a consideration all or substantially all of which is in the form of cash or Cash Equivalents;

(2) other than where the Sponsor Purchase Right is exercised, pursuant to a Best Price Auction (to the extent possible under applicable law) or a fair value opinion obtained from an internationally recognized investment bank or accounting firm selected by the security agent under the Senior Secured Credit Facilities or any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities that the amount received in connection with such sale is fair from a financial point of view; and

(3) such that concurrently with the completion of such sale or disposal of the Capital Stock of any of the Designated Subsidiary Guarantors (or any direct parent company or companies thereof or any subsidiary of such Designated Subsidiary Guarantors), all Obligations of the relevant company to the Senior Secured Credit Facilities Finance Parties or the analogous parties under any Credit Facility that refinances in whole or in part the Senior Secured Credit Facilities are discharged or released.

All cash and Cash Equivalents not applied to the repayment and discharge of the Senior Secured Credit Facilities (and the payment of related costs) will be treated as "Excess Proceeds" for purposes of Sections 3.09 and 4.10 hereof.

(d) Each Holder hereby authorizes the Trustee to take all actions to effectuate any release in accordance with the provisions of this Section 11.08, subject to customary and reasonably satisfactory protections and indemnifications provided by the Company to the Trustee.

## ARTICLE 12
## SATISFACTION AND DISCHARGE

Section 12.01 *Satisfaction and Discharge.*

This Indenture will be discharged and will cease to be of further effect as to all Notes issued hereunder, when:

(1) either:

(A) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust and thereafter repaid to the Company, have been delivered to the Trustee for cancellation; or

(B) all Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one (1) year and the Company has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable U.S. Government Obligations, or a combination of cash in U.S. dollars and non-callable U.S. Government Obligations, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes not delivered to the Trustee for cancellation for principal, premium and Additional Amounts, if any, and accrued interest to the date of maturity or redemption;

(2) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Company or any Subsidiary Guarantor is a party or by which the Company or any Subsidiary Guarantor is bound;

(3) the Company or any Subsidiary Guarantor has paid or caused to be paid all sums payable by it under this Indenture; and

(4) the Company has delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at maturity or on the redemption date, as the case may be.

In addition, the Company must deliver an Officer's Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to subclause (b) of clause (1) of this Section 12.01, the provisions of Sections 12.02 and 8.06 hereof will survive.

Section 12.02 *Application of Trust Money*.

Subject to the provisions of Section 8.06 hereof, all money deposited with the Trustee pursuant to Section 12.01 hereof shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium and Additional Amounts, if any) and interest for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any cash in U.S. dollars or non-callable U.S. Government Obligations in accordance with Section 12.01 hereof by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 12.01 hereof; *provided that* if the Company has made any payment of principal of, premium or Additional Amounts, if any, or interest on, any Notes because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Notes to receive such payment from the cash in U.S. dollars or non-callable U.S. Government Obligations held by the Trustee or Paying Agent.

ARTICLE 13
MISCELLANEOUS

Section 13.01 *[Intentionally Omitted]*.

Section 13.02 *Notices.*

Any notice or communication by the Company or the Trustee to the others is duly given if in writing, in the English language, and delivered in Person or by first class mail (registered or certified, return receipt requested), facsimile transmission or overnight air courier guaranteeing next day delivery, to the others' address:

If to the Company and/or any Subsidiary Guarantor:

c/o Melco Crown Entertainment Limited
36th Floor, The Centrium
60 Wyndham Street
Central, Hong Kong
Facsimile No.: +852 2230 9438
Attention: Company Secretary

With a copy to:
Shearman & Sterling
12/F Gloucester Tower
15 Queen's Road
Central, Hong Kong
Facsimile No.: +852 2978 8000
Attention: Kyungwon Lee

If to the Trustee or Collateral Agent:
DB Trustees (Hong Kong) Limited
Level 52, International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

Facsimile No.: +852 2203 7320
Attention: The Managing Director

If to the European Registrar:
Deutsche Bank Luxembourg S.A.
2 Boulevard Konrad Adenauer
L-1115 Luxembourg

Facsimile No.: +352 437 136
Attention: Coupon Paying Department

If to the Principal Paying Agent and U.S. Registrar:
Deutsche Bank Trust Company Americas
60 Wall Street
MSNYC 60-2710
New York, New York 10005

Facsimile No.: +1 732 578 4635
Attention: Trust and Agency Services

The Company, any Subsidiary Guarantor, the Trustee, the Collateral Agent and any Agent, by notice to the others, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders) will be deemed to have been duly given: at the time delivered by hand, if personally delivered; five (5) Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if transmitted by facsimile; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery.

Any notice or communication to a Holder will be mailed by first class mail, certified or registered, return receipt requested, or by overnight air courier guaranteeing next day delivery to its address shown on the register kept by the Registrar. Failure to mail a notice or communication to a Holder or any defect in it will not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Company mails a notice or communication to Holders, it will mail a copy to the Trustee and each Agent at the same time.

Section 13.03 *Communication by Holders of Notes with Other Holders of Notes.*

Holders may communicate with other Holders with respect to their rights under this Indenture or the Notes.

Section 13.04 *Certificate and Opinion as to Conditions Precedent.*

Upon any request or application by the Company to the Trustee to take any action under this Indenture, the Company shall furnish to the Trustee:

(1) an Officer’s Certificate in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.05 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and

(2) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.05 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied.

Section 13.05 *Statements Required in Certificate or Opinion.*

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture must include:

(1) a statement that the Person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(4) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

Section 13.06 *Rules by Trustee and Agents.*

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 13.07 *No Personal Liability of Directors, Officers, Employees and Stockholders.*

No past, present or future director, officer, employee, incorporator or stockholder of the Company or any Subsidiary Guarantor, as such, will have any liability for any obligations of the Company or the Subsidiary Guarantors under the Notes, this Indenture, the Security Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

Section 13.08 *Governing Law.*

THE LAWS OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES AND THE NOTE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section 13.09 *No Adverse Interpretation of Other Agreements.*

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Company or its Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 13.10 *Successors.*

All agreements of the Company in this Indenture and the Notes will bind its successors. All agreements of the Trustee, the Collateral Agent and each Agent in this Indenture will bind their respective successors. All agreements of each Subsidiary Guarantor in this Indenture will bind their respective successors, except as otherwise provided in Section 11.05 hereof.

Section 13.11 *Severability.*

In case any provision in this Indenture or in the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 13.12 *Counterpart Originals.*

The parties may sign any number of copies of this Indenture. Each signed copy will be an original, but all of them together represent the same agreement.

Section 13.13 *Table of Contents, Headings, etc.*

The Table of Contents, Cross-Reference Table and Headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and will in no way modify or restrict any of the terms or provisions hereof.

Section 13.14 *Patriot Act*

The parties hereto acknowledge that in accordance with Section 326 of the USA Patriot Act, DB Trustees (Hong Kong) Limited, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with DB Trustees (Hong Kong) Limited or any of its Affiliates. The parties to this Agreement agree that they will provide DB Trustees (Hong Kong) Limited with such information as it may request in order for DB Trustees (Hong Kong) Limited or any of its Affiliates to satisfy the requirements of the USA Patriot Act. The parties agree that DB Trustees (Hong Kong) Limited may take and instruct any delegate to take any action which in their sole discretion considers appropriate so as to comply with any applicable law, regulation, request of a public or regulatory authority or any policy of DB Trustees (Hong Kong) Limited which relates to the prevention of fraud, money laundering, terrorism or other criminal activities or the provision of financial and other services to sanctioned persons or entities. Such action may include but is not limited to the interception and investigation of transactions on the Company's accounts (particularly those involving the international transfer of funds) including the source of the intended recipient of funds paid into or out of the Company's accounts. In certain circumstances, such action may delay or prevent the processing of the Company's instructions, the settlement of transactions over the Company's accounts or DB Trustees (Hong Kong) Limited's performance of its obligations under this Agreement, the Notes and the Security Agreements. Where possible, DB Trustees (Hong Kong) Limited will endeavor to notify the Company of the existence of such circumstances. Neither DB Trustees (Hong Kong) Limited nor any delegate will be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) caused in whole or in part by any actions which are taken by DB Trustees (Hong Kong) Limited or any delegate pursuant to this Section 13.14.

Section 13.15 *Submission to Jurisdiction; Waiver of Jury Trial*

THE COMPANY AND EACH SUBSIDIARY GUARANTOR HEREBY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK IN ANY SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THE COMPANY AND EACH SUBSIDIARY GUARANTOR IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTE GUARANTEES, THE NOTES AND ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY IN FEDERAL AND STATE COURTS IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK AND IRREVOCABLY AND UNCONDITIONALLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH SUIT OR PROCEEDING IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE TRUSTEE OR ANY HOLDER OF THE NOTES TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST THE COMPANY IN ANY OTHER JURISDICTION. THE COMPANY AND EACH SUBSIDIARY GUARANTOR IRREVOCABLY APPOINTS LAW DEBENTURE CORPORATE SERVICES INC., 4TH FLOOR, 400 MADISON AVENUE, NEW YORK, NEW YORK, 10017, AS ITS AUTHORIZED AGENT IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK UPON WHICH PROCESS MAY BE SERVED IN ANY SUCH SUIT OR PROCEEDING, AND AGREES THAT SERVICE OF PROCESS UPON SUCH AGENT, AND WRITTEN NOTICE OF SAID SERVICE TO THE COMPANY BY THE PERSON SERVING THE SAME TO THE ADDRESS PROVIDED IN SECTION 13.02, SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON THE COMPANY OR ANY SUBSIDIARY GUARANTOR, AS THE CASE MAY BE, IN ANY SUCH SUIT OR PROCEEDING. THE COMPANY AND EACH SUBSIDIARY GUARANTOR FURTHER AGREES TO TAKE ANY AND ALL ACTION AS MAY BE NECESSARY TO MAINTAIN SUCH DESIGNATION AND APPOINTMENT OF SUCH AGENT IN FULL FORCE AND EFFECT FOR A PERIOD OF NINE YEARS FROM THE DATE OF THIS INDENTURE.

EACH PARTY HERETO HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS INDENTURE, THE NOTES, THE NOTE GUARANTEES, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION 13.15 HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS SHALL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, SUPPLEMENTS OR MODIFICATIONS TO (OR ASSIGNMENTS OF) THIS INDENTURE. IN THE EVENT OF LITIGATION, THIS INDENTURE MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL (WITHOUT A JURY) BY THE COURT.

[Signatures on following page]

SIGNATURES

Dated as of , 2012

STUDIO CITY FINANCE LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY INVESTMENTS LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY COMPANY LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY HOLDING TWO LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY ENTERTAINMENT LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY SERVICES LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY HOTELS LIMITED

By: ______________________________
Name:
Title:

SCP HOLDINGS LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY HOSPITALITY AND SERVICES LIMITED

By: ______________________________
Name:
Title:

SCP ONE LIMITED

By: ______________________________

Name:

Title:

SCP TWO LIMITED

By: ______________________________

Name:

Title:

STUDIO CITY DEVELOPMENTS LIMITED

By: ______________________________

Name:

Title:

DB TRUSTEES (HONG KONG) LIMITED,
as Trustee and Collateral Agent

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

DEUTSCHE BANK TRUST COMPANY AMERICAS, as
Principal Paying Agent, U.S. Registrar and Transfer Agent

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

DEUTSCHE BANK LUXEMBOURG S.A.,
as European Registrar

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

EXHIBIT A

[Face of Note]

*[Insert the Global Note Legend, if applicable pursuant to the provisions of the Indenture]*

[*Insert the Private Placement Legend, if applicable pursuant to the provisions of the Indenture*]

**CUSIP:**
**ISIN:**
**COMMON CODE:**

8.500% Senior Notes due 2020

No. __________ US$__________

STUDIO CITY FINANCE LIMITED

Promises to pay to Cede & Co. or its registered assigns, the principal sum of [*NUMBER IN WORDS*] U.S. DOLLARS on December 1, 2020.

Interest Payment Dates: June 1 and December 1

Record Dates: May 15 and November 15

Dated: , 20

IN WITNESS WHEREOF, the Company has caused this Note to be signed manually or by facsimile by the duly authorized officers referred to below.

Dated: , 20

STUDIO CITY FINANCE LIMITED, as Company

By: ______________________________
Name:
Title:

**Certificate of Authentication**

This is one of the Notes referred to in the within-mentioned Indenture.

Dated: , 20

DEUTSCHE BANK TRUST COMPANY AMERICAS,
as Authentication Agent for the Trustee

By: ______________________________
Name:
Title:

[Back of Note]
STUDIO CITY FINANCE LIMITED
8.500% Senior Notes due 2020

Capitalized terms used herein have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

(1) *INTEREST*. Studio City Finance Limited, a BVI business company with limited liability incorporated under the laws of the British Virgin Islands (the "*Company*"), promises to pay interest on the principal amount of this Note at 8.500% per annum from , 20 until maturity. The Company will pay interest and Additional Amounts, if any, semi-annually in arrears on June 1 and December 1 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each, an "*Interest Payment Date*"). Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; *provided that* if there is no existing Default in the payment of interest, and if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; *provided further* that the first Interest Payment Date shall be , 20 . The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, at the rate equal to 1% per annum in excess of the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Additional Amounts (without regard to any applicable grace period) at the same rate to the extent lawful. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

(2) *METHOD OF PAYMENT*. The Company will pay interest on the Notes (except defaulted interest) and Additional Amounts, if any, to the Persons who are registered Holders of Notes at the close of business on the May 15 or November 15 next preceding the Interest Payment Date, even if such Notes are canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes will be payable as to principal, premium, and Additional Amounts, if any, and interest at the office or agency of the Company maintained for such purpose within or without the City and State of New York, or, at the option of the Company, payment of interest and Additional Amounts, if any, may be made by check mailed to the Holders at their addresses set forth in the register of Holders; *provided that* payment by wire transfer of immediately available funds will be required with respect to principal of and interest, premium and Additional Amounts, if any, on, all Global Notes and all other Notes, the Holders of which will have provided wire transfer instructions to the Company or the Paying Agent, and shall so notify the Trustee and each Paying Agent thereof. Such payment will be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

(3) *PAYING AGENT AND REGISTRAR*. Initially, Deutsche Bank Trust Company Americas will act as Paying Agent and U.S. Registrar and Deutsche Bank Luxembourg S.A. will act as European Registrar. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Subsidiaries may act in any such capacity.

(4) *INDENTURE AND SECURITY DOCUMENTS*. The Company issued the Notes under an Indenture dated as of November 26, 2012 (the "*Indenture*") among the Company, each Subsidiary Guarantor, the Trustee, the Collateral Agent, the Paying Agent and U.S. Registrar and the European Registrar. The terms of the Notes include those stated in the Indenture. The Notes are subject to all such terms, and Holders are referred to the Indenture and such Act for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are secured by the Notes Accounts and the Intercompany Note Proceeds Loan pursuant to the Security Documents referred to in the Indenture. The Indenture does not limit the aggregate principal amount of Notes that may be issued thereunder.

(5) *OPTIONAL REDEMPTION*.

(a) Except as set forth in subparagraphs (b) and (c) of this Paragraph 5, the Company will not have the option to redeem the Notes prior to December 1, 2015. On or after December 1, 2015, the Company may redeem all or a part of the Notes upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest and Additional Amounts, if any, on the Notes redeemed to the applicable redemption date, if redeemed during the twelve-month period beginning on December 1 of the years indicated below, subject to the rights of Holders on the relevant record date to receive interest on the relevant interest payment date:

| Year | Percentage |
|---|---|
| 2015 | 106.375% |
| 2016 | 104.250% |
| 2017 | 102.125% |
| 2018 and thereafter | 100.000% |

Unless the Company defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(b) Notwithstanding the provisions of subparagraph (a) of this Paragraph 5, at any time prior to December 1, 2015, the Company may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes issued under the Indenture at a redemption price equal to 108.500% of the principal amount thereof, *plus* accrued and unpaid interest and Additional Amounts, if any, to the redemption date (subject to the rights of the Holders on the relevant record date to receive interest on the relevant interest payment date), with the net cash proceeds of one or more Equity Offerings; *provided that* at least 65% in aggregate principal amount of the Notes originally issued under the Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption and that such redemption occurs within 45 days of the date of the closing of such Equity Offering.

(c) At any time prior to December 1, 2015, the Company may also redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' prior notice mailed by first-class mail to each Holder's registered address, at a redemption price equal to 100% of the principal amount of Notes redeemed *plus* the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to the date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

(d) The Notes may also be redeemed in the circumstances described in Section 3.10 and 3.11 of the Indenture.

(6) *MANDATORY REDEMPTION.* Other than the Special Mandatory Note Proceeds Redemption and the Special Mandatory Escrow Redemption (each described in the Indenture), the Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

(7) REPURCHASE AT THE OPTION OF HOLDER. The Notes may be subject to a Change of Control Offer or an Asset Sale Offer, as further described in Sections 3.09, 4.10 and 4.15 of the Indenture.

(8) *NOTICE OF REDEMPTION*. Notice of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction or discharge of the Indenture. Notes in denominations larger than US$250,000 may be redeemed in part but only in integral multiples of US$1,000 provided that the unredeemed part has a minimum denomination of US$250,000, unless all of the Notes held by a Holder are to be redeemed.

(9) *DENOMINATIONS, TRANSFER, EXCHANGE*. The Notes are in registered form without coupons in denominations of US$250,000 and integral multiples of US$1,000 in excess thereof. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a record date and the corresponding Interest Payment Date.

(10) *PERSONS DEEMED OWNERS.* The registered Holder may be treated as its owner for all purposes.

(11) *AMENDMENT, SUPPLEMENT AND WAIVER.* The Indenture, the Notes, the Note Guarantees, the Security Documents or the Intercompany Note Proceeds Loan may be amended as set forth in the Indenture.

(12) *DEFAULTS AND REMEDIES.* The events listed in Section 6.01 of the Indenture shall constitute "*Events of Default*" for the purpose of this Note.

(13) *TRUSTEE DEALINGS WITH COMPANY.* The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

(14) *NO RECOURSE AGAINST OTHERS.* A director, officer, employee, incorporator or stockholder of the Company, as such, will not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes.

(15) *AUTHENTICATION*. This Note will not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

(16) *ABBREVIATIONS*. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(17) *CUSIP NUMBERS*. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes, and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption, and reliance may be placed only on the other identification numbers placed thereon.

(18) *GOVERNING LAW.* THE LAWS OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THE INDENTURE AND THIS NOTE WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to:

Studio City Finance Limited
36th Floor, The Centrium
60 Wyndham Street
Central
Hong Kong
Attention: Company Secretary

## ASSIGNMENT FORM

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to: ______________________________

(Insert assignee's legal name)

______________________________

(Insert assignee's soc. sec. or tax I.D. no.)

______________________________

______________________________

______________________________

______________________________

(Print or type assignee's name, address and zip code)

and irrevocably appoint ______________________________ to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: ____________

Your Signature: ______________________________

(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: ______________________

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

*OPTION OF HOLDER TO ELECT PURCHASE*

If you want to elect to have this Note purchased by the Company pursuant to Section 4.10 or 4.15 of the Indenture, check the appropriate box below:

☐ Section 4.10 ☐ Section 4.15

If you want to elect to have only part of the Note purchased by the Company pursuant to Section 4.10 or Section 4.15 of the Indenture, state the amount you elect to have purchased:

US$____________

Date: ____________

Your Signature: ________________________________________
(Sign exactly as your name appears on the face of this Note)

Tax Identification No.: ____________________________

Signature Guarantee*: ______________

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

| Date of Exchange | Amount of decrease in Principal Amount of this Global Note | Amount of increase in Principal Amount of this Global Note | Principal Amountof this Global Note following such decrease (or increase) | Signature of authorized officer of Trustee or Custodian |
| --- | --- | --- | --- | --- |

EXHIBIT B

FORM OF CERTIFICATE OF TRANSFER

[*Company address block*]

[*Registrar address block*]

Re: 8.500% Senior Notes due 2020 of Studio City Finance Limited

Reference is hereby made to the Indenture, dated as of November 26, 2012 (the "*Indenture*"), among Studio City Finance Limited, as issuer (the "*Company*"), each Subsidiary Guarantor and DB Trustees (Hong Kong) Limited, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

__________, (the "*Transferor*") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of US$ in such Note[s] or interests (the "*Transfer*"), to (the "*Transferee*"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. ☐ **Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a Restricted Definitive Note pursuant to Rule 144A**. The Transfer is being effected pursuant to and in accordance with Rule 144A under the Securities Act of 1933, as amended (the "*Securities Act*"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A that is also a "qualified purchaser" as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended (the "*Investment Company Act*"), and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

2. ☐ **Check if Transferee will take delivery of a beneficial interest in the Regulation S Global Note or a Restricted Definitive Note pursuant to Regulation S**. The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the Restricted Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

3. ☐ **Check and complete if Transferee will take delivery of a beneficial interest in a Restricted Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S**. The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) ☐ such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;

or

(b) ☐ such Transfer is being effected to the Company or a subsidiary thereof;

or

(c) ☐ such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act.

4. ☐ **Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note**.

(a) ☐ **Check if Transfer is pursuant to Rule 144**. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act or the Company's exemption under Section 3(c)(7) of the Investment Company Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(b) ☐ **Check if Transfer is Pursuant to Regulation S**. (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act or the Company's exemption under Section 3(c)(7) of the Investment Company Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(c) ☐ **Check if Transfer is Pursuant to Other Exemption**. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act or the Company's exemption under Section 3(c)(7) of the Investment Company Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

________________________________________
[Insert Name of Transferor]

By: ______________________________________
Name:
Title:

Dated: ____________

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP ), or

(ii) ☐ Regulation S Global Note (CUSIP ); or

(b) ☐ a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP ), or

(ii) ☐ Regulation S Global Note (CUSIP ), or

(iii) ☐ Unrestricted Global Note (CUSIP ); or

(b) ☐ a Restricted Definitive Note; or

(c) ☐ an Unrestricted Definitive Note,

in accordance with the terms of the Indenture.

EXHIBIT C

FORM OF CERTIFICATE OF EXCHANGE

[*Company address block*]

[*Registrar address block*]

Re: 8.500% Senior Notes due 2020 of Studio City Finance Limited

(CUSIP )

Reference is hereby made to the Indenture, dated as of November 26, 2020 (the "*Indenture*"), among Studio City Finance Limited, as issuer (the "*Company*"), each Subsidiary Guarantor and DB Trustees (Hong Kong) Limited, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

__________, (the "*Owner*") owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of US$ in such Note[s] or interests (the "*Exchange*"). In connection with the Exchange, the Owner hereby certifies that:

1. **Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to beneficial interest in an Unrestricted Global Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the Securities Act of 1933, as amended (the "*Securities Act*"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act or the Company's exemption under Section 3(c)(7) of the Investment Company Act of 1940, as amended (the "*Investment Company Act*") and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Unrestricted Definitive Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act or the Company's exemption under Section 3(c)(7) of the Investment Company Act and (iv) the Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in an Unrestricted Global Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act or the Company's exemption under Section 3(c)(7) of the Investment Company Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) ☐ **Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act or the Company's exemption under Section 3(c)(7) of the Investment Company Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. **Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Restricted Definitive Note.** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture, the Securities Act and the Investment Company Act.

(b) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in a Restricted Global Note**. In connection with the Exchange of the Owner's Restricted Definitive Note for a beneficial interest in the [CHECK ONE] ☐ 144A Global Note, ☐ Regulation S Global Note with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture, the Securities Act and the Investment Company Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

______________________________
[Insert Name of Transferor]

By: ______________________________
Name:
Title:

Dated: ______________

EXHIBIT D

FORM OF SUPPLEMENTAL INDENTURE

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*") dated as of , among [name of New Guarantor[s]] (the "*New Guarantor*"), Studio City Finance Limited, a BVI business company with limited liability incorporated under the laws of British Virgin Islands (the "*Company*"), DB Trustees (Hong Kong) Limited, as Trustee (in such role, the "*Trustee*") and Collateral Agent, Deutsche Bank Trust Company Americas, as Principal Paying Agent, U.S. Registrar and Transfer Agent, and Deutsche Bank Luxembourg S.A., as European Registrar.

WITNESSETH:

WHEREAS the Company, the Trustee and each of the parties described above are parties to an Indenture, dated as of November 26, 2012, as amended (as amended, supplemented, waived or otherwise modified, the "*Indenture*"), providing for the issuance of the Company's 8.500% Senior Secured Notes due 2020;

WHEREAS, pursuant to Section 9.03 of the Indenture, each New Guarantor is required to execute a supplemental Indenture;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the New Guarantor, the Company, the Trustee and the other parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee. Pursuant to, and subject to the provisions of, Article 11 of the Indenture, [each][the] New Guarantor (which term includes each other New Guarantor that hereinafter guarantees the Notes pursuant to the terms of the Indenture) hereby unconditionally and irrevocably guarantees, jointly and severally with each other New Guarantor and all Subsidiary Guarantors, to each Holder and to the Trustee and their successors and assigns to the extent set forth in the Indenture and subject to the provisions thereof (a) the full and punctual payment when due, whether at Stated Maturity, by acceleration, by redemption or otherwise, of all obligations of the Company under the Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of, or interest, premium, if any, on, the Notes and all other monetary obligations of the Company under the Indenture and the Notes and (b) the full and punctual performance within applicable grace periods of all other obligations of the Company whether for fees, expenses, indemnification or otherwise under the Indenture and the Notes (all the foregoing being hereinafter collectively called the "Guaranteed Obligations"). [Each][The] New Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from such New Guarantor and that such New Guarantor[s] will remain bound under Article 11 of the Indenture, notwithstanding any extension or renewal of any Guaranteed Obligation.

The Guaranteed Obligations of [each][the] New Guarantor to the Holders of Notes and to the Trustee pursuant to the Indenture as supplemented hereby, are expressly set forth in Article 11 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee.

[*Relevant limitations imposed by local law analogous to Section 11.02 of the Indenture to be inserted, if and as applicable*].

3. Ratification of Indenture: Supplemental Indentures Part of Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and each Holder, by accepting the Notes whether heretofore or hereafter authenticated and delivered (a) agrees to and shall be bound by such provisions, (b) authorizes and directs the Trustee, on behalf of such Holder, to take such action as may be necessary or appropriate to effectuate the subordination as provided in the Indenture and (c) appoints the Trustee attorney-in-fact of such Holder for such purpose; *provided*, *however*, that [the][each] New Guarantor and each Subsidiary Guarantor shall be released from all its obligations with respect to this Guarantee in accordance with the terms of the Indenture, including Section 11.08 of the Indenture and upon any defeasance of the Notes in accordance with Article 8 of the Indenture.

4. Governing Law. **THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

5. Trustee Makes No Representation. The Trustee makes no representation as to the validity or sufficiency of this Supplemental Indenture. The recitals of fact contained herein shall be treated as statements of the other parties hereto and not the Trustee.

6. Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

7. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

[NAME OF NEW GUARANTOR], as New Guarantor,

By: ______________________________
Name:
Title:

STUDIO CITY FINANCE LIMITED, as Company

By: ______________________________
Name:
Title:

DB TRUSTEES (HONG KONG) LIMITED,
as Trustee and Collateral Agent

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Principal Paying Agent, U.S. Registrar and Transfer Agent

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

DEUTSCHE BANK LUXEMBOURG S.A., as European Registrar

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

**Exhibit 4.5**

EXECUTION VERSION

SUPPLEMENTAL INDENTURE

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*") dated as of December 7, 2012 among Studio City Holdings Three Limited, Studio City Holdings Four Limited, in each case, a BVI business company with limited liability incorporated under the laws of British Virgin Islands ( each a "*New Guarantor*"), Studio City Finance Limited, a BVI business company with limited liability incorporated under the laws of British Virgin Islands (the "*Company*"), the other Subsidiary Guarantors (as defined in the Indenture referred to herein), DB Trustees (Hong Kong) Limited, as Trustee (in such role, the "*Trustee*") and Collateral Agent, Deutsche Bank Trust Company Americas, as Principal Paying Agent, U.S. Registrar and Transfer Agent, and Deutsche Bank Luxembourg S.A., as European Registrar.

WITNESSETH:

WHEREAS the Company, the Trustee and each of the parties described above (other than the New Guarantors) are parties to an Indenture, dated as of November 26, 2012, as amended (as amended, supplemented, waived or otherwise modified, the "*Indenture*"), providing for the issuance of the Company's 8.500% Senior Secured Notes due 2020;

WHEREAS, pursuant to Section 9.03 of the Indenture, each New Guarantor is required to execute a supplemental Indenture;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, each New Guarantor, the Company, the Trustee and the other parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee. Pursuant to, and subject to the provisions of, Article 11 of the Indenture, each New Guarantor (which term includes each other New Guarantor that hereinafter guarantees the Notes pursuant to the terms of the Indenture) hereby unconditionally and irrevocably guarantees, jointly and severally with each other New Guarantor and all Subsidiary Guarantors, to each Holder and to the Trustee and their successors and assigns to the extent set forth in the Indenture and subject to the provisions thereof (a) the full and punctual payment when due, whether at Stated Maturity, by acceleration, by redemption or otherwise, of all obligations of the Company under the Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of, or interest, premium, if any, on, the Notes and all other monetary obligations of the Company under the Indenture and the Notes and (b) the full and punctual performance within applicable grace periods of all other obligations of the Company whether for fees, expenses, indemnification or otherwise under the Indenture and the Notes (all the foregoing being hereinafter collectively called the "Guaranteed Obligations"). Each New Guarantor further agrees that the Guaranteed Obligations maybe extended or renewed, in whole or in part, without notice or further assent from such New Guarantor and that such New Guarantor will remain bound under Article 11 of the Indenture, notwithstanding any extension or renewal of any Guaranteed Obligation.

The Guaranteed Obligations of the New Guarantor to the Holders of Notes and to the Trustee pursuant to the Indenture as supplemented hereby, are expressly set forth in Article 11 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee.

3. Ratification of Indenture: Supplemental Indentures Part of Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and each Holder, by accepting the Notes whether heretofore or hereafter authenticated and delivered (a) agrees to and shall be bound by such provisions, (b) authorizes and directs the Trustee, on behalf of such Holder, to take such action as may be necessary or appropriate to effectuate the subordination as provided in the Indenture and (c) appoints the Trustee attorney-in-fact of such Holder for such purpose; *provided, however*, that each New Guarantor and each Subsidiary Guarantor shall be released from all its obligations with respect to this Guarantee in accordance with the terms of the Indenture, including Section 11.08 of the Indenture and upon any defeasance of the Notes in accordance with Article 8 of the Indenture.

4. Governing Law. **THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

5. Trustee Makes No Representation. The Trustee makes no representation as to the validity or sufficiency of this Supplemental Indenture. The recitals of fact contained herein shall be treated as statements of the other parties hereto and not the Trustee.

6. Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

7. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

STUDIO CITY HOLDINGS THREE LIMITED, AS NEW GUARANTOR

By: / s / Geoffrey Davis
Name: Geoffrey Davis
Title: Authorized Signatory

STUDIO CITY HOLDINGS FOUR LIMITED, AS NEW GUARANTOR

By: / s / Geoffrey Davis
Name: Geoffrey Davis
Title: Authorized Signatory

STUDIO CITY FINANCE LIMITED, AS COMPANY

By: / s / Geoffrey Davis
Name: Geoffrey Davis
Title: Authorized Signatory

STUDIO CITY INVESTMENTS LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Geoffrey Davis
Name: Geoffrey Davis
Title: Authorized Signatory

STUDIO CITY COMPANY LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Geoffrey Davis
Name: Geoffrey Davis
Title: Authorized Signatory

STUDIO CITY HOLDINGS TWO LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Geoffrey Davis
Name: Geoffrey Davis
Title: Authorized Signatory

STUDIO CITY ENTERTAINMENT LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Geoffrey Davis
Name: Geoffrey Davis
Title: Authorized Signatory

STUDIO CITY SERVICES LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Geoffrey Davis
Name: Geoffrey Davis
Title: Authorized Signatory

STUDIO CITY HOTELS LIMITED, AS SUBSIDIARY GUARANTOR

By: /s/ Geoffrey Davis
Name: Geoffrey Davis
Title: Authorized Signatory

SCP HOLDINGS LIMITED, AS SUBSIDIARY GUARANTOR

By: /s/ Geoffrey Davis
Name: Geoffrey Davis
Title: Authorized Signatory

STUDIO CITY HOSPITALITY AND SERVICES LIMITED, AS SUBSIDIARY GUARANTOR

By: /s/ Geoffrey Davis
Name: Geoffrey Davis
Title: Authorized Signatory

SCP ONE LIMITED, AS SUBSIDIARY GUARANTOR

By: /s/ Geoffrey Davis
Name: Geoffrey Davis
Title: Authorized Signatory

SCP TWO LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Geoffrey Davis
Name: Geoffrey Davis
Title: Authorized Signatory

STUDIO CITY DEVELOPMENTS LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Geoffrey Davis
Name: Geoffrey Davis
Title: Authorized Signatory

DB TRUSTEES (HONG KONG) LIMITED, AS TRUSTEE AND COLLATERAL AGENT

By: / s / Stuart Harding
Name: Stuart Harding
Title: Authorised Signatory

By: / s / Annita Yeo Shiao Lian
Name: Annita Yeo Shiao Lian
Title: Authorised Signatory

DEUTSCHE BANK TRUST COMPANY AMERICAS, AS PRINCIPAL PAYING AGENT, U.S. REGISTRAR AND TRANSFER AGENT,
By: Deutsche Bank National Trust Company

By: / s / Wanda Camacho
Name: Wanda Camacho
Title: Vice President

By: / s / Annie Jaghatspanyan
Name: Annie Jaghatspanyan
Title: Vice President

DEUTSCHE BANK LUXEMBOURG S.A., AS EUROPEAN REGISTRAR

By: / s / Stuart Harding
Name: Stuart Harding
Title: Attorney

By: / s / Annita Yeo Shiao Lian
Name: Annita Yeo Shiao Lian
Title: Attorney

**Exhibit 4.6**

SUPPLEMENTAL INDENTURE

SECOND SUPPLEMENTAL INDENTURE (this "*Second Supplemental Indenture*") dated as of January 21, 2013 among Studio City Retail Services Limited, a company with limited liability incorporated under the laws of Macau (the "*New Guarantor*"), Studio City Finance Limited, a BVI business company with limited liability incorporated under the laws of British Virgin Islands (the "*Company*"), the other Subsidiary Guarantors (as defined in the Indenture referred to herein), DB Trustees (Hong Kong) Limited, as Trustee (in such role, the "*Trustee*") and Collateral Agent, Deutsche Bank Trust Company Americas, as Principal Paying Agent, U.S. Registrar and Transfer Agent, and Deutsche Bank Luxembourg S.A., as European Registrar.

WITNESSETH:

WHEREAS the Company, the Trustee and each of the parties described above (other than the New Guarantor) are parties to an Indenture, dated as of November 26, 2012, as amended and supplemented by the Supplemental Indenture dated December 7, 2012 (as amended, supplemented, waived or otherwise modified, the "*Indenture*"), providing for the issuance of the Company's 8.500% Senior Secured Notes due 2020;

WHEREAS, pursuant to Section 9.03 of the Indenture, each New Guarantor is required to execute a supplemental Indenture;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the New Guarantor, the Company, the Trustee and the other parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee. Pursuant to, and subject to the provisions of, Article 11 of the Indenture, the New Guarantor (which term includes each other New Guarantor that hereinafter guarantees the Notes pursuant to the terms of the Indenture) hereby unconditionally and irrevocably guarantees, jointly and severally with each other New Guarantor and all Subsidiary Guarantors, to each Holder and to the Trustee and their successors and assigns to the extent set forth in the Indenture and subject to the provisions thereof (a) the full and punctual payment when due, whether at Stated Maturity, by acceleration, by redemption or otherwise, of all obligations of the Company under the Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of, or interest, premium, if any, on, the Notes and all other monetary obligations of the Company under the Indenture and the Notes and (b) the full and punctual performance within applicable grace periods of all other obligations of the Company whether for fees, expenses, indemnification or otherwise under the Indenture and the Notes (all the foregoing being hereinafter collectively called the "Guaranteed Obligations"). The New Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from the New Guarantor and that the New Guarantor will remain bound under Article 11 of the Indenture, notwithstanding any extension or renewal of any Guaranteed Obligation.

The Guaranteed Obligations of the New Guarantor to the Holders of Notes and to the Trustee pursuant to the Indenture as supplemented hereby, are expressly set forth in Article 11 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee.

3. Ratification of Indenture: Supplemental Indentures Part of Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Second Supplemental Indenture shall form a part of the Indenture for all purposes, and each Holder, by accepting the Notes whether heretofore or hereafter authenticated and delivered (a) agrees to and shall be bound by such provisions, (b) authorizes and directs the Trustee, on behalf of such Holder, to take such action as may be necessary or appropriate to effectuate the subordination as provided in the Indenture and (c) appoints the Trustee attorney-in-fact of such Holder for such purpose; *provided, however,* that the New Guarantor and each Subsidiary Guarantor shall be released from all its obligations with respect to this Guarantee in accordance with the terms of the Indenture, including Section 11.08 of the Indenture and upon any defeasance of the Notes in accordance with Article 8 of the Indenture.

4. Governing Law. **THIS SECOND SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

5. Trustee Makes No Representation. The Trustee makes no representation as to the validity or sufficiency of this Second Supplemental Indenture. The recitals of fact contained herein shall be treated as statements of the other parties hereto and not the Trustee.

6. Counterparts. The parties may sign any number of copies of this Second Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

7. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed as of the date first above written.

STUDIO CITY RETAIL SERVICES LIMITED, AS NEW GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY FINANCE LIMITED, AS COMPANY

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY INVESTMENTS LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY COMPANY LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY HOLDINGS TWO LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY ENTERTAINMENT LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY SERVICES LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY HOTELS LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

SCP HOLDINGS LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY HOSPITALITY AND SERVICES LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

SCP ONE LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

SCP TWO LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY DEVELOPMENTS LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY HOLDINGS THREE LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY HOLDINGS FOUR LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

Signature Page to Second Supplemental Indenture

DB TRUSTEES (HONG KONG) LIMITED, AS TRUSTEE AND COLLATERAL AGENT

By: /s/ Annita Yeo Shiao Lian
Name: Annita Yeo Shiao Lian
Title: Authorised Signatory

By: /s/ Christina Nip
Name: Christina Nip
Title: Authorised Signatory

DEUTSCHE BANK TRUST COMPANY AMERICAS, AS PRINCIPAL PAYING AGENT, U.S. REGISTRAR AND TRANSFER AGENT,
By: Deutsche Bank National Trust Company

By: /s/ Chris Niesz
Name: Chris Niesz
Title: Associate

By: /s/ Kelvin Vargas
Name: Kelvin Vargas
Title: Associate

DEUTSCHE BANK LUXEMBOURG S.A., AS EUROPEAN REGISTRAR

By: /s/ Annita Yeo Shiao Lian
Name: Annita Yeo Shiao Lian
Title: Attorney

By: /s/ Christina Nip
Name: Christina Nip
Title: Attorney

**Exhibit 4.7**

SUPPLEMENTAL INDENTURE

THIRD SUPPLEMENTAL INDENTURE (this "*Third Supplemental Indenture*") dated as of September 26, 2013 among SCIP Holdings Limited, a company with limited liability incorporated under the laws of the British Virgin Islands (the "*New Guarantor*"), Studio City Finance Limited, a BVI business company with limited liability incorporated under the laws of British Virgin Islands (the "*Company*"), the other Subsidiary Guarantors (as defined in the Indenture referred to herein), DB Trustees (Hong Kong) Limited, as Trustee (in such role, the "*Trustee*") and Collateral Agent, Deutsche Bank Trust Company Americas, as Principal Paying Agent, U.S. Registrar and Transfer Agent, and Deutsche Bank Luxembourg S.A., as European Registrar.

WITNESSETH:

WHEREAS the Company, the Trustee and each of the parties described above (other than the New Guarantor) are parties to an Indenture, dated as of November 26, 2012, as amended and supplemented by the Supplemental Indenture dated December 7, 2012 and as further amended and supplemented by the Supplemental Indenture dated January 21, 2013 (as amended, supplemented, waived or otherwise modified, the "*Indenture*"), providing for the issuance of the Company's 8.500% Senior Secured Notes due 2020;

WHEREAS, pursuant to Section 9.03 of the Indenture, each New Guarantor is required to execute a supplemental Indenture;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the New Guarantor, the Company, the Trustee and the other parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee. Pursuant to, and subject to the provisions of, Article 11 of the Indenture, the New Guarantor (which term includes each other New Guarantor that hereinafter guarantees the Notes pursuant to the terms of the Indenture) hereby unconditionally and irrevocably guarantees, jointly and severally with each other New Guarantor and all Subsidiary Guarantors, to each Holder and to the Trustee and their successors and assigns to the extent set forth in the Indenture and subject to the provisions thereof (a) the full and punctual payment when due, whether at Stated Maturity, by acceleration, by redemption or otherwise, of all obligations of the Company under the Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of, or interest, premium, if any, on, the Notes and all other monetary obligations of the Company under the Indenture and the Notes and (b) the full and punctual performance within applicable grace periods of all other obligations of the Company whether for fees, expenses, indemnification or otherwise under the Indenture and the Notes (all the foregoing being hereinafter collectively called the "*Guaranteed Obligations*"). The New Guarantor further agrees that the Guaranteed Obligations maybe extended or renewed, in whole or in part, without notice or further assent from the New Guarantor and that the New Guarantor will remain bound under Article 11 of the Indenture, notwithstanding any extension or renewal of any Guaranteed Obligation.

The Guaranteed Obligations of the New Guarantor to the Holders of Notes and to the Trustee pursuant to the Indenture as supplemented hereby, are expressly set forth in Article 11 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee.

3. Ratification of Indenture: Supplemental Indentures Part of Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Third Supplemental Indenture shall form a part of the Indenture for all purposes, and each Holder, by accepting the Notes whether heretofore or hereafter authenticated and delivered (a) agrees to and shall be bound by such provisions, (b) authorizes and directs the Trustee, on behalf of such Holder, to take such action as may be necessary or appropriate to effectuate the subordination as provided in the Indenture and (c) appoints the Trustee attorney-in-fact of such Holder for such purpose; *provided*, *however*, that the New Guarantor and each Subsidiary Guarantor shall be released from all its obligations with respect to this Guarantee in accordance with the terms of the Indenture, including Section 11.08 of the Indenture and upon any defeasance of the Notes in accordance with Article 8 of the Indenture.

4. Governing Law. **THIS THIRD SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

5. Trustee Makes No Representation. The Trustee makes no representation as to the validity or sufficiency of this Third Supplemental Indenture. The recitals of fact contained herein shall be treated as statements of the other parties hereto and not the Trustee.

6. Counterparts. The parties may sign any number of copies of this Third Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

7. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed as of the date first above written.

SCIP HOLDINGS LIMITED, AS NEW GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY FINANCE LIMITED, AS COMPANY

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY INVESTMENTS LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY COMPANY LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY HOLDINGS TWO LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY ENTERTAINMENT LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY SERVICES LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY HOTELS LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

SCP HOLDINGS LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY HOSPITALITY AND SERVICES LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

SCP ONE LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

SCP TWO LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY DEVELOPMENTS LIMITED, AS SUBSIDIARY GUARANTOR

By: / s / Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY HOLDINGS THREE LIMITED, AS SUBSIDIARY GUARANTOR

By: /s/ Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY HOLDINGS FOUR LIMITED, AS SUBSIDIARY GUARANTOR

By: /s/ Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

STUDIO CITY RETAIL SERVICES LIMITED, AS SUBSIDIARY GUARANTOR

By: /s/ Chung Yuk Man
Name: Chung Yuk Man
Title: Authorized Signatory

DB TRUSTEES (HONG KONG) LIMITED, AS TRUSTEE AND COLLATERAL AGENT

By: / s / Pauline Lee
Name: Pauline Lee
Title: Authorised Signatory

By: / s / Stuart Harding
Name: Stuart Harding
Title: Authorised Signatory

DEUTSCHE BANK TRUST COMPANY AMERICAS, AS PRINCIPAL PAYING AGENT, U.S. REGISTRAR AND TRANSFER AGENT,
By: Deutsche Bank National Trust Company

By: / s / Chris Niesz
Name: Chris Niesz
Title: Associate

By: / s / Kelvin Vargas
Name: Kelvin Vargas
Title: Associate

DEUTSCHE BANK LUXEMBOURG S.A., AS EUROPEAN REGISTRAR

By: / s / Pauline Lee
Name: Pauline Lee
Title: Attorney

By: / s / Stuart Harding
Name: Stuart Harding
Title: Attorney

**Exhibit 4.8**

FOURTH SUPPLEMENTAL INDENTURE

FOURTH SUPPLEMENTAL INDENTURE (this "*Fourth Supplemental Indenture*") dated as of July 30, 2018 among Studio City (HK) Two Limited (the "*New Guarantor*"), Studio City Finance Limited, a BVI business company with limited liability incorporated under the laws of British Virgin Islands (the "*Company*"), certain subsidiaries of the Company (the "*Subsidiary Guarantors*" and, together with the New Guarantor, the "*Guarantors*"), DB Trustees (Hong Kong) Limited, as Trustee (in such role, the "*Trustee*") and Collateral Agent , Deutsche Bank Trust Company Americas, as Principal Paying Agent , U.S. Registrar and Transfer Agent, and Deutsche Bank Luxembourg S.A., as European Registrar.

WITNESSETH:

WHEREAS the Company, the Trustee and each of the parties described above are parties to an Indenture, dated as of November 26, 2012, as amended (as amended, supplemented, waived or otherwise modified, the "*Indenture*"), providing for the issuance of the Company's 8.500% Senior Secured Notes due 2020;

WHEREAS, pursuant to Sections 4.17(a)(l) and 9.03 of the Indenture, the New Guarantor is required to execute a supplemental Indenture;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the New Guarantor, the Company, the Trustee and the other parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee. Pursuant to, and subject to the provisions of, Article 11 of the In denture, the New Guarantor (which term includes each other New Guarantor that hereinafter guarantees the Notes pursuant to the terms of the Indenture) hereby unconditionally and irrevocably guarantees, jointly and severally with each other Guarantor, to each Holder and to the Trustee and their successors and assigns to the extent set forth in the Indenture and subject to the provisions thereof (a) the full and punctual payment when due, whether at Stated Maturity, by acceleration, by redemption or otherwise, of all obligations of the Company under the Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of, or interest, premium, if any, on, the Notes and all other monetary obligations of the Company under the Indenture and the Notes and (b) the full and punctual performance within applicable grace periods of all other obligations of the Company whether for fees, expenses, indemnification or otherwise under the Indenture and the Notes (all the foregoing being hereinafter collectively called the "Guaranteed Obligations"). The New Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from such New Guarantor and that such New Guarantor will remain bound under Article 11 of the Indenture, notwithstanding any extension or renewal of any Guaranteed Obligation.

The Guaranteed Obligations of the New Guarantor to the Holders of Notes and to the Trustee pursuant to the Indenture as supplemented hereby, are expressly set forth in Article 11 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee.

3. Ratification of Indenture: Supplemental Indentures Part of Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Fourth Supplemental Indenture shall form a part of the Indenture for all purposes, and each Holder, by accepting the Notes whether heretofore or hereafter authenticated and delivered (a) agrees to and shall be bound by such provisions, (b) authorizes and directs the Trustee , on behalf of such Holder, to take such action as may be necessary or appropriate to effectuate the subordination as provided in the Indenture and (c) appoints the Trustee attorney-in-fact of such Holder for such purpose; provided, however, that each Guarantor shall be released from all its obligations with respect to this Guarantee in accordance with the terms of the Indenture, including Section 11.08 of the Indenture and upon any defeasance of the Notes in accordance with Article 8 of the Indenture.

4. Governing Law. **THIS FOURTH SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

5. Trustee Makes No Representation. The Trustee makes no representation as to the validity or sufficiency of this Fourth Supplemental Indenture. The recitals of fact contained herein shall be treated as statements of the other parties hereto and not the Trustee.

6. Counterparts. The parties may sign any number of copies of this Fourth Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

7. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction thereof.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Supplemental Indenture to be duly executed as of the date first above written.

STUDIO CITY (HK) TWO LIMITED, as New Guarantor,

By: /s/ Stephanie Cheung
Name: Stephanie Cheung
Title: Sole Director

STUDIO CITY FINANCE LIMITED, as Company,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY INVESTMENTS LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY COMPANY LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

*[Signature Page to the 2020 Notes Fourth Supplemental Indenture]*

STUDIO CITY HOLDINGS TWO LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY HOLDINGS THREE LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY HOLDINGS FOUR LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY ENTERTAINMENT LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

*[Signature Page to the 2020 Notes Fourth Supplemental Indenture]*

STUDIO CITY SERVICES LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY HOTELS LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

SCP HOLDINGS LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

SCIP HOLDINGS LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

*[Signature Page to the 2020 Notes Fourth Supplemental Indenture]*

STUDIO CITY HOSPITALITY AND SERVICES LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

SCP ONE LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

SCP TWO LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY DEVELOPMENTS LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY RETAIL SERVICES LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

*[Signature Page to the 2020 Notes Fourth Supplemental Indenture]*

DB TRUSTEES (HONG KONG) LIMITED, as Trustee and Collateral Agent,

By: /s/ Howard Hao-Jan Yu
Name: Howard Hao-Jan Yu
Title: Authorized Signatory

By: /s/ Stuart Harding
Name: Stuart Harding
Title: Director

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Principal Paying Agent, U.S. Registrar and Transfer Agent,
By: Deutsche Bank National Trust Company

By: /s/ Chris Niesz
Name: Chris Niesz
Title: Vice President

By: /s/ Debra A. Schwalb
Name: Debra A. Schwalb
Title: Vice President

DEUTSCHE BANK LUXEMBOURG S.A., as European Registrar,

By: /s/ Howard Hao-Jan Yu
Name: Howard Hao-Jan Yu
Title: Attorney

By: /s/ Stuart Harding
Name: Stuart Harding
Title: Attorney

*[Signature Page to the 2020 Notes Fourth Supplemental Indenture]*

**Exhibit 4.9**

**EXECUTION VERSION**

**STUDIO CITY COMPANY LIMITED**,

as Company

**THE GUARANTORS PARTIES HERETO**,

**5.875% SENIOR SECURED NOTES DUE 2019**

---

**INDENTURE**

**November 30, 2016**

---

**DEUTSCHE BANK TRUST COMPANY AMERICAS**,

as Trustee, Paying Agent, Registrar and Transfer Agent

and

THE OTHER PERSONS FROM TIME TO TIME PARTY HERETO

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INDENTURE dated as of November 30, 2016 among Studio City Company Limited, a BVI business company with limited liability incorporated under the laws of the British Virgin Islands with company number 1673603 (the "*Company*"), Studio City Investments Limited (the "*Parent Guarantor*"), and certain subsidiaries of the Parent Guarantor from time to time parties hereto and Deutsche Bank Trust Company Americas, as Trustee, Paying Agent, Registrar and Transfer Agent. On or about the Issue Date, each of the Security Agent and the Intercreditor Agent (as such terms defined below) will accede to this Indenture by delivering a duly and validly executed supplemental indenture substantially in the form of Exhibit D.

Each party agrees as follows for the benefit of each other and for the other parties hereto and for the equal and ratable benefit of the Holders (as defined herein) of the 5.875% Senior Secured Notes due 2019 (the "*Notes*"):

## ARTICLE 1
## DEFINITIONS

Section 1.01 *Definitions.*

"*144A Global Note*" means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee, that will be issued in a denomination equal (subject to a maximum denomination of US$500 million) to the outstanding principal amount of the Notes sold in reliance on Rule 144A.

"*2021 Notes*" means the Senior Notes due 2021 to be issued on or about the Issue Date by the Company.

"*2021 Notes Guarantees*" means a guarantee by each guarantor of the Company's Obligations under the 2021 Notes Indenture and the 2021 Notes.

"*2021 Notes Indenture*" means an indenture for the 2021 Notes, as amended or supplemented from time to time between, among others, the Company, the Parent Guarantor and 2021 Notes Trustee.

"*2021 Note Interest Accrual Account*" means a U.S. dollar-denominated note interest accrual account (together with any sub-accounts or related accounts, including for term deposits, established in connection therewith) established by, and in the name of, the Company with the Account Bank.

"*2021 Notes Trustee*" means Deutsche Bank Trust Company Americas until a successor replaces it in accordance with the applicable provisions of the 2019 Notes Indenture and thereafter means the successor serving hereunder.

"*2020 Notes*" means the 8.500% Senior Notes due 2020 of Studio City Finance.

"*Account Bank*" means Bank of China Limited, Macau Branch and its successor and assignee named pursuant to any document evidencing the Note Interest Accrual Accounts.

"*Acquired Indebtedness*" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is Incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"*Additional Notes*" means additional Notes (other than the Initial Notes) issued under this Indenture in accordance with Section 2.02 and Section 4.09 hereof, as part of the same series as the Initial Notes; *provided that* any Additional Notes that are not fungible with the Notes for U.S. federal income tax purposes shall have a separate CUSIP, ISIN or other identifying number than any previously issued Notes, but shall otherwise be treated as a single class with all other Notes issued under this Indenture.

“*Additional Intercreditor Agreement*” means any intercreditor agreement entered into in connection with the Incurrence of any Indebtedness that is permitted to share the Collateral or that is otherwise permitted to be incurred under this Indenture, by the Company, the relevant Guarantors, the Trustee, the Security Agent and the Intercreditor Agent (without the consent of Holders) on terms substantially similar to the Intercreditor Agreement (or on terms more favorable to the Holders) or an accession or amendment to or an amendment and restatement of the Intercreditor Agreement (which accession or amendment does not adversely affect the rights of the Holders).

“*Additional 2021 Notes*” means additional 2021 Notes (other than the Initial 2021 Notes) issued under the 2021 Notes Indenture, as part of the same series as the Initial 2021 Notes; provided that any Additional 2021 Notes that are not fungible with the 2021 Notes for U.S. federal income tax purposes shall have a separate CUSIP, ISIN or other identifying number than any previously issued 2021 Notes, but shall otherwise be treated as a single class with all other 2021 Notes issued under the 2021 Notes Indenture.

“*Affiliate*” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “*control*,” as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; *provided that* beneficial ownership of 10% or more of the Voting Stock of a Person will be deemed to be control. For purposes of this definition, the terms “*controlling*,” “*controlled by*” and “*under common control with*” have correlative meanings.

“*Agent*” means any Registrar, co-registrar, Paying Agent, Transfer Agent or additional paying agents or transfer agents.

“*Applicable Premium*” means, with respect to any Note on any redemption date, the greater of:

1. 1.0% of the principal amount of the Note; or
2. the excess of:
   - (a) the present value at such redemption date of (i) the principal amount of the Note at November 30, 2019, plus (ii) all required interest payments due on the Note through November 30, 2019 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over
   - (b) the principal amount of the Note, if greater,

as calculated by the Company or on behalf of the Company by such Person as the Company may engage. For the avoidance of doubt, calculation of the Applicable Premium shall not be a duty or obligation of the Trustee, the 2021 Notes Trustee, the Paying Agent or the Registrar.

“*Applicable Procedures*” means, with respect to any transfer or exchange of or for beneficial interests in any Global Note, the rules and procedures of the Depositary, Euroclear and Clearstream, Luxembourg that apply to such transfer or exchange.

"*Asset Sale*" means:

(1) the sale, lease, conveyance or other disposition of any assets or rights; *provided that* the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole will be governed by the provisions of this Indenture described in Section 4.15 hereof and/or the provisions described in Section 5.01 hereof and not by the provisions of Section 4.10 hereof;

(2) the issuance of Equity Interests in any of the Restricted Subsidiaries of the Parent Guarantor or the sale of Equity Interests in any of the Parent Guarantor's Subsidiaries; and

(3) any Event of Loss.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than US$5.0 million;

(2) a transfer of assets between or among the Parent Guarantor and its Restricted Subsidiaries;

(3) an issuance of Equity Interests by a Restricted Subsidiary of the Parent Guarantor to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor;

(4) the sale, license, transfer, lease (including the right to use) or other disposal of products, services, rights, accounts receivable, undertakings, establishments or other current assets or cessation of any undertaking or establishment in the ordinary course of business (including pursuant to any shared services agreements (including the MSA), Revenue Sharing Agreement or any construction and development activities) and any sale or other disposition of damaged, worn-out, surplus or obsolete assets in the ordinary course of business;

(5) the sale or other disposition of cash or Cash Equivalents;

(6) any transfer, termination or unwinding or other disposition of Hedging Obligations in the ordinary course of business;

(7) a transaction covered under Section 5.01 or Section 4.15;

(8) the lease of, right to use or equivalent interest under Macau law on that portion of real property granted to Studio City Developments Limited pursuant to the applicable land concession granted by the government of the Macau SAR in connection with the development of the Phase II Project in accordance with such applicable land concession;

(9) a Restricted Payment that does not violate the provisions of Section 4.07 hereof or a Permitted Investment, and any other payment under the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA and any transactions or arrangements involving contractual rights under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof;

(10) the (i) lease, sublease, license or right to use of any portion of the Property to persons who, either directly or through Affiliates of such persons, intend to develop, operate or manage gaming, hotel, nightclubs, bars, restaurants, malls, amusements, attractions, recreation, spa, pool, exercise or gym facilities, or entertainment facilities or venues or retail shops or venues or similar or related establishments or facilities within the Property and (ii) the grant of declarations of covenants, conditions and restrictions and/or easements or other rights to use with respect to common area spaces and similar instruments benefiting such tenants of such lease, subleases licenses and rights to use generally and/or entered into connection with the Property (collectively, the "*Venue Easements*"); *provided that* no Venue Easements or operations conducted pursuant thereto would reasonably be expected to materially interfere with, or materially impair or detract from, the operation of the Property;

(11) the dedication of space or other dispositions of property in connection with and in furtherance of constructing structures or improvements reasonably related to the development, construction and operation of the Property; *provided*, that in each case such dedication or other disposition is in furtherance of, and does not materially impair or interfere with the use or operations (or intended use or operations) of, the Property;

(12) the granting of easements, rights of way, rights of access and/or similar rights to any governmental authority, utility providers, cable or other communication providers and/or other parties providing services or benefits to the Property, the real property held by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor or the public at large that would not reasonably be expected to interfere in any material respect with the construction, development or operation of the Property;

(13) the granting of a lease, right to use or equivalent interest to Melco Crown Macau for purposes of operating a gaming facility under the Services and Right to Use Agreement and any related agreements, or any transactions or arrangements contemplated thereby;

(14) the grant of licenses to intellectual property rights to third Persons (other than Affiliates of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor) on an arm's length basis in the ordinary course of business or to Melco Crown Macau and its Affiliates in the ordinary course of business;

(15) [Reserved];

(16) transfers, assignments or dispositions constituting an Incurrence of a Permitted Lien (but not the actual sale or other disposition of the property subject to such Lien); and

(17) any surrender or waiver of contractual rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business.

"*Attributable Debt*" in respect of a sale and leaseback transaction means, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP.

"*Bankruptcy Law*" means (i) the United States Bankruptcy Code of 1978 or any similar U.S. federal or state law for the relief of debtors, (ii) the provisions of the Code of Civil Procedure of Macau that deal with the placement of a debtor into liquidation, the administration and disposal of its assets, the distribution of the proceeds thereof and the alternatives to such liquidation, or any laws of similar effect, and (iii) those laws included, principally within (but not limited to) the BVI Business Companies Act, 2004 (as amended) and the Insolvency Act, 2007 (as amended) concerning the solvency and insolvency of BVI companies.

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

"*Board of Directors*" means:

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

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

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

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

"*Business Day*" means any day other than a Legal Holiday.

"*Capital Lease Obligation*" means, at the time any determination is to be made, the amount of the liability in respect of a finance or capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"*Capital Stock*" means:

(1) in the case of a corporation, corporate stock or shares;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"*Cash Equivalents*" means:

(1) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (*provided that* the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than six months from the date of acquisition;

(2) demand deposits, certificates of deposit, time deposits and eurodollar time deposits with maturities of 12 months or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case, with any commercial bank organized under the laws of Macau, Hong Kong, a member state of the European Union or of the United States of America or any state thereof having capital and surplus in excess of US$500.0 million (or the foreign currency equivalent thereof as of the date of such investment) and whose long-term debt is rated "A-3" or higher by Moody's or "A-" or higher by S&P or the equivalent rating category or another internationally recognized rating agency or, with respect to any Note Interest Accrual Account, any bank with which the Company maintains such account, in each case pursuant to the terms of the document governing such Note Interest Accrual Account;

(3) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (1) and (2) above entered into with any financial institution meeting the qualifications specified in clause (2) above;

(4) commercial paper having one of the two highest ratings obtainable from Moody's or S&P and, in each case, maturing within 12 months after the date of acquisition; and

(5) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (4) of this definition.

"*Casualty*" means any casualty, loss, damage, destruction or other similar loss with respect to real or personal property or improvements.

"*Change of Control*" means the occurrence of any of the following:

(1) MCE's equity securities not being listed on at least one of the following:

(a) The Hong Kong Stock Exchange;

(b) The NASDAQ Stock Market; or

(c) The New York Stock Exchange;

(2) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Parent Guarantor and its Subsidiaries taken as a whole to any "person" or "group" (as such terms are used in Section 13(d) of the Exchange Act) (other than a Sponsor or a Related Party of a Sponsor);

(3) the adoption of a plan relating to the liquidation or dissolution of the Parent Guarantor or the Company;

(4) prior to the consummation of a Qualifying Event, the first day on which:

(A) MCE ceases to own, directly or indirectly (through a Subsidiary), a majority of the outstanding Equity Interests and/or Voting Stock of each of the Parent Guarantor, Melco Crown Macau and Studio City Holdings Five Limited (or any Person which becomes a "Golden Shareholder" and/or a "Preference Holder" under the Direct Agreement pursuant to the terms thereof); or

(B) MCE ceases to have, directly or indirectly (through a Subsidiary), the power to nominate a number of directors on the Board of Directors of the Parent Guarantor who are entitled to cast a majority of the votes which may be cast at a meeting of the Board of Directors of the Parent Guarantor;

(5) upon or after the consummation of a Qualifying Event, the first day on which:

(A) MCE ceases to own, directly or indirectly (through a subsidiary), at least 35% of the outstanding Equity Interests and/or Voting Stock of each of the Parent Guarantor, Melco Crown Macau and Studio City Holdings Five Limited (or any Person which becomes a "Golden Shareholder" and/or a "Preference Holder" under the Direct Agreement pursuant to the terms thereof); or

(B) any "*person*" or "*group*" (as such terms are used in Section 13(d) of the Exchange Act), other than MCE or a Related Party of MCE, is or becomes (i) the Beneficial Owner, directly or indirectly, of a larger percentage of the outstanding Equity Interests and/or Voting stock of either the Parent Guarantor or Melco Crown Macau than MCE, or (ii) entitled to nominate a number of directors on the Board of Directors of the Parent Guarantor who are entitled to cast a majority of the votes which may be cast at a meeting of the Board of Directors of the Parent Guarantor; or

(6) the first day on which the Parent Guarantor ceases to own, directly or indirectly (through a subsidiary), 100% of the outstanding Equity Interests and/or Voting Stock of the Company.

"*Clearstream, Luxembourg*" means Clearstream Banking société anonyme.

"*Collateral*" means the rights, property and assets securing the Notes and the Note Guarantees and any rights, property or assets in which a security interest has been or will be granted on the Issue Date or thereafter to secure the Obligations of the Company and the Guarantors under the Notes, the Note Guarantees and this Indenture.

"*Common Collateral*" means the Collateral other than the Credit-Specific Transaction Security.

"*Company*" means Studio City Company Limited, and any and all successors thereto.

"*Condemnation*" means any taking by a Governmental Authority of assets or property, or any part thereof or interest therein, for public or quasi-public use under the power of eminent domain, by reason of any public improvement or condemnation or in any other manner.

"*Consolidated Net Income*" means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; *provided that*:

(1) the Net Income (or loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions actually paid in cash to, or the amount of loss actually funded in cash by, the specified Person or a Restricted Subsidiary of the Person;

(2) the Net Income of any Restricted Subsidiary that is not a Subsidiary Guarantor will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that Net Income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders *provided, however*, that Consolidated Net Income of the specified Person will be increased by the amount of dividends or similar contributions actually paid in cash (or to the extent converted into cash) to the specified Person or any of its Restricted Subsidiaries that is a Subsidiary Guarantor, to the extent not already included therein;

(3) the cumulative effect of a change in accounting principles will be excluded; and

(4) charges or expenses related to deferred financing fees and Indebtedness issuance costs, including related commissions, fees and expenses, premiums paid or other expenses incurred directly in connection with any early extinguishment of Indebtedness and any net gain (loss) from any write-off, extinguishment, repurchase, cancellation or forgiveness of Indebtedness will be excluded.

"*Corporate Trust Office of the Trustee*" will be at the address of the Trustee specified in Section 13.02 hereof or such other address as to which the Trustee may give notice to the Company.

"*Credit Facilities*" means one or more debt facilities (including, without limitation, the Senior Secured Credit Facilities) or commercial paper facilities, in each case, with banks or other lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables), letters of credit or other forms of Indebtedness, in each case, as amended, restated, modified, renewed, refunded, replaced (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to investors) in whole or in part from time to time; *provided* that in no event shall such amendment, restatement, modification, renewable, refunding, replacement or refinancing result in the Parent Guarantor and its Restricted Subsidiaries not having any debt facilities which would have the effect of impairing any security interest over any of the assets comprising the Collateral for the benefit of the Holders (including the priority thereof).

"*Credit Facilities Documents*" means the collective reference to any Credit Facilities, any notes issued pursuant thereto and the guarantees thereof, and the collateral or other documents relating thereto, as amended, supplemented, restated, renewed, refunded, replaced, restructured, repaid, refinanced or otherwise modified, in whole or in part, from time to time.

"*Credit-Specific Transaction Security*" means:

(a) the Lien over the Note Interest Accrual Account;

(b) the Lien over the cash collateral account securing the term loan portion of the Senior Secured Credit Facilities;

(c) the Lien over any interest accrual account or debt service reserve account established in connection with any *pari passu* Indebtedness; and

(d) the Lien over the 2021 Note Interest Accrual Account.

"*Custodian*" means Deutsche Bank Trust Company Americas, as custodian with respect to the Notes in global form, or any successor entity thereto.

"*Debt Documents*" means the definitive documents in respect to the Secured Obligations as determined in accordance with the Intercreditor Agreement.

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

"*Definitive Note*" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06 hereof, substantially in the form of Exhibit A hereto, except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"*Depositary*" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03 hereof as the Depositary with respect to the Notes, and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provision of this Indenture.

"*Direct Agreement*" means the direct agreement dated November 26, 2013, in relation to (a) the Services and Rights to Use Agreement and (b) the Reinvestment Agreement.

"*Disbursement Agreements*" means the Note Disbursement and Account Agreement and the Senior Disbursement Agreement.

"*Disqualified Stock*" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the date on which the Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Parent Guarantor to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Parent Guarantor may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 4.07 hereof. The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Indenture will be the maximum amount that the Parent Guarantor may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"*EBITDA*" means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period plus, without duplication:

(1) an amount equal to any extraordinary loss plus any net loss realized by such Person or any of its Restricted Subsidiaries in connection with an Asset Sale, to the extent such losses were deducted in computing such Consolidated Net Income; *plus*

(2) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; *plus*

(3) the Fixed Charges of such Person and its Restricted Subsidiaries for such period, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; *plus*

(4) depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period), of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income; *plus*

(5) any non-cash compensation charge arising from any grant of stock, stock options or other equity based awards; *plus*

(6) any goodwill or other intangible asset impairment charge; *plus*

(7) non-cash items increasing such Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business,

in each case, on a consolidated basis and determined in accordance with GAAP.

Notwithstanding the preceding, the provision for taxes based on the income or profits of, and the depreciation and amortization and other non-cash expenses of, a Restricted Subsidiary of the Parent Guarantor will be added to Consolidated Net Income to compute EBITDA of the Parent Guarantor only to the extent that a corresponding amount was included in the calculation of Consolidated Net Income.

"*Equity Interests*" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"*Equity Offering*" means any public sale or private issuance of Capital Stock (other than Disqualified Stock) of (1) the Parent Guarantor or (2) a direct or indirect parent of the Parent Guarantor to the extent the net proceeds from such issuance are contributed in cash to the common equity capital of the Parent Guarantor (in each case other than pursuant to a registration statement on Form S-8 or otherwise relating to equity securities issuable under any employee benefit plan of the Parent Guarantor).

"*Euroclear*" means Euroclear Bank SA/NV.

"*Event of Loss*" means, with respect to the Company, Parent Guarantor, any Subsidiary Guarantor or any Restricted Subsidiary of the Parent Guarantor that is a Significant Subsidiary, any (1) Casualty, (2) Condemnation or seizure (other than pursuant to foreclosure) or (3) settlement in lieu of clause (2) above, in each case having a fair market value in excess of US$10.0 million.

"*Exchange Act*" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"*Excluded Contributions*" means the net cash proceeds received by the Parent Guarantor subsequent to the Issue Date from:

(1) contributions to its common equity capital; and

(2) the issuance or sale (other than to a Subsidiary of the Parent Guarantor or to any Parent Guarantor or Subsidiary management equity plan or stock option plan or any other management or employee benefit plan or agreement) by the Parent Guarantor of shares of its Capital Stock (other than Disqualified Stock) or a share capital increase;

in each case, designated as Excluded Contributions on the date on which such Excluded Contributions were received pursuant to an Officer's Certificate, and excluded from the calculation set forth in Section 4.07(a)(4)(C)(ii) hereof.

"*Fair Market Value*" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of the Parent Guarantor or the Company, as the case may be (unless otherwise provided in this Indenture).

"*Fixed Charge Coverage Ratio*" means with respect to any specified Person for any period, the ratio of EBITDA of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "*Calculation Date*"), then the Fixed Charge Coverage Ratio will be calculated giving pro forma effect to such incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Preferred Stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period.

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions and including increases in ownership of Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date will be given pro forma effect (in accordance with Regulation S-X under the Securities Act) as if they had occurred on the first day of the four-quarter reference period;

(2) the EBITDA attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the Obligations giving rise to such Fixed Charges will not be Obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period; and

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months).

"*Fixed Charges*" means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued, including, without limitation, amortization of debt discount (but not (i) debt issuance costs, commissions, fees and expenses or (ii) amortization of discount on the Intercompany Note Proceeds Loans), non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges Incurred in respect of letter of credit or bankers' acceptance financings, and net of the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates; *plus*

(2) the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period; *plus*

(3) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries (other than Indebtedness secured by a Lien of the type specified in clause (22) of the definition of "Permitted Liens"), whether or not such Guarantee or Lien is called upon; *plus*

(4) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of Preferred Stock of such Person or any of its Restricted Subsidiaries, other than dividends on Equity Interests payable solely in Equity Interests of such Person (other than Disqualified Stock) or to such Person or a Restricted Subsidiary of such Person, *times* (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with GAAP.

"*GAAP*" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time.

"*Gaming Authorities*" means, in any jurisdiction in which Melco Crown Macau (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Parent Guarantor or any of its Subsidiaries manages or conducts any casino, gaming business or activities, the applicable gaming board, commission, or other governmental gaming regulatory body or agency which (a) has, or may at any time after issuance of the Notes have, jurisdiction over the gaming activities of Melco Crown Macau (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Parent Guarantor or any of its Subsidiaries, or any successor to such authority or (b) is, or may at any time after the issuance of the Notes be, responsible for interpreting, administering and enforcing the Gaming Laws.

"*Gaming Laws*" means all applicable constitutions, treatises, resolutions, laws, regulations, instructions and statutes pursuant to which any Gaming Authority possesses regulatory, licensing or permit authority over gaming, gambling or casino activities, and all rules, rulings, orders, ordinances, regulations of any Gaming Authority applicable to the gambling, casino, gaming businesses or activities of Melco Crown Macau (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Parent Guarantor or any of its Subsidiaries in any jurisdiction, as in effect from time to time, including the policies, interpretations and administration thereof by the Gaming Authorities.

"*Gaming Licenses*" means any concession, subconcession, license, permit, franchise or other authorization at any time required under any Gaming Laws to own, lease, operate or otherwise conduct the gaming business of Melco Crown Macau (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Parent Guarantor and its Restricted Subsidiaries.

"*Global Note Legend*" means the legend set forth in Section 2.06(f)(2) hereof, which is required to be placed on all Global Notes issued under this Indenture.

"*Global Notes*" means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes deposited with or on behalf of and registered in the name of the Depository or its nominee, substantially in the form of Exhibit A hereto and that bears the Global Note Legend and that has the "Schedule of Exchanges of Interests in the Global Note" attached thereto, issued in accordance with Section 2.01, 2.06(b)(3), 2.06(b)(4), and with Section 2.06(d)(2) or 2.06(f) hereof.

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

"*Guarantee*" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"*Hedging Obligations*" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates or commodity prices.

"*Holder*" means a Person in whose name a Note is registered.

"*Incur*" means, with respect to any Indebtedness, Capital Stock or other Obligation of any Person, to create, issue, assume, guarantee, incur (by conversion, exchange, or otherwise) or otherwise become liable in respect of such Indebtedness, Capital Stock or other Obligation or the recording, as required pursuant to GAAP or otherwise, of any such Indebtedness or other Obligation on the balance sheet of such Person. Indebtedness or Capital Stock otherwise Incurred by a Person before it becomes a Restricted Subsidiary of the Parent Guarantor shall be deemed to be Incurred at the time at which such Person becomes a Restricted Subsidiary of the Parent Guarantor. The accretion of original issue discount, the accrual of interest, the accrual of dividends, the payment of interest in the form of additional Indebtedness and the payment of dividends on Preferred Stock in the form of additional shares of Preferred Stock shall not be considered an Incurrence of Indebtedness.

"*Indebtedness*" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than one year after such property is acquired or such services are completed; or

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person.

Notwithstanding the foregoing, "Indebtedness" will not include (i) any capital commitments, deposits or advances from customers or any contingent obligations to refund payments (including deposits) to customers (or any guarantee thereof), or (ii) obligations of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor to pay the deferred and unpaid purchase price of property or services due to suppliers of equipment or other assets (including parts thereof) not more than one year after such property is acquired or such services are completed and the amount of unpaid purchase price retained by the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business in connection with an acquisition of equipment or other assets (including parts thereof) pending full operation or contingent on certain conditions during a warranty period of such equipment or assets in accordance with the terms of the acquisition; *provided that*, in each case, such Indebtedness is not reflected as borrowings on the consolidated balance sheet of the Parent Guarantor (contingent obligations and commitments referred to in a footnote to financial statements and not otherwise reflected as borrowings on the balance sheet will not be deemed to be reflected on such balance sheet).

The amount of Indebtedness of any Person at any time shall be the outstanding balance at such time of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided that*:

(A) the amount outstanding at any time of any Indebtedness issued with original issue discount is the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP;

(B) money borrowed and set aside at the time of the Incurrence of any Indebtedness in order to prefund the payment of the interest on such Indebtedness shall not be deemed to be "Indebtedness" so long as such money is held to secure the payment of such interest; and

(C) that the amount of or the principal amount of Indebtedness with respect to any Hedging Obligation shall be equal to the net amount payable if such Hedging Obligation terminated at or prior to that time due to a default by such Person.

"*Indenture*" means this Indenture, as amended or supplemented from time to time.

"*Independent Financial Advisor*" means accounting, appraisal or investment banking firm of international standing.

"*Indirect Participant*" means a Person who holds a beneficial interest in a Global Note through a Participant.

"*Initial Notes*" means the first US$350,000,000 aggregate principal amount of Notes issued under this Indenture on the date hereof.

"*Initial 2021 Notes*" means the first US$850,000,000 aggregate principal amount of 2021 Notes issued under the 2021 Notes Indenture on the date thereof.

"*Initial Purchasers*" means Deutsche Bank AG, Singapore Branch, Merrill Lynch International, Australia and New Zealand Banking Group Limited and BOCI Asia Limited (each an "*Initial Purchaser*").

"*Instructing Group*" means:

(a) subject to paragraph (b) below, the Majority Super Senior Creditors and the Majority Pari Passu Creditors; and

(b) (i) in relation to instructions as to enforcement of the Common Collateral, the group of Primary Creditors entitled to give instructions as to enforcement of the Common Collateral in accordance with which the Security Agent is obliged to act under Clause 15.2 (*Instructions to enforce*) of the Intercreditor Agreement; and

(ii) in relation to instructions as to enforcement of any of the Credit-Specific Transaction Security, the group of Primary Creditors entitled to give instructions as to enforcement of that Credit-Specific Transaction Security in accordance with which the Security Agent is obliged to act under Clause 15.2 (*Instructions to enforce*) of the Intercreditor Agreement.

"*Intercompany Note Proceeds Loans*" means the one or more intercompany loans between Studio City Finance and the Parent Guarantor or its Subsidiaries pursuant to which Studio City Finance on-lends to the Parent Guarantor or its Subsidiaries the net proceeds from the issuance of the 2020 Notes in accordance with the terms of the definitive documents with respect to the 2020 Notes, including in connection with any extension, additional issuance or refinancing thereof.

“*Intercreditor Agent*” means DB Trustees (Hong Kong) Limited, or its successors or assignees appointed pursuant to the Intercreditor Agreement.

“*Intercreditor Agreement*” means the Intercreditor agreement, dated on or about the Issue Date, made between, among others, the Company, the Guarantors, the Trustee, the 2021 Notes Trustee, the Security Agent, the agent for the Senior Secured Credit Facilities and the other parties named therein, as amended, restated or otherwise modified or varied from time to time.

“*Investment Grade Status*” shall apply at any time the Notes receive (i) a rating equal to or higher than BBB- (or the equivalent) from S&P and (ii) a rating equal to or higher than Baa3 (or the equivalent) from Moody’s.

“*Investments*” means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees and consultants made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Parent Guarantor or any Subsidiary of the Parent Guarantor sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Parent Guarantor such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Parent Guarantor, the Parent Guarantor will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Parent Guarantor’s Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in the final paragraph of Section 4.07 hereof. The acquisition by the Parent Guarantor or any Subsidiary of the Parent Guarantor of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Company or such Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in the final paragraph of Section 4.07 hereof. Except as otherwise provided in this Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

“*Issue Date*” means the date on which the Notes (other than any Additional Notes) are originally issued.

“*Land Concession*” means the land concession by way of lease, for a period of 25 years, subject to renewal as of October 17, 2001 for a plot of land situated in Cotai, Macau, described with the Macau Immovable Property Registry under No. 23059 and registered in Studio City Developments Limited’s name under inscription no. 26642 of Book F, titled by Dispatch of the Secretary for Public Works and Transportation no. 100/2001 of October 9, 2001, published in the Macau Official Gazette no. 42 of October 17, 2001, as amended by Dispatch of the Secretary for Public Works and Transportation no. 31/2012 of July 19, 2012, published in the Macau Official Gazette no. 30 of July 25, 2012, and by Dispatch of Secretary for Public Works and Transportation no. 92/2015 of September 10, 2015, published in the Macau Official Gazette no. 38 of September 23, 2015 and including any other amendments from time to time to such land concession.

“*Legal Holiday*” means a Saturday, a Sunday or a day on which banking institutions in the City of New York, Hong Kong, Macau or at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction).

"*Majority Pari Passu Creditors*" means creditors holding more than 50% of the Notes and certain pari passu Indebtedness, as determined in accordance with the Intercreditor Agreement.

"*Majority Super Senior Creditors*" means creditors holding more than 50% of the super senior credit participations under the Senior Secured Credit Facilities and certain designated super senior hedging, as determined in accordance with the Intercreditor Agreement.

"*MCE*" means Melco Crown Entertainment Limited, an exempted company incorporated with limited liability under the laws of the Cayman Islands.

"*Melco Crown Macau*" means Melco Crown (Macau) Limited, a Macau company.

"*Melco Crown Parties*" means Melco Crown (COD) Hotels Limited, Melco Crown (COD) Developments Limited, Altira Hotel Limited, COD Theatre Limited, Melco Crown COD (GH) Hotel Limited, Melco Crown (COD) Retail Services Limited, Altira Developments Limited, Melco Crown (Macau) Limited, MPEL Services Limited, Golden Future (Management Services) Limited, MPEL Properties (Macau) Limited, Melco Crown Hospitality and Services Limited, Melco Crown Security Services Limited, Melco Crown COD (HR) Hotel Limited, Melco Crown COD (CT) Hotel Limited, MCE Travel Limited, MCE Transportation Limited and MCE Transportation Two Limited and any other Person which accedes to the MSA as a "Melco Crown Party" pursuant to terms thereof; and a "*Melco Crown Party*" means any of them.

"*Moody's*" means Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

"*MSA*" means the master services agreement dated December 21, 2015, including any work agreements entered into pursuant to the master services agreement, entered into between the Studio City Parties on the one part and the Melco Crown Parties on the other part, as amended, modified, supplemented, extended, replaced or renewed from time to time, and any other master services agreement or equivalent agreement or contract, including any work agreements entered into pursuant to any such master services agreement, in each case entered into in connection with the conduct of Permitted Business and on terms that are no less favorable to the Company, the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in an arm's length commercial transaction, as amended, modified, supplemented, extended, replaced or renewed from time to time.

"*Net Income*" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of Preferred Stock dividends, excluding, however:

(1) any gain (or loss), together with any related provision for taxes on such gain (or loss), realized in connection with: (a) any Asset Sale; or (b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment, repurchase or cancellation of any Indebtedness of such Person or any of its Restricted Subsidiaries; and

(2) any extraordinary gain (or loss), together with any related provision for taxes on such extraordinary gain (or loss).

"*Net Proceeds*" means the aggregate cash proceeds received by the Parent Guarantor or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with GAAP.

"*Non-Recourse Debt*" means Indebtedness:

(1) as to which neither the Parent Guarantor nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender, other than, in the case of (a) and (b), Indebtedness incurred pursuant to Section 4.09(b)(15) hereof; and

(2) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Parent Guarantor or any of its Restricted Subsidiaries (other than to the Equity Interests of any Unrestricted Subsidiary).

"*Non-U.S. Person*" means a Person who is not a U.S. Person.

"*Note Disbursement and Account Agreement*" means the Note Disbursement and Account Agreement dated as of November 26, 2012, among Studio City Finance, Studio City Company Limited as borrower under the Senior Secured Credit Facilities, the collateral agent and the trustee for the 2020 Notes and the Note Disbursement Agent named therein.

"*Note Guarantee*" means the Guarantee by each Guarantor of the Company's Obligations under this Indenture and the Notes.

"*Note Interest Accrual Account*" means a U.S. dollar-denominated note interest accrual account (together with any sub-accounts or related accounts, including for term deposits, established in connection therewith) established by, and in the name of, the Company with the Account Bank.

"*Notes*" has the meaning assigned to it in the preamble to this Indenture. The Initial Notes and the Additional Notes shall be treated as a single class for all purposes under this Indenture, and unless the context otherwise requires, all references to the Notes shall include the Initial Notes and any Additional Notes.

"*Obligations*" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"*Offering Memorandum*" means the offering memorandum dated November 22, 2016 in respect of the Notes.

"*Officer*" means the Chairman of the Board, Chief Executive Officer, Property Chief Financial Officer, President, any Executive Vice President, Senior Vice President or Vice President, Treasurer or Secretary of the Company or the Parent Guarantor, as the case may be, or any Directors of the Board or any Person acting in that capacity.

"*Officer's Certificate*" means a certificate signed on behalf of the Company or the Parent Guarantor, as the case may be, by an Officer of the Company or the Parent Guarantor, as applicable, which meets the requirements of Section 13.05 hereof.

"*Opinion of Counsel*" means a written opinion from legal counsel who is acceptable to the Trustee that meets the requirements of Section 13.05 hereof. The counsel may be an employee of or counsel to the Company or the Trustee.

"*Parent Guarantor*" means Studio City Investments Limited.

"*Participant*" means, with respect to the Depositary, Euroclear or Clearstream, Luxembourg, a Person who has an account with the Depositary, Euroclear or Clearstream, Luxembourg, respectively (and, with respect to DTC, shall include Euroclear and Clearstream, Luxembourg).

"*Permitted Business*" means (1) any businesses, services or activities engaged in by the Parent Guarantor or any of its Restricted Subsidiaries on the Issue Date, including, without limitation, the construction, development and operation of the Property, (2) any gaming, hotel, accommodation, hospitality, transport, tourism, resort, food and beverage, retail, entertainment, cinema / cinematic venue, audio-visual production (including provision of sound stage, recording studio and similar facilities), performance, cultural or related business, development, project, undertaking or venture of any kind in the Macau SAR, and (3) any other businesses, services, activities or undertaking that are necessary for, supportive of, or connected, related, complementary, incidental, ancillary or similar to, any of the foregoing or are extensions or developments of any thereof (including in support of the businesses, services, activities and undertakings of the MCE group as a whole or any member thereof including through participation in shared and centralized services and activities).

"*Permitted Investments*" means:

(1) any Investment in the Company, the Parent Guarantor or in a Restricted Subsidiary of the Parent Guarantor;

(2) any Investment in cash or Cash Equivalents;

(3) any Investment by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in a Person, if as a result of such Investment:

(A) such Person becomes a Restricted Subsidiary of the Parent Guarantor; or

(B) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor;

(4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 4.10 hereof;

(5) any acquisition of assets or Capital Stock in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Parent Guarantor;

(6) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Parent Guarantor or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (B) litigation, arbitration or other disputes with Persons who are not Affiliates;

(7) Investments represented by Hedging Obligations;

(8) loans or advances to employees, officers, or directors made in the ordinary course of business of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in an aggregate principal amount not to exceed US$1.0 million at any one time outstanding;

(9) repurchases of the Notes and the 2021 Notes;

(10) any Investments consisting of gaming credit extended to customers and junket operators in the ordinary course of business and consistent with applicable law and any Investments made or deemed to be made in connection with or through any transactions or arrangements involving contractual rights under, pursuant to or in connection with (i) the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA and (ii) any transaction or arrangements made pursuant to clause (10) of the definition of "Asset Sale", including any amendments, modifications, supplements, extensions, replacements, terminations or renewals;

(11) advances to contractors and suppliers and accounts, trade and notes receivables created or acquired in the ordinary course of business;

(12) receivables owing to the Parent Guarantor or any of its Restricted Subsidiaries if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;

(13) any Investment existing on the Issue Date or made pursuant to binding commitments in effect on the Issue Date or an Investment consisting of any extension, modification or renewal of any Investment existing on the Issue Date; *provided that* the amount of any such Investment may be increased (x) as required by the terms of such Investment as in existence on the Issue Date or (y) as otherwise permitted under this Indenture;

(14) Investments in prepaid expenses, negotiable instruments held for collection, deposits made in connection with self-insurance, and performance and other similar deposits and prepayments made in connection with an acquisition of assets or property in the ordinary course of business by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor;

(15) deposits made by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business to comply with statutory or regulatory obligations (including land grants) to maintain deposits for the purposes specified by the applicable statute or regulation (including land grants) from time to time;

(16) any Investment consisting of a Guarantee permitted by Section 4.09 hereof and performance guarantees that do not constitute Indebtedness entered into by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business;

(17) to the extent constituting an Investment, licenses of intellectual property rights granted by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business; *provided*, that such grant does not interfere in any material respect with the ordinary conduct of the business of such Person;

(18) Investments consisting of purchases and acquisitions of inventory, supplies, materials, services or equipment or purchases of contract rights or licenses or leases of intellectual property, in each case, in the ordinary course of business;

(19) Investments held by a Person that becomes a Restricted Subsidiary of the Parent Guarantor; *provided, however*, that such Investments were not acquired in contemplation of the acquisition of such Person;

(20) an Investment in an Unrestricted Subsidiary consisting solely of an Investment in another Unrestricted Subsidiary;

(21) pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business or (y) otherwise described in the definition of “Permitted Liens”;

(22) Investments (other than Permitted Investments) made with Excluded Contributions; *provided, however*, that any amount of Excluded Contributions made will not be included in the calculation of Section 4.07(a)(4)(C)(ii) hereof;

(23) Investments consisting of the licensing or contribution of intellectual property pursuant to joint marketing arrangements with other Persons; and

(24) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (24) and, without duplication, clause (24) of the definition of "Permitted Investments" in the 2021 Notes Indenture that are at the time outstanding, not to exceed US$5.0 million.

"*Permitted Land Concession Amendment*" means any of the following:

(1) any action or thing which results in, with respect to the Land Concession:

(i) an increase of the gross floor construction area at the Site as permitted under Macau legal requirements; or

(ii) any extension of the term of the Land Concession; or

(iii) the removal of development or other obligations or terms; or

(iv) the imposition of less onerous development or other obligations or terms than those set forth in the Land Concession; or

(v) any extension of the date required for completion of development of the Site; or

(vi) amendments to enable definitive registration of the Land Concession (or part thereof) in line with the works actually executed; *provided* that such amendments do not adversely affect the interests of the Holders; or

(2) any amendment to the Land Concession:

(i) required to permit development of the Site under formal phasing (where the Property will be comprised in one of such formal phases);

(ii) required to permit separation of the Site into more than one autonomous land plot or lots (where the Property will be comprised in one of such land plots or lots);

(iii) required to permit registration of strata title (pursuant to which the Property shall be comprised in one or more autonomous units to be created under strata title);

(iv) required to permit separate and/or definitive registration of the part of the Land Concession comprising the Property separately from the remaining development of the Site;

(v) required to permit independent termination of the part of the Land Concession relative to the Property from the termination of the remaining part;

(vi) required to permit independent registration of the part of the Land Concession comprising the Property from the remaining part;

(vii) required to permit the separate disposal of the rights resulting from the Land Concession relative to the Property from the remaining rights; or

(viii) required to modify the purpose of the Land Concession only in respect of the part of the Site not comprising the Property;

*provided* that any such amendment would not reasonably be expected to be adverse to the interests of the Holders; or

(3) any amendments to the purpose of the Land Concession relating to the rating of a hotel;

(4) any amendment which is of a mechanical or administrative nature or any amendment required by any Macau SAR Governmental Authority for which reasonable notice has been given (which does not, in any case, materially adversely affect the interests of the Holders); or

(5) any other amendment to the Land Concession that is not or would not reasonably be expected to be materially adverse to the interests of the Holders under this Indenture.

"*Permitted Liens*" means:

(1) Liens securing Indebtedness Incurred pursuant to of Section 4.09(b)(1)(i)(x) hereof;

(2) Liens created for the benefit of (or to secure) (a) the Notes (including any Additional Notes) or the Note Guarantees and (b) the 2021 Notes (including any Additional 2021 Notes) and the related 2021 Notes Guarantees;

(3) Liens in favor of the Company or the Guarantors;

(4) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with the Parent Guarantor or any Subsidiary of the Parent Guarantor; *provided that* such Liens were not created in connection with, or in contemplation of, such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with the Parent Guarantor or the Subsidiary;

(5) Liens on property (including Capital Stock) existing at the time of acquisition of the property by the Parent Guarantor or any Subsidiary of the Parent Guarantor; *provided that* such Liens were in existence prior to, such acquisition, and not incurred in contemplation of, such acquisition;

(6) Liens incurred or deposits made in the ordinary course of business in connection with workmen's compensation or unemployment obligations or other obligations of a like nature, including any Lien securing letters of credit issued in the ordinary course of business in connection therewith, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

(7) Liens to secure Indebtedness (including Capital Lease Obligations) permitted by Section 4.09(b)(4) covering only the assets acquired with or financed by such Indebtedness and directly related assets such as proceeds (including insurance proceeds), improvements, replacements and substitutions thereto;

(8) Liens existing on the Issue Date;

(9) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided that* any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;

(10) Liens imposed by law, such as carriers, warehousemen's, landlord's, suppliers' and mechanics' Liens, in each case, incurred in the ordinary course of business;

(11) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(12) Liens to secure any Permitted Refinancing Indebtedness permitted to be Incurred under this Indenture; *provided*, *however,* that:

(A) the new Lien shall be limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to, such property or proceeds or distributions thereof); and

(B) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(13) Liens securing Hedging Obligations so long as the related Indebtedness is, and is permitted to be under this Indenture, secured by a Lien on the same assets or property securing such Hedging Obligations;

(14) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks not given in connection with the money borrowed, (ii) relating to pooled deposit or sweep accounts of the Parent Guarantor or any of its Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Parent Guarantor and its Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business;

(15) Liens arising out of judgments against such Person not giving rise to an Event of Default, with respect to which such Person shall then be proceeding with an appeal or other proceedings for review, *provided that* any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;

(16) Liens granted to the Trustee for its compensation and indemnities pursuant to this Indenture;

(17) Liens arising out of or in connection with licenses, sublicenses, leases (other than capital leases) and subleases (including rights to use) of assets (including, without limitation, intellectual property) entered into in the ordinary course of business;

(18) Liens upon specific items of inventory or other goods and proceeds of the Parent Guarantor or any of its Restricted Subsidiaries securing obligations in respect of bankers' acceptances issued or created to facilitate the purchase, shipment or storage of such inventory or other goods in the ordinary course of business;

(19) Liens arising out of conditional sale, title retention, hire purchase, consignment or similar arrangement for the sale of goods in the ordinary course of business;

(20) Liens arising under customary provisions limiting the disposition or distribution of assets or property or any related restrictions thereon in operating agreements, joint venture agreements, partnership agreements, contracts for sale and other agreements arising in the ordinary course of business; *provided, that* such Liens do not extend to any assets of the Parent Guarantor or any of its Restricted Subsidiaries other than the assets subject to such agreements or contracts;

(21) Liens on deposits made in the ordinary course of business to secure liability to insurance carriers;

(22) Liens on the Equity Interests of Unrestricted Subsidiaries;

(23) Liens created or Incurred under, pursuant to or in connection with the Services and Right to Use Agreement or the Reinvestment Agreement, including Liens on any revenues or receipts thereunder or any accounts created or maintained thereunder;

(24) limited recourse Liens in respect of the ownership interests in, or assets owned by, any joint ventures which are not Restricted Subsidiaries of the Parent Guarantor securing obligations of such joint ventures;

(25) Liens securing Indebtedness Incurred pursuant to Section 4.09(a) and Section 4.09(b)(1)(i)(y) hereof, in each case in connection with Indebtedness incurred to finance the Phase II Project, *provided that* the amount of Indebtedness secured by such Lien does not exceed the greater of (x) 75% of the EBITDA of the Parent Guarantor for the last twelve months (which figure shall be based on audited financial information, if for an annual period) and (y) US$350.0 million;

(26) Liens incurred in the ordinary course of business of the Parent Guarantor or any Subsidiary of the Parent Guarantor with respect to Obligations that do not exceed US$5.0 million at any one time outstanding; and

(27) Liens securing obligations under a debt service reserve account or interest reserve account (including all dividends, instruments, cash and Cash Equivalents and other property, as applicable, on deposit in such account) established for the benefit of creditors securing Indebtedness to the extent such debt service reserve account or interest reserve account is established in the ordinary course of business consistent with past practice.

Notwithstanding the foregoing:

(a) no Liens on the Note Interest Accrual Account other than Liens of the type described in paragraphs (2)(a), (9), (10), (14)(i), (14)(ii) and (21) of this definition shall constitute Permitted Liens;

(b) no Liens on the 2021 Note Interest Accrual Account other than Liens of the type described in paragraphs (2)(b), (9), (10), (14) (i), (14) (ii) and (21) of this definition shall constitute Permitted Liens; and

(c) no Liens on the Common Collateral other than Liens of the type described in paragraphs (1), (2) (and any Permitted Refinancing Indebtedness in respect of Indebtedness secured pursuant to paragraph (2)), (6), (9), (10), (11), (13), (14)(i), (14)(ii), (15), (16), (17), (18), (19), (20), (21), (23) and (25) of this definition of “Permitted Liens” shall constitute Permitted Liens; *provided*, in the case of this clause (c), with respect to Liens securing Indebtedness of the type described in paragraphs (1), (2) (and any Permitted Refinancing Indebtedness in respect of Indebtedness secured pursuant to paragraph (2)), (13) (with respect to Hedging Obligations secured by the Common Collateral) and (25) of this definition of “Permitted Liens”:

    (i) all the property and assets securing such Indebtedness (including, without limitation, the Collateral) also secures the Notes and the Note Guarantees on a senior or *pari passu* basis (other than (I) Liens described in clauses (a) and (b) above, (II) Liens of the type described in paragraph (27) of the definition of “Permitted Liens”, or (III) Liens securing any cash collateral arrangements established under the term loan portion of a Credit Facility Incurred pursuant to clause (1)(i)(x) of the definition of “Permitted Debt”);

(ii) Indebtedness secured by Liens of the type described in paragraph (1) or (13) (with respect to Hedging Obligations supporting Indebtedness of the type described in paragraphs (1) and (2) (and any Permitted Refinancing Indebtedness in respect of Indebtedness secured pursuant to paragraph (2)) of the definition of "Permitted Debt" in an aggregate amount outstanding at any time up to US$5.0 million) of the definition of "Permitted Liens" may receive priority as to enforcement proceeds from such Collateral; and

(iii) the parties with respect to such Indebtedness will have entered into the Intercreditor Agreement (and/or an Additional Intercreditor Agreement) as "Secured Parties" (or the analogous term) thereunder.

"*Permitted Refinancing Indebtedness*" means any Indebtedness of the Company or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge other Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries (other than intercompany Indebtedness); *provided that*:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, Incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Notes or the Note Guarantees, such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and is subordinated in right of payment to, the Notes and the Note Guarantees on terms at least as favorable to the Holders as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) such Indebtedness is Incurred either by the Parent Guarantor or by the Restricted Subsidiary who is the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

"*Phase I*" means the approximate 477,100 gross square meter complex on the Site which contains retail, hotel, gaming, entertainment, food and beverage outlets and entertainment studios and other facilities.

"*Phase II Project*" the development of the remainder of the Site, which is expected to include one or more types of Permitted Business and will be developed in accordance with the applicable governmental requirements regarding the Site.

"*Preferred Stock*" means any Equity Interest with preferential right of payment of dividends or upon liquidation, dissolution, or winding up.

"*Private Placement Legend*" means the legend set forth in Section 2.06(f)(1) hereof to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"*Primary Creditors*" means the super senior creditors under the Senior Secured Credit Facilities and certain designated hedging obligations and the *pari passu* creditors under the Notes and certain *pari passu* indebtedness and hedging obligations.

"*Project Costs*" means the construction and development costs and other project costs, including licensing, financing, interest, fees and pre-opening costs, of Phase I of the Property.

"*Property*" means Phase I and the Phase II Project.

"*Public Market*" means any time after:

(1) a public Equity Offering has been consummated; and

(2) 15% or more of the total issued and outstanding shares of common stock or common Equity Interests of the entity whose Capital Stock was offered in such Equity Offering as of the date of such Equity Offering have been distributed to investors other than the Sponsors, any Related Party of the Sponsors or any other direct or indirect shareholders of the Parent Guarantor as of the date of the Equity Offering.

"*Qualifying Event*" means an underwritten public Equity Offering, listing or floatation or the listing or admission to trading on any stock exchange or market of the Parent Guarantor or any direct or indirect parent of the Parent Guarantor or any successor thereof following which there is a Public Market and, as a result of which, the Capital Stock of such entity in such offering is listed or floated on an internationally recognized exchange or traded on an internationally recognized market.

"*QIB*" means a "qualified institutional buyer" as defined in Rule 144A.

"*Regulation S*" means Regulation S promulgated under the Securities Act.

"*Regulation S Global Note*" means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal (subject to a maximum denomination of US$500 million) to the outstanding principal amount of the Notes sold in reliance on Rule 903 of Regulation S.

"*Reinvestment Agreement*" means the reimbursement agreement dated June 15, 2012, between Melco Crown Macau and Studio City Entertainment Limited, as amended, modified, supplemented, extended, replaced or renewed from time to time, including pursuant to the Direct Agreement.

"*Related Party*" means*:*

(1) any controlling stockholder, 80% (or more) owned Subsidiary, or immediate family member (in the case of an individual) of any Sponsor; or

(2) any trust, corporation, partnership, limited liability company or other entity, the beneficiaries, stockholders, partners, members, owners or Persons beneficially holding an 80% or more controlling interest of which consist of any one or more Sponsor and/or such other Persons referred to in the immediately preceding clause (1).

"*Responsible Officer,*" when used with respect to the Trustee, means any officer within the Corporate Trust Office of the Trustee (or any successor group of the Trustee) or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"*Restricted Definitive Note*" means a Definitive Note bearing the Private Placement Legend.

"*Restricted Global Note*" means a Global Note bearing the Private Placement Legend.

"*Restricted Investment*" means an Investment other than a Permitted Investment.

"*Restricted Period*" means the 40-day distribution compliance period as defined in Regulation S.

"*Restricted Subsidiary*" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

"*Revenue Sharing Agreement*" means any joint venture, development, management, operating or similar agreement or arrangement for the sharing of revenues, profits, losses, costs or expenses entered into in connection with developments or services complementary or ancillary to the Property in the ordinary course of business (including, for the avoidance of doubt, such agreements or arrangements reasonably necessary to conduct a Permitted Business) and on arms' length terms.

"*Rule 144*" means Rule 144 promulgated under the Securities Act.

"*Rule 144A*" means Rule 144A promulgated under the Securities Act.

"*Rule 903*" means Rule 903 promulgated under the Securities Act.

"*Rule 904*" means Rule 904 promulgated under the Securities Act.

"*S&P*" means S&P Global Ratings or any successor to the rating agency business thereof.

"*SEC*" means the U.S. Securities and Exchange Commission.

"*Secured Obligations*" means all Obligations of and all other present and future liabilities and obligations at any time due, owing or incurred by the Company and the Guarantors and by each of them to any Secured Party under (or in connection with) the Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

"*Secured Parties*" means the creditors of the Secured Obligations as determined in accordance with the Intercreditor Agreement.

"*Security Agent*" means Industrial and Commercial Bank of China (Macau) Limited, or its successors or assignees appointed pursuant to the applicable Security Documents and/or Intercreditor Agreement. For the avoidance of doubt, all references to the "Common Security Agent" in the Intercreditor Agreement, insofar as they are references to the Common Security Agent acting as security agent under this Indenture, are to the Security Agent.

"*Securities Act*" means the United States Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

"*Security Documents*" means the security agreements, pledge agreements and related agreements, as amended, supplemented, restated, renewed, refunded, replaced, restructured, repaid, refinanced or otherwise modified from time to time, creating the security interests in the Collateral for the benefit of the Trustee and the Holders as contemplated by this Indenture including those listed on Exhibit F.

"*Senior Disbursement Account*" means any construction disbursement account or accounts or other accounts established under the Senior Secured Credit Facilities.

"*Senior Disbursement Agreement*" means the applicable agreement or agreements governing disbursements from the Senior Disbursement Account under the Senior Secured Credit Facilities.

"*Senior Secured Credit Facilities*" means the senior secured credit facilities described in the section entitled "Description of Other Material Indebtedness —2021 Senior Secured Credit Facilities" of the Offering Memorandum, among the Senior Secured Credit Facilities Borrower, the guarantors named therein, the Senior Secured Credit Facilities Lenders, and the agent for the Senior Secured Credit Facilities Lenders, including any related notes, guarantees, collateral documents, instruments and agreements executed in connection therewith.

"*Senior Secured Credit Facilities Borrower*" means the Company.

"*Senior Secured Credit Facilities Finance Parties*" means the Senior Secured Credit Facilities Lenders, the counterparties of any secured Hedging Obligations, and any other administrative parties that benefit from the collateral securing the Senior Secured Credit Facilities.

"*Senior Secured Credit Facilities Lenders*" means the financial institutions named as lenders under the Senior Secured Credit Facilities.

"*Services and Right to Use Agreement*" means the services and right to use agreement originally dated May 11, 2007 and as amended and restated on June 15, 2012, executed with Studio City Entertainment Limited (formerly named MSC Diversões, Limitada and New Cotai Entertainment (Macau) Limited), a wholly owned indirect subsidiary of the Company, as amended, modified, supplemented, extended, replaced or renewed from time to time, including pursuant to the Direct Agreement.

"*Shareholder Subordinated Debt*" means, collectively, any debt provided to the Parent Guarantor by any direct or indirect parent holding company of the Parent Guarantor (or any Sponsor), in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Shareholder Subordinated Debt; *provided that* such Shareholder Subordinated Debt:

(1) does not (including upon the happening of any event) mature or require any amortization or other payment of principal prior to the first anniversary of the maturity of the Notes (other than through conversion or exchange of any such security or instrument for Equity Interests of the Parent Guarantor (other than Disqualified Stock) or for any other security or instrument meeting the requirements of the definition);

(2) does not (including upon the happening of any event) require the payment of cash interest prior to the first anniversary of the maturity of the Notes;

(3) does not (including upon the happening of any event) provide for the acceleration of its maturity nor confer on its shareholders any right (including upon the happening of any event) to declare a default or event of default or take any enforcement action, in each case, prior to the first anniversary of the maturity of the Notes;

(4) is not secured by a Lien on any assets of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor and is not guaranteed by any Subsidiary of the Parent Guarantor;

(5) is subordinated in right of payment to the prior payment in full in cash of the Notes in the event of any default, bankruptcy, reorganization, liquidation, winding up or other disposition of assets of the Parent Guarantor;

(6) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Notes or compliance by the Parent Guarantor or the Company with its obligations under the Notes, the Note Guarantees and this Indenture;

(7) does not (including upon the happening of an event) constitute Voting Stock; and

(8) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder, in whole or in part, prior to the date on which the Notes mature other than into or for Capital Stock (other than Disqualified Stock) of the Parent Guarantor.

"*Significant Subsidiary*" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such regulation is in effect on the Issue Date.

"*Site*" means an approximately 130,789 square meter parcel of land in the reclaimed area between Taipa and Coloane Island (Cotai), Lotes G300, G310 and G400, registered with the Macau Real Estate Registry under no. 23059.

"*Sponsors*" means (i) Melco Crown Entertainment Limited, (ii) Silver Point Capital L.P. and (iii) Oaktree Capital Management LLC.

"*Stated Maturity*" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the Issue Date, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"*Studio City Finance*" means, Studio City Finance Limited, a BVI business company with limited liability incorporated under the laws of the British Virgin Islands with company number 1673307.

"*Studio City Parties*" means Studio City International Holdings Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Retail Services Limited, Studio City Developments Limited, Studio City Ventures Limited, Studio City Services Limited and any other Person which accedes to the MSA as a "Studio City Party" pursuant to terms thereof.

"*Subordinated Indebtedness*" means (a) with respect to the Company, any Indebtedness of the Company which is by its terms subordinated in right of payment to the Notes, and (b) with respect to any Guarantor, any Indebtedness of such Guarantor which is by its terms subordinated in right of payment to such Guarantor's Obligations in respect of its Note Guarantee.

"*Subsidiary*" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

"*Subsidiary Guarantor*" means each of Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCIP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Developments Limited and Studio City Retail Services Limited and (2) any other Subsidiary of the Parent Guarantor or the Company that provides a Note Guarantee in accordance with the provisions of this Indenture, and their respective successors and assigns, in each case, until the Note Guarantee of such Person has been released in accordance with the provisions of this Indenture.

"*Total Assets*" means, as of any date, the consolidated total assets of the Parent Guarantor and its Restricted Subsidiaries in accordance with GAAP as shown on the most recent balance sheet of such Person.

"*Transactions*" means the offering of the Notes, the establishment of the Senior Secured Credit Facilities (as an amendment and restatement of the existing senior secured credit facility) and the application of the proceeds received therefrom as described under "*Use of Proceeds*" in the Offering Memorandum.

"*Treasury Rate*" means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to November 30, 2019; *provided, however*, that if the period from the redemption date to November 30, 2019 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"*Trustee*" means Deutsche Bank Trust Company Americas until a successor replaces it in accordance with the applicable provisions of this Indenture and thereafter means the successor serving hereunder.

"*Unrestricted Definitive Note*" means a Definitive Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Global Note*" means a Global Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Subsidiary*" means any Subsidiary of the Parent Guarantor that is designated by the Board of Directors of the Parent Guarantor as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors, but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by Section 4.11 hereof, is not party to any agreement, contract, arrangement or understanding with the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company, the Parent Guarantor or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Parent Guarantor or the Company;

(3) is a Person with respect to which neither the Parent Guarantor nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries.

"*U.S. Government Obligations*" means securities that are:

(1) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged, or

(2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America, the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America,

which, in each case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act) as custodian with respect to any such U.S. Government Obligations or a specific payment of principal of or interest on any such U.S. Government Obligations held by such custodian for the account of the holder of such depository receipt; *provided that* (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligations or the specific payment of principal of or interest on the U.S. Government Obligations evidenced by such depository receipt.

"*U.S. Person*" means a U.S. Person as defined in Rule 902(k) promulgated under the Securities Act.

"*Voting Stock*" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"*Weighted Average Life to Maturity*" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

"*Wholly-Owned Restricted Subsidiary*" is any Wholly-Owned Subsidiary that is a Restricted Subsidiary.

"*Wholly-Owned Subsidiary*" of any Person means a Subsidiary of such Person 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

Section 1.02 *Other Definitions.*

| Term | Defined in Section |
|---|---|
| "*Additional Amounts*" | 2.13 |
| "*Affiliate Transaction*" | 4.11 |
| "*Asset Sale Offer*" | 3.09 |
| "*Authentication Order*" | 2.02 |
| "*Change of Control Offer*" | 4.15 |
| "*Change of Control Payment*" | 4.15 |
| "*Change of Control Payment Date*" | 4.15 |
| "*Covenant Defeasance*" | 8.03 |
| "*Designated Subsidiary Guarantor Enforcement Sale*" | 11.08 |
| "*direct parent companies*" | 4.20 |
| "*DTC*" | 2.03 |
| "*Event of Default*" | 6.01 |
| "*Excess Proceeds*" | 4.10 |
| "*Guaranteed Obligations*" | 11.01 |
| "*Legal Defeasance*" | 8.02 |
| "*New Intermediate Holding Companies*" | 4.20 |
| "*Offer Amount*" | 3.09 |
| "*Offer Period*" | 3.09 |
| "*Paying Agent*" | 2.03 |
| "*Permitted Debt*" | 4.09 |
| "*Payment Default*" | 6.01 |
| "*Purchase Date*" | 3.09 |
| "*Redemption Date*" | 3.07 |
| "*Registrar*" | 2.03 |
| "*Relevant Jurisdiction*" | 2.13 |
| "*Restricted Payments*" | 4.07 |
| "*Reversion Date*" | 4.22 |
| "*Suspended Covenants*" | 4.22 |
| "*Suspension Period*" | 4.22 |
| "*Taxes*" | 2.13 |

Section 1.03 *Rules of Construction.*

Unless the context otherwise requires:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(3) "or" is not exclusive;

(4) words in the singular include the plural, and in the plural include the singular;

(5) "will" shall be interpreted to express a command;

(6) provisions apply to successive events and transactions; and

(7) references to sections of or rules under the Securities Act will be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time.

## ARTICLE 2
## THE NOTES

Section 2.01 *Form and Dating.*

(a) *General*. The Notes and the Trustee's certificate of authentication will be substantially in the form of Exhibit A hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Note will be dated the date of its authentication. The Notes shall be in denominations of US$200,000 and integral multiples of US$1,000 in excess thereof.

The terms and provisions contained in the Notes will constitute, and are hereby expressly made, a part of this Indenture and the Company, the Guarantors and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) *Global Notes*. Notes issued in global form will be substantially in the form of Exhibit A hereto (including the Global Note Legend thereon and the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Notes issued in definitive form will be substantially in the form of Exhibit A hereto (but without the Global Note Legend thereon and without the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Each Global Note will represent such of the outstanding Notes as will be specified therein and each shall provide that it represents the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Paying Agent, Trustee or the Registrar, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof.

(c) *Euroclear and Clearstream, Luxembourg Procedures Applicable*. The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" and the "General Terms and Conditions—Clearstream Banking, Luxembourg" and "Customer Handbook" of Clearstream, Luxembourg will be applicable to transfers of beneficial interests in the Regulation S Global Note that are held by Participants through Euroclear or Clearstream, Luxembourg.

Section 2.02 *Execution and Authentication.*

At least one Officer must sign the Notes for the Company by manual or facsimile signature.

If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note will nevertheless be valid.

A Note will not be valid until authenticated by the manual signature of the Trustee. The signature will be conclusive evidence that the Note has been authenticated under this Indenture.

As a condition precedent to authenticating the Notes, the Trustee shall be entitled to receive an Officer's Certificate complying with Section 13.04 and 13.05 hereof and covering subparagraphs (1) and (2) below, and an Opinion of Counsel which shall state:

(1) that the form of such Notes has been established by a supplemental indenture or by or pursuant to a resolution of the Board of Directors and in conformity with the provisions of this Indenture;

(2) that the terms of such Notes have been established in accordance with Section 2.01 and in conformity with the other provisions of this Indenture;

(3) that such Notes, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles; and

(4) that all laws, requirements and conditions in respect of the execution and delivery by the Company by such Notes and authentication by the Trustee have been complied with.

The Trustee will, upon receipt of a written order of the Company signed by an Officer or a director (an "*Authentication Order*"), authenticate Notes for original issue that may be validly issued under this Indenture, including any Additional Notes. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount of Notes authorized for issuance by the Company pursuant to one or more Authentication Orders, except as provided in Section 2.07 hereof.

The Trustee may appoint an authenticating agent acceptable to the Company to authenticate Notes. An authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with Holders or an Affiliate of the Company.

Section 2.03 *Registrar, Paying Agent and Transfer Agent.*

The Company will maintain an office or agency where Notes may be presented for registration of transfer or for exchange ("*Registrar*") and an office or agency where Notes may be presented for payment ("*Paying Agent*"). The Company will also maintain a transfer agent (the "*Transfer Agent*"). The Registrar will keep a register of the Notes and of their transfer and exchange. The Transfer Agent shall perform the functions of a transfer agent. The Company may appoint one or more co-registrars, one or more additional transfer agents and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Company may change any Paying Agent, the Transfer Agent or Registrar without notice to any Holder and shall so notify the Trustee and each Paying Agent thereof in writing of the name and address of any Agent not a party to this Indenture. If the Company fails to appoint or maintain another entity as Registrar, Transfer Agent or Paying Agent, the Trustee shall act as such. The Company or any of its Subsidiaries may act as Paying Agent or Registrar.

The Company initially appoints The Depository Trust Company ("*DTC*") to act as Depositary with respect to the Global Notes.

The Company initially appoints Deutsche Bank Trust Company Americas to act as the Registrar, Transfer Agent and Paying Agent and to act as Custodian, with respect to the Global Notes.

Section 2.04 *Paying Agent to Hold Money in Trust.*

The Company will require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal, premium or Additional Amounts, if any, or interest on the Notes, and will notify the Trustee of any default by the Company in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Company at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Company or a Subsidiary) will have no further liability for the money. If the Company or a Subsidiary acts as Paying Agent, it will segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Upon any bankruptcy or reorganization proceedings relating to the Company, the Trustee will serve as Paying Agent for the Notes.

Section 2.05 *Holder Lists.*

The Registrars, will preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders. If the Trustee is not the Registrar, the Company will furnish to the Trustee at least seven Business Days before each interest payment date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders of Notes.

Section 2.06 *Transfer and Exchange.*

(a) *Transfer and Exchange of Global Notes*. A Global Note may not be transferred except as a whole by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Notes will be exchanged by the Company for Definitive Notes if:

(1) the Company delivers to the Trustee notice from the Depositary that it is unwilling or unable to continue to act as Depositary or that it is no longer a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Company within 120 days after the date of such notice from the Depositary;

(2) the Company in its sole discretion determines that the Global Notes (in whole but not in part) should be exchanged for Definitive Notes and delivers a written notice to such effect to the Trustee; or

(3) there has occurred and is continuing a Default or Event of Default with respect to the Notes.

Upon the occurrence of either of the preceding events in (1) or (2) above, Definitive Notes shall be issued in such names as the Depositary shall instruct the Trustee. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Section 2.07 and 2.10 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a), however, beneficial interests in a Global Note may be transferred and exchanged as provided in Section 2.06(b), (c) or (f) hereof.

(b) *Transfer and Exchange of Beneficial Interests in the Global Notes*. The transfer and exchange of beneficial interests in the Global Notes will be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes will be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in the Global Notes also will require compliance with either subparagraph (1) or (2) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(1) *Transfer of Beneficial Interests in the Same Global Note*. Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; *provided, however,* that prior to the expiration of the Restricted Period, transfers of beneficial interests in the Regulation S Global Note may not be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(1).

(2) *All Other Transfers and Exchanges of Beneficial Interests in Global Notes.* In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(1) above, the transferor of such beneficial interest must deliver to the Registrar either:

(A) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase; or

(B) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (1) above.

Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.06(g) hereof.

(3) *Transfer of Beneficial Interests to Another Restricted Global Note.* A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof; and

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof.

(4) Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note. A beneficial interest in any Restricted Global Note may be exchanged by any Holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(i) if the Holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(ii) if the Holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to the paragraph above at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to the paragraph above.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Note.

(c) *Transfer or Exchange of Beneficial Interests for Definitive Notes*.

(1) *Beneficial Interests in Restricted Global Notes to Restricted Definitive Notes.* If any Holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(F) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Company shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the Holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c)(1) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(2) *Beneficial Interests in Restricted Global Notes to Unrestricted Definitive Notes.* A Holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if the Registrar receives the following:

(i) if the Holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(ii) if the Holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in such case set forth in this paragraph, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes.* If any Holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in Section 2.06(b)(2) hereof, the Trustee will cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Company will execute and the Trustee will authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will be registered in such name or names and in such authorized denomination or denominations as the Holder of such beneficial interest requests through instructions to the Registrar from or through the Depositary and the Participant or Indirect Participant. The Trustee will deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will not bear the Private Placement Legend.

(d) *Transfer and Exchange of Definitive Notes for Beneficial Interests*.

(1) *Restricted Definitive Notes to Beneficial Interests in Restricted Global Notes*. If any Holder of a Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such Restricted Definitive Note is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(F) if such Restricted Definitive Note is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee will cancel the Restricted Definitive Note, increase or cause to be increased the aggregate principal amount of the appropriate Restricted Global Note.

(2) *Restricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes*. A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if the Registrar receives the following:

(i) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(ii) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in such case set forth in this paragraph, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions in this Section 2.06(d)(2), the Trustee will cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(3) *Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee will cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

If any such exchange or transfer from a Definitive Note to a beneficial interest is effected pursuant to subparagraphs (1)(B), (1)(D) or (3) above at a time when an Unrestricted Global Note has not yet been issued, the Company will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee will authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) *Transfer and Exchange of Definitive Notes for Definitive Notes.* Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar will register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder must present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder must provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(1) *Restricted Definitive Notes to Restricted Definitive Notes.* Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications and certificates required by item (3) thereof, if applicable.

(2) *Restricted Definitive Notes to Unrestricted Definitive Notes.* Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if the Registrar receives the following:

(i) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(ii) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in such case set forth in this paragraph, if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Unrestricted Definitive Notes to Unrestricted Definitive Notes.* A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) *Legends.* The following legends will appear on the face of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(1) Private Placement Legend.

(A) Except as permitted by subparagraph (C) below, each 144A Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THE NOTES MAY BE PURCHASED AND TRANSFERRED ONLY IN MINIMUM PRINCIPAL AMOUNTS OF US$200,000 AND INTEGRAL MULTIPLES OF US$1,000 IN EXCESS THEREOF.

IF AT ANY TIME THE COMPANY DETERMINES IN GOOD FAITH THAT A HOLDER OR BENEFICIAL OWNER OF THIS SECURITY OR BENEFICIAL INTERESTS HEREIN IS IN BREACH, AT THE TIME GIVEN, OF ANY OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE INDENTURE, THE COMPANY SHALL REQUIRE SUCH HOLDER TO TRANSFER THIS SECURITY (OR INTEREST HEREIN) TO A TRANSFEREE ACCEPTABLE TO THE COMPANY WHO IS ABLE TO AND WHO DOES SATISFY ALL OF THE REQUIREMENTS SET FORTH HEREIN AND IN THE INDENTURE. PENDING SUCH TRANSFER, SUCH HOLDER WILL BE DEEMED NOT TO BE THE HOLDER OF THIS SECURITY (OR INTEREST HEREIN) FOR ANY PURPOSE, INCLUDING BUT NOT LIMITED TO RECEIPT OF PRINCIPAL AND INTEREST PAYMENTS ON THE SECURITY, AND SUCH HOLDER WILL BE DEEMED TO HAVE NO INTEREST WHATSOEVER IN THE SECURITY EXCEPT AS OTHERWISE REQUIRED TO SELL ITS INTEREST THEREIN AS DESCRIBED HEREIN.

THE NOTES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH NOTE, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS NOTE (OR ANY PREDECESSOR OF THIS NOTE) ONLY (A) TO THE COMPANY, THE GUARANTORS OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND TO COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE COMPANY AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSE (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS NOTE IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND (III) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE."

(B) Except as permitted by subparagraph (C) below, each Regulation S Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THE NOTES MAY BE PURCHASED AND TRANSFERRED ONLY IN MINIMUM PRINCIPAL AMOUNTS OF US$200,000 AND INTEGRAL MULTIPLES OF US$1,000 IN EXCESS THEREOF.

THE NOTES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH NOTE, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") WHICH IS 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS NOTE (OR ANY PREDECESSOR OF THIS NOTE) ONLY (A) TO THE COMPANY, THE GUARANTORS OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND TO COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE COMPANY AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSE (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS NOTE IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND (III) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE."

(C) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraphs (b)(4), (c)(2), (d)(2), (d)(3), (e)(2) or (e)(3) of this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) will not bear the Private Placement Legend.

(2) *Global Note Legend*. Each Global Note will bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(g) *Cancellation and/or Adjustment of Global Notes.* At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note will be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note will be reduced accordingly and an endorsement will be made on such Global Note by the Trustee or by the Registrar at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note will be increased accordingly and an endorsement will be made on such Global Note by the Trustee or by the Registrar at the direction of the Trustee to reflect such increase.

(h) General Provisions Relating to Transfers and Exchanges.

(1) To permit registrations of transfers and exchanges, the Company will execute and the Trustee will authenticate Global Notes and Definitive Notes upon receipt of an Authentication Order in accordance with Section 2.02 hereof or at the Registrar's request.

(2) No service charge will be made to a Holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Section 2.06, 3.06, 3.09, 4.10, 4.15 and 9.05 hereof).

(3) The Registrar will not be required to register the transfer of or exchange of any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(4) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes will be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(5) Neither the Registrar nor the Company will be required:

(A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business 15 days before the day of any selection of Notes for redemption under Section 3.02 hereof and ending at the close of business on the day of selection;

(B) to register the transfer of or to exchange any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part; or

(C) to register the transfer of or to exchange a Note between a record date and the next succeeding interest payment date.

(6) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Company may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Notes and for all other purposes, and none of the Trustee, any Agent or the Company shall be affected by notice to the contrary.

(7) The Trustee will authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.02 hereof.

(8) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

Section 2.07 *Replacement Notes.*

If any mutilated Note is surrendered to the Trustee or the Company and the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, the Company will issue and the Trustee, upon receipt of an Authentication Order, will authenticate a replacement Note if the Trustee's requirements are met. If required by the Trustee or the Company, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Company to protect the Company, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Note is replaced. The Company and the Trustee may charge the Holder for their expenses in replacing a Note, including but not limited to the reasonable expenses of counsel and any tax that may be imposed with respect to replacement of such Note.

Every replacement Note is an additional obligation of the Company and will be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08 *Outstanding Notes.*

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Trustee in accordance with the provisions hereof, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09 hereof, a Note does not cease to be outstanding because the Company or an Affiliate of the Company holds the Note; however, Notes held by the Company or a Subsidiary of the Company shall not be deemed to be outstanding for purposes of Section 3.07(a) hereof.

If a Note is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Note is held by a protected purchaser.

If the principal amount of any Note is considered paid under Section 4.01 hereof, it ceases to be outstanding and interest on it ceases to accrue.

If the Paying Agent (other than the Company, a Subsidiary or an Affiliate of any thereof) holds, on a redemption date or maturity date, money sufficient to pay Notes payable on that date, then on and after that date such Notes will be deemed to be no longer outstanding and will cease to accrue interest.

Section 2.09 *Treasury Notes.*

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Company or any Guarantor, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any Guarantor, will be considered as though not outstanding, except that for the purposes of determining whether the Trustee will be protected in relying on any such direction, waiver or consent, only Notes that the Trustee actually knows are so owned will be so disregarded.

Section 2.10 *Temporary Notes.*

Until certificates representing Notes are ready for delivery, the Company may prepare and the Trustee, upon receipt of an Authentication Order, will authenticate temporary Notes. Temporary Notes will be substantially in the form of certificated Notes but may have variations that the Company considers appropriate for temporary Notes and as may be reasonably acceptable to the Trustee. Without unreasonable delay, the Company will prepare and the Trustee will authenticate definitive Notes in exchange for temporary Notes.

Holders of temporary Notes will be entitled to all of the benefits of this Indenture.

Section 2.11 *Cancellation.*

The Company at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent will forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee, in accordance with its customary procedures, and no one else will cancel (subject to the Trustee's retention policy) all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and will dispose of such cancelled Notes in its customary manner (subject to the record retention requirement of the Exchange Act). At the request of the company, the Trustee will confirm the cancellation of the Notes delivered to it. The Company may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12 *Defaulted Interest.*

If the Company defaults in a payment of interest on the Notes, it will pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders on a subsequent special record date, in each case at the rate provided in the Notes and in Section 4.01 hereof. The Company will notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment. The Company will fix or cause to be fixed each such special record date and payment date; *provided that* no such special record date may be less than ten (10) days prior to the related payment date for such defaulted interest. At least fifteen (15) days before the special record date, the Company (or, upon the written request of the Company, the Trustee in the name and at the expense of the Company) will mail or cause to be mailed to Holders a notice that states the special record date, the related payment date and the amount of such interest to be paid.

Section 2.13 *Additional Amounts.*

(a) All payments of principal of, premium, if any, and interest on the Notes and all payments under the Note Guarantees will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever ("*Taxes*") nature imposed or levied by or within any jurisdiction in which the Company or any applicable Guarantor is organized or resident for tax purposes (or any political subdivision or taxing authority thereof or therein) or any jurisdiction from or through which payment is made by or on behalf of the Company or any Guarantor (including the jurisdiction of any Paying Agent) (or any political subdivision or taxing authority thereof or therein) (each, as applicable, a "*Relevant Jurisdiction*"), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In such event, the Company or the applicable Guarantor, as the case may be, will make such deduction or withholding, make payment of the amount so withheld to the appropriate governmental authority and will pay such additional amounts ("*Additional Amounts*") as will result in receipt by the Holder of such amounts as would have been received by such holder had no such withholding or deduction been required, *provided that* no Additional Amounts will be payable for or on account of:

(1) any tax, duty, assessment or other governmental charge that would not have been imposed but for:

(A) the existence of any present or former connection between the Holder or beneficial owner of such Note or Note Guarantee, as the case may be, and the Relevant Jurisdiction including, without limitation, such holder or beneficial owner being or having been a citizen or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein, other than merely holding such Note or the receipt of payments thereunder or under the Note Guarantee;

(B) the presentation of such Note (where presentation is required) more than thirty (30) days after the later of the date on which the payment of the principal of, premium, if any, or interest on, such Note became due and payable pursuant to the terms thereof or was made or duly provided for, except to the extent that the holder thereof would have been entitled to such Additional Amounts if it had presented such Note for payment on any date within such 30-day period;

(C) the failure of the holder or beneficial owner to comply with a timely request of the Company or any Guarantor addressed to the holder or beneficial owner, as the case may be, to provide information concerning such holder's or beneficial owner's nationality, residence, identity or connection with any Relevant Jurisdiction, if and to the extent that due and timely compliance with such request would have reduced or eliminated any withholding or deduction as to which Additional Amounts would have otherwise been payable to such holder; or

(D) the presentation of such Note (where presentation is required) for payment in the Relevant Jurisdiction, unless such Note could not have been presented for payment elsewhere;

(2) any estate, inheritance, gift, sale, transfer, excise or personal property or similar tax, assessment or other governmental charge;

(3) any tax, duty, assessment or other governmental charge which is payable other than (i) by deduction or withholding from payments of principal of or interest on the Note or payments under the Note Guarantees, or (ii) by direct payment by the Company or applicable Guarantor in respect of claims made against the Company or the applicable Guarantor;

(4) any tax arising pursuant to Sections 1471 – 1474 of the U.S. Internal Revenue Code, any agreement entered pursuant thereto, any U.S. or non-U.S. law enacted in connection with an intergovernmental agreement related thereto, or any rules, regulations, or administrative guidance of any kind relating to any of the foregoing; or

(5) any combination of taxes, duties, assessments or other governmental charges referred to in the preceding clauses (1), (2), (3) and (4); or

(b) with respect to any payment of the principal of, or premium, if any, or interest on, such Note or any payment under any Note Guarantee to such holder, if the holder is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that such payment would be required to be included in the income under the laws of a Relevant Jurisdiction, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner, or beneficial owner been the holder thereof.

In addition to the foregoing, the Company and the Guarantors will also pay and indemnify the holder of a Note for any present or future stamp, issue, registration, court or documentary taxes, or any other excise or property taxes, charges or similar levies (including penalties, interest and other reasonable expenses related thereto) which are levied by any Relevant Jurisdiction on the execution, delivery, issuance, or registration of any of the Notes, the Indenture, any Note Guarantee or any other document or instrument referred to therein, or the receipt of any payments with respect thereto, or enforcement of, any of the Notes or any Note Guarantee. The Company and the Guarantors will use all reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any taxes so deducted or withheld from each Relevant Jurisdiction imposing such taxes, in such form as provided in the ordinary course by the Relevant Jurisdiction and as is reasonably available to the Company, and will provide such certified copies to the Trustees and the Paying Agent. Such copies shall be made available to the Holders upon request and will be made available at the offices of the Paying Agent. The Company or the Guarantor, as applicable, will attach to each certified copy a certificate stating (x) that the amount of withholding taxes evidenced by the certified copy was paid in connection with payments in respect of the principal amount of Notes then outstanding and (y) the amount of such withholding taxes paid per $1,000 principal amount of the Notes.

(c) Whenever there is mentioned in any context the payment of principal of, and any premium or interest, on any Note or under any Note Guarantee, such mention will be deemed to include payment of Additional Amounts provided for in this Indenture to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Section 2.14 *Forced Sale or Redemption for Non-QIBs.*

(a) The Company has the right to require any Holder of a Note (or beneficial interest therein) that is a U.S. Person and is determined not to have been a QIB at the time of acquisition of such Note or is otherwise determined to be in breach, at the time given, of any of the representations and agreements required to be made pursuant to the transfer restrictions set forth herein, to transfer such Security (or beneficial interest therein) to a transferee acceptable to the Company who is able to and who does make all of the representations and agreements required to be made pursuant to the transfer restrictions set forth herein, or to redeem such Note (or beneficial interest therein) within 30 days of receipt of notice of the Company’s election to so redeem such Holder’s Notes on the terms set forth in paragraph (b) below. Pending such transfer or redemption, such Holder will be deemed not to be the Holder of such Note for any purpose, including but not limited to receipt of interest and principal payments on such Note, and such Holder will be deemed to have no interest whatsoever in such Note except as otherwise required to sell or redeem its interest therein.

(b) Any such redemption occurring pursuant to paragraph (a) above shall be at a redemption price equal to the lesser of (i) the Person’s cost, plus accrued and unpaid interest, if any, to the redemption date and (ii) 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. The Company shall notify the Trustee in writing of any such redemption as soon as practicable.

## ARTICLE 3
## REDEMPTION AND PREPAYMENT

Section 3.01 *Notices to Trustee.*

If the Company elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07 hereof, it must furnish to the Trustee, the Registrars and the Paying Agent, at least 45 days but not more than 60 days before a redemption date, an Officer's Certificate setting forth:

(1) the clause of this Indenture pursuant to which the redemption shall occur;

(2) the redemption date;

(3) the principal amount of Notes to be redeemed; and

(4) the redemption price.

Section 3.02 *Selection of Notes to Be Redeemed or Purchased.*

If fewer than all of the Notes are to be redeemed or purchased at any time, the Trustee, the Paying Agent or the Registrar will select Notes for redemption or purchase (i) in compliance with the requirements of the principal national securities exchange, if any, on which Notes are listed and any applicable depositary procedures, (ii) by lot or such other similar method in accordance with the applicable procedures of the Depositary or any other applicable clearing system (if the Notes are Global Notes), or (iii) if there are no such requirements of such exchange or the Notes are not then listed on a national securities exchange or cleared through the Depositary or any other applicable clearing system, on a *pro rata* basis or by such other method the Trustee deems fair and reasonable. No Notes of a principal amount of US$200,000 or less may be redeemed or purchased in part, and if Notes are redeemed or purchased in part, the remaining outstanding amount must be at least equal to US$200,000 and integral multiples of US$1,000 in excess thereof. None of the Trustee, the Paying Agent or the Registrar will be liable for any selections made under this paragraph.

In the event of partial redemption or purchase by lot, the particular Notes to be redeemed or purchased will be selected, unless otherwise provided herein, not less than 30 nor more than 60 days prior to the redemption or purchase date by the Registrar from the outstanding Notes not previously called for redemption or purchase.

The Registrar will promptly notify the Company in writing of the Notes selected for redemption or purchase and, in the case of any Note selected for partial redemption or purchase, the principal amount thereof to be redeemed or purchased. Notes and portions of Notes selected will be in amounts of US$200,000 or integral multiples of US$1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder, even if not a multiple of US$1,000, shall be redeemed or purchased. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption or purchase also apply to portions of Notes called for redemption or purchase.

Section 3.03 *Notice of Redemption.*

Subject to the provisions of Section 3.09 hereof, at least 30 days but not more than 60 days before a redemption date, the Company will mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date (with prior notice to the Trustee) if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Article 8 or 11 hereof.

The notice will identify the Notes to be redeemed and will state:

(1) the redemption date;

(2) the redemption price;

(3) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the redemption date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note, *provided that* the unredeemed portion has a minimum denomination of US$200,000;

(4) the name and address of the Paying Agent;

(5) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(6) that, unless the Company defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;

(7) the paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed; and

(8) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

At the Company's request, the Trustee will give the notice of redemption in the Company's name and at its expense; *provided*, *however*, that the Company has delivered to the Trustee, at least 45 days prior to the redemption date, an Officer's Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

Section 3.04 *Effect of Notice of Redemption.*

Once notice of redemption is mailed in accordance with Section 3.03 hereof, Notes called for redemption become irrevocably due and payable on the redemption date at the redemption price. A notice of redemption may not be conditional.

Section 3.05 *Deposit of Redemption or Purchase Price.*

No later than 10 a.m. New York time two Business Days prior to the redemption or purchase date, the Company will deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption or purchase price of and accrued interest and Additional Amounts, if any, on all Notes to be redeemed or purchased on that date. The Trustee or the Paying Agent will promptly return to the Company any money deposited with the Trustee or the Paying Agent by the Company in excess of the amounts necessary to pay the redemption or purchase price of, and accrued interest and Additional Amounts, if any, on all Notes to be redeemed or purchased.

If the Company complies with the provisions of the preceding paragraph, on and after the redemption or purchase date, interest will cease to accrue on the Notes or the portions of Notes called for redemption or purchase. If a Note is redeemed or purchased on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption or purchase is not so paid upon surrender for redemption or purchase because of the failure of the Company to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 hereof.

Section 3.06 *Notes Redeemed or Purchased in Part.*

Upon surrender of a Note that is redeemed or purchased in part, the Company will issue and, upon receipt of an Authentication Order, the Trustee will authenticate for the Holder at the expense of the Company a new Note equal in principal amount to the unredeemed or unpurchased portion of the Note surrendered.

Section 3.07 *Optional Redemption.*

(a) At any time prior to November 30, 2019, the Company may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes issued under this Indenture at a redemption price of 105.8750% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the redemption date (subject to the rights of the Holders on the relevant record date to receive interest on the relevant interest payment date), with the net cash proceeds of one or more Equity Offerings; *provided that*:

(1) at least 65% of the aggregate principal amount of Notes originally issued under this Indenture (excluding Notes held by the Company, the Parent Guarantor and their respective Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 45 days of the date of the closing of such Equity Offering.

(b) At any time prior to November 30, 2019, the Company may also redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' prior notice mailed by first-class mail to each Holder's registered address, at a redemption price equal to 100% of the principal amount of Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to, the date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

(c) Except pursuant to the two preceding paragraphs, and the provisions under Section 3.10 and Section 3.11 hereof, the Notes will not be redeemable at the Company's option prior to November 30, 2019.

Unless the Company defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(d) Any redemption pursuant to this Section 3.07 shall be made pursuant to the provisions of Section 3.01 through 3.06 hereof.

Section 3.08 *Mandatory Redemption.*

The Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, the Company may be required to offer to purchase Notes as described in Section 4.15 and Section 4.10 hereof. The Company may at any time and from time to time purchase Notes in the open market or otherwise.

Section 3.09 *Offer to Purchase by Application of Excess Proceeds.*

In the event that, pursuant to Section 4.10 hereof, the Company is required to commence an offer to all Holders to purchase Notes (an "*Asset Sale Offer*"), it will follow the procedures specified below.

The Asset Sale Offer shall be made to all Holders and all holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in this Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets. The Asset Sale Offer will remain open for a period of at least 20 Business Days following its commencement and not more than 30 Business Days, except to the extent that a longer period is required by applicable law (the "*Offer Period*"). No later than five Business Days after the termination of the Offer Period (the "*Purchase Date*"), the Company will apply all Excess Proceeds (the "*Offer Amount*") to the purchase of Notes and such other *pari passu* Indebtedness (on a *pro rata* basis, if applicable) or, if less than the Offer Amount has been tendered, all Notes and other Indebtedness tendered in response to the Asset Sale Offer. Payment for any Notes so purchased will be made in the same manner as interest payments are made.

If the Purchase Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest and Additional Amounts, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to Holders who tender Notes pursuant to the Asset Sale Offer.

Upon the commencement of an Asset Sale Offer, the Company will send, by first class mail, a notice to the Trustee and each of the Holders, with a copy to the Trustee. The notice will contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Asset Sale Offer. The notice, which will govern the terms of the Asset Sale Offer, will state:

(1) that the Asset Sale Offer is being made pursuant to this Section 3.09 and Section 4.10 hereof and the length of time the Asset Sale Offer will remain open;

(2) the Offer Amount, the purchase price and the Purchase Date;

(3) that any Note not tendered or accepted for payment will continue to accrue interest;

(4) that, unless the Company defaults in making such payment, any Note accepted for payment pursuant to the Asset Sale Offer will cease to accrue interest after the Purchase Date;

(5) that Holders electing to have a Note purchased pursuant to an Asset Sale Offer may elect to have Notes purchased in integral multiples of US$200,000 and integral multiples of US$1,000 in excess thereof only;

(6) that Holders electing to have Notes purchased pursuant to any Asset Sale Offer will be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Company, a Depositary, if appointed by the Company, or a Paying Agent at the address specified in the notice at least three days before the Purchase Date;

(7) that Holders will be entitled to withdraw their election if the Company, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(8) that, if the aggregate principal amount of Notes and other *pari passu* Indebtedness surrendered by holders thereof exceeds the Offer Amount, the Company will select the Notes and other *pari passu* Indebtedness to be purchased in accordance with Section 3.02 based on the principal amount of Notes and such other *pari passu* Indebtedness surrendered (with such adjustments as may be deemed appropriate by the Company so that only Notes in denominations of US$200,000, or integral multiples of US$1,000 in excess thereof, will be purchased); and

(9) that Holders whose Notes were purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer), *provided* that the unpurchased portion has a minimum denomination of US$200,000.

On or before the Purchase Date, the Company will, to the extent lawful, accept for payment, on a *pro rata* basis to the extent necessary (but subject to Section 3.02), the Offer Amount of Notes or portions thereof tendered pursuant to the Asset Sale Offer, or if less than the Offer Amount has been tendered, all Notes tendered, and will deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating that such Notes or portions thereof were accepted for payment by the Company in accordance with the terms of this Section 3.09. The Company, the Depositary or the Paying Agent, as the case may be, will promptly (but in any case not later than five days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Company for purchase, and the Company will promptly issue a new Note, and the Trustee, upon written request from the Company, will authenticate and mail or deliver (or cause to be transferred by book entry) such new Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered, *provided* that the unpurchased portion has a minimum denomination of US$200,000. Any Note not so accepted shall be promptly mailed or delivered by the Company to the Holder thereof. The Company will publicly announce the results of the Asset Sale Offer on the Purchase Date.

Other than as specifically provided in this Section 3.09, any purchase pursuant to this Section 3.09 shall be made pursuant to the provisions of Section 3.01 through 3.06 hereof.

Section 3.10 *Redemption for Taxation Reasons.*

The Notes may be redeemed, at the option of the Company, as a whole but not in part, upon giving not less than 30 days' nor more than 60 days' notice to Holders (which notice will be irrevocable), at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest (including any Additional Amounts), if any, to the date fixed by the Company for redemption (the "*Tax Redemption Date*") if, as a result of:

(1) any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of a Relevant Jurisdiction affecting taxation; or

(2) any change in, or amendment to, an official position regarding the application or interpretation of such laws, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction),

which change or amendment becomes effective on or after the date of this Indenture with respect to any payment due or to become due under the Notes, this Indenture or a Note Guarantee, the Company or a Guarantor, as the case may be, is, or on the next Interest Payment Date would be, required to pay Additional Amounts, and such requirement cannot be avoided by the Company or a Guarantor, as the case may be, taking reasonable measures available to it; *provided that* for the avoidance of doubt, changing the jurisdiction of the Company or a Guarantor is not a reasonable measure for the purposes of this Section 3.10; *provided, further*, that no such notice of redemption will be given earlier than 90 days prior to the earliest date on which the Company or a Guarantor, as the case may be, would be obligated to pay such Additional Amounts if a payment in respect of the Notes were then due.

Prior to the mailing of any notice of redemption of the Notes pursuant to the foregoing, the Company will deliver to the Trustee:

(1) an Officer's Certificate stating that such change or amendment referred to in the prior paragraph has occurred, and describing the facts related thereto and stating that such requirement cannot be avoided by the Company or such Guarantor, as the case may be, taking reasonable measures available to it; and

(2) an Opinion of Counsel or an opinion of a tax consultant of recognized international standing stating that the requirement to pay such Additional Amounts results from such change or amendment referred to in the prior paragraph.

The Trustee will accept and shall be entitled to rely on such Officer's Certificate and Opinion of Counsel or opinion of tax consultant as sufficient evidence of the satisfaction of the conditions precedent described above, in which event it will be conclusive and binding on the Holders.

Any Notes that are redeemed will be cancelled.

Section 3.11 *Gaming Redemption.*

Each Holder, by accepting a Note, shall be deemed to have agreed that if the Gaming Authority of any jurisdiction in which the Parent Guarantor, Company or any of their respective Affiliates (including Melco Crown Macau) conducts or proposes to conduct gaming requires that a person who is a holder or the beneficial owner of Notes be licensed, qualified or found suitable under applicable Gaming Laws, such holder or beneficial owner, as the case may be, shall apply for a license, qualification or a finding of suitability within the required time period. If such Person fails to apply or become licensed or qualified or is found unsuitable, the Company shall have the right, at its option:

(1) to require such Person to dispose of its Notes or beneficial interest therein within 30 days of receipt of notice of the Company's election or such earlier date as may be requested or prescribed by such Gaming Authority; or

(2) to redeem such Notes, which redemption may be less than 30 days following the notice of redemption if so requested or prescribed by the applicable gaming authority, at a redemption price equal to:

(A) the lesser of:

(1) the Person's cost, plus accrued and unpaid interest, if any, to the earlier of the redemption date or the date of the finding of unsuitability or failure to comply; and

(2) 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the earlier of the redemption date or the date of the finding of unsuitability or failure to comply; or

(B) such other amount as may be required by applicable law or order of the applicable Gaming Authority.

The Company shall notify the Trustee in writing of any such redemption as soon as practicable. Neither the Company nor the Trustee shall be responsible for any costs or expenses any Holder may incur in connection with such Holder's application for a license, qualification or a finding of suitability.

## ARTICLE 4
## COVENANTS

Section 4.01 *Payment of Notes.*

The Company will pay or cause to be paid the principal of, premium, if any, and interest and Additional Amounts, if any, on, the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest and Additional Amounts, if any, will be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds as of 10:00 a.m. New York Time two Business Days prior to the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due.

The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, at the rate equal to 1% per annum in excess of the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Additional Amounts (without regard to any applicable grace period) at the same rate to the extent lawful.

Section 4.02 *Maintenance of Office or Agency.*

The Company will maintain in the Borough of Manhattan, the City of New York, an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, Registrar or co-registrar) where Notes may be surrendered for registration of transfer or for exchange and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company fails to maintain any such required office or agency or fails to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee.

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

The Company hereby designates Deutsche Bank Trust Company Americas as one such office or agency of the Company in accordance with Section 2.03 hereof.

Section 4.03 *Reports.*

(a) The Company will provide to the Trustee and the Holders and make available to potential investors:

(1) within 120 days after the end of the Parent Guarantor's fiscal year, annual reports of the Parent Guarantor containing: (a) information with a level of detail that is substantially comparable to the sections in the Offering Memorandum entitled "Selected Consolidated Financial Information", "Business", "Management", "Related Party Transactions" and "Description of Other Material Indebtedness"; (b) the Parent Guarantor's audited consolidated (i) balance sheet as of the end of the two most recent fiscal years and (ii) income statement and statement of cash flow for the two most recent fiscal years, in each case prepared in accordance with U.S. GAAP and including complete footnotes to such financial statements and the report of the independent auditors on the financial statements; (c) an operating and financial review of the two most recent fiscal years for the Parent Guarantor and its Restricted Subsidiaries, including a discussion of (i) the financial condition and results of operations of the Parent Guarantor on a consolidated basis and any material changes between such two fiscal years and (ii) any material developments in the business of the Parent Guarantor and its Restricted Subsidiaries; and (d) *pro forma* income statement and balance sheet information of the Parent Guarantor, together with explanatory footnotes, for any Change of Control or material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal year, unless *pro forma* information has been provided in a previous report pursuant to paragraph (2)(c) below, *provided that* no *pro forma* information shall be required to be provided for any material acquisitions or dispositions relating solely to the Phase II Project;

(2) within 60 days after the end of each day of the first three fiscal quarters in each fiscal year of the Parent Guarantor, quarterly reports containing: (a) the Parent Guarantor's unaudited condensed consolidated (i) balance sheet as of the end of such quarter and (ii) statement of income and cash flow for the quarterly and year to date periods ending on the most recent balance sheet date, and the comparable prior year periods, in each case prepared in accordance with U.S. GAAP; (b) an operating and financial review of such periods for the Parent Guarantor and its Restricted Subsidiaries including a discussion of (i) the financial condition and results of operations of the Parent Guarantor on a consolidated basis and material changes between the current period and the period of the prior year and (ii) any material developments in the business of the Parent Guarantor and its Restricted Subsidiaries; (c) *pro forma* income statement and balance sheet information of the Parent Guarantor, together with explanatory footnotes, for any Change of Control or material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal quarter, *provided that* no pro forma information shall be required to be provided for any material acquisitions or dispositions relating solely to the Phase II Project, and *provided further* that the Company may provide any such *pro forma* information relating to a material acquisition within 75 days following such quarterly report in the form of a report provided pursuant to clause (3) below; and

(3) promptly from time to time after the occurrence of any of the events listed in (a) to (d) of this clause (3) information with respect to (a) any change in the independent accountants of the Parent Guarantor, the Company or any of the Significant Subsidiaries of the Parent Guarantor, (b) any material acquisition or disposition, (c) any material event that the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor announces publicly and (d) any information that the Parent Guarantor or the Company is required to make publicly available under the requirements of the Singapore Exchange Securities Trading Limited or such other exchanges on which the securities of the Parent Guarantor, the Company or their Subsidiaries are then listed.

(b) If the Parent Guarantor has designated any of its Subsidiaries as Unrestricted Subsidiaries and any such Unrestricted Subsidiary or group of Unrestricted Subsidiaries constitute Significant Subsidiaries of the Parent Guarantor, then the annual and quarterly information required by the paragraphs (a)(1) and (a)(2) hereof shall include a reasonably detailed presentation of the financial condition and results of operations of the Parent Guarantor and its Restricted Subsidiaries separate from the financial condition and results of operations of such Unrestricted Subsidiaries of the Parent Guarantor.

(c) In addition, so long as the Notes are "restricted securities" within the meaning of Rule 144(a)(3) of the Securities Act and in any period during which the Company is not subject to Section 13 or 15(d) of the Exchange Act nor exempt therefrom pursuant to Rule 12g3-2(b), the Company shall furnish to the holders of the Notes, securities analysts and prospective investors, upon their request, any information that Rule 144A(d)(4) under the Securities Act would require the Company to provide to such parties.

(d) All financial statement information required under this covenant shall be prepared on a consistent basis in accordance with U.S. GAAP. In addition, all financial statement information and all reports required under this covenant shall be presented in the English language.

(e) Contemporaneously with the provision of each report discussed above, the Company will also post such report on the Company's website.

(f) Delivery of such reports, information and documents to the Trustee shall be for informational purposes only as regards the Trustee and the Trustee's receipt of such reports, information and documents shall not constitute constructive notice of any information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on the Officer's Certificates).

Section 4.04 *Compliance Certificate.*

(a) The Company shall deliver to the Trustee, (x) within 120 days after the end of each fiscal year and (y) within five (5) Business Days of receipt of a written request from the Trustee, an Officer's Certificate stating that a review of the activities of the Company and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Company has kept, observed, performed and fulfilled its obligations under this Indenture, the Intercreditor Agreement and the Security Documents, and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge the Company has kept, observed, performed and fulfilled each and every covenant contained in this Indenture, the Intercreditor Agreement and the Security Documents and is not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture or any Security Document (or, if a Default or Event of Default has occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Company is taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action the Company is taking or proposes to take with respect thereto.

*(b) [Intentionally Omitted].*

(c) So long as any of the Notes are outstanding, the Company will deliver to the Trustee, as soon as possible and in any event within five (5) days after the Company becomes aware of any Default or Event of Default, an Officer's Certificate specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto. The Trustee shall not be deemed to have a duty to monitor compliance by the Company, nor to have knowledge of a Default or an Event of Default (other than a payment default on a scheduled interest payment date) unless a Responsible Officer of the Trustee receives written notice thereof, stating that it is a notice of default and referencing the applicable section of this Indenture.

Section 4.05 *Taxes.*

The Company will pay, and will cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies required to be paid by the Company or such Subsidiaries except such as are contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders.

Section 4.06 *Stay, Extension and Usury Laws.*

The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07 *Limitation on Restricted Payments.*

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's, the Parent Guarantor's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Parent Guarantor or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's, the Parent Guarantor's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Parent Guarantor and other than dividends or distributions payable to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor);

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Parent Guarantor or the Company) any Equity Interests of the Parent Guarantor or the Company or any of their respective direct or indirect parents;

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Indebtedness of the Company or any Guarantor (excluding any intercompany Indebtedness between or among the Parent Guarantor and any of its Restricted Subsidiaries) or the Intercompany Note Proceeds Loans, except a payment of interest or principal at the Stated Maturity thereof; or

(4) make any Restricted Investment,

(all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as "*Restricted Payments*"),

unless, at the time of and after giving effect to such Restricted Payment:

(A) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;

(B) the Parent Guarantor would, at the time of such Restricted Payment and after giving *pro forma* effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to Incur at least US$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a) hereof; and

(C) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Parent Guarantor and its Restricted Subsidiaries since the Issue Date (excluding Restricted Payments permitted by clauses (2) through (12) of Section 4.07(b)) pursuant to both (without duplication) this Indenture and the 2021 Notes Indenture, is less than the sum, without duplication, of:

(i) 75% of the EBITDA of the Parent Guarantor *less* 2.25 times Fixed Charges for the period (taken as one accounting period) from the beginning of the fiscal quarter in which the Notes are issued to the end of the Parent Guarantor's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such EBITDA for such period is a deficit, *minus* 100% of such deficit); *plus*

(ii) 100% of the aggregate net cash proceeds received by the Parent Guarantor since the Issue Date as a contribution to its common equity capital or from the issue or sale of Equity Interests (other than Disqualified Stock) of the Parent Guarantor (in each case, other than in connection with any Excluded Contribution) or from the issue or sale of convertible or exchangeable Disqualified Stock or convertible or exchangeable debt securities of the Parent Guarantor that have been converted into or exchanged for such Equity Interests (other than Equity Interests (or Disqualified Stock or debt securities) sold to a Subsidiary of the Parent Guarantor); *plus*

(iii) to the extent that any Restricted Investment that was made after the Issue Date (x) is reduced as a result of payments of dividends to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor or (y) is sold for cash or otherwise liquidated or repaid for cash, (in the case of subclauses (x) and (y)) the lesser of (i) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (ii) the initial amount of such Restricted Investment or (z) is reduced upon the release of a Note Guarantee granted by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor that constituted a Restricted Investment, to the extent that the initial granting of such Note Guarantee reduced the restricted payments capacity under Section 4.07(a)(4)(C); *plus*

(iv) to the extent that any Unrestricted Subsidiary of the Parent Guarantor designated as such after the Issue Date is re-designated as a Restricted Subsidiary after the Issue Date, the lesser of (i) the Fair Market Value of the Parent Guarantor's Restricted Investment in such Subsidiary as of the date of such re-designation or (ii) the Fair Market Value of the net aggregate Investments made by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor in such Unrestricted Subsidiary from the date such entity was originally designated as an Unrestricted Subsidiary through the date of such re-designation; *plus*

(v) 100% of the aggregate amount received from the sale of the stock of any Unrestricted Subsidiary of the Parent Guarantor after the Issue Date or 100% of any dividends received by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor after the Issue Date from an Unrestricted Subsidiary of the Parent Guarantor.

(b) The provisions of Section 4.07(a) hereof will not prohibit:

(1) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of this Indenture;

(2) the making of any Restricted Payment in exchange for, or out of the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Parent Guarantor) of, Equity Interests of the Parent Guarantor (other than Disqualified Stock) or from the substantially concurrent contribution of common equity capital to the Parent Guarantor (in each case, other than in connection with any Excluded Contribution); *provided that* the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from Section 4.07(a)(4)(C)(ii) hereof;

(3) the repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of the Company or any Guarantor with the net cash proceeds from a substantially concurrent Incurrence of Permitted Refinancing Indebtedness;

(4) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution) by a Restricted Subsidiary to the holders of its Equity Interests on a *pro rata* basis;

(5) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor held by any current or former officer, director or employee of the Parent Guarantor or any of its Restricted Subsidiaries pursuant to any equity subscription agreement, stock option agreement, shareholders' agreement or similar agreement; *provided that* the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed US$1.0 million in any twelve-month period;

(6) the repurchase of Equity Interests deemed to occur upon the exercise of stock options to the extent such Equity Interests represent a portion of the exercise price of those stock options;

(7) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor issued on or after the Issue Date in accordance with the Fixed Charge Coverage Ratio test described in Section 4.09(a) hereof;

(8) any Restricted Payment made or deemed to be made by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA;

(9) to the extent constituting Restricted Payments, the payment of Project Costs as permitted pursuant to the Disbursement Agreements;

(10) Restricted Payments that are made with Excluded Contributions;

(11) payments to any parent entity in respect of directors' fees, remuneration and expenses (including director and officer insurance (including premiums therefore)) to the extent relating to the Parent Guarantor and its Subsidiaries, in an aggregate amount not to exceed US$1.0 million per annum;

(12) the making of Restricted Payments, if applicable:

(A) in amounts required for any direct or indirect parent of the Parent Guarantor to pay fees and expenses (including franchise or similar taxes) required to maintain its corporate existence, customary salary, bonus and other benefits payable to, and indemnities provided on behalf of, officers and employees of any direct or indirect parent of the Parent Guarantor and general corporate operating and overhead expenses of any direct or indirect parent of the Parent Guarantor in each case to the extent such fees and expenses are attributable to the ownership or operation of the Parent Guarantor, if applicable, and its Subsidiaries, in an aggregate amount not to exceed US$1.0 million per annum;

(B) in amounts required for any direct or indirect parent of the Parent Guarantor, if applicable, to pay interest and/or principal on Indebtedness the proceeds of which have been contributed to the Parent Guarantor or any of its Restricted Subsidiaries prior to the Issue Date (and excluding for avoidance of doubt the 2020 Notes or any refinancing thereof) and that has been guaranteed by, or is otherwise considered Indebtedness of, the Parent Guarantor Incurred in accordance with Section 4.09; *provided that* the amount of any such proceeds will be excluded from Section 4.07(a)(4)(C)(ii);

(C) in amounts required for any direct or indirect parent of the Parent Guarantor to pay fees and expenses, other than to Affiliates of the Parent Guarantor, related to any unsuccessful equity or debt offering of such parent; and

(D) payments for services under any Revenue Sharing Agreement that would constitute or be deemed to constitute a Restricted Payment;

(13) any Restricted Payment used to fund the Transactions and the payment of fees and expenses incurred in connection with the Transactions or owed by the Parent Guarantor or any direct or indirect parent of the Company, the Parent Guarantor or its Restricted Subsidiaries to Affiliates, and any other payments made, including any such payments made to any direct or indirect parent of the Parent Guarantor to enable it to make payments, in connection with the consummation of the Transactions, whether payable on the Issue Date or thereafter, in each case on terms described in the Offering Memorandum under "Use of Proceeds" and to the extent permitted by Section 4.11;

(14) any Restricted Payments, to the extent required to be made by any Gaming Authority having jurisdiction over the Parent Guarantor or any of its Restricted Subsidiaries or Melco Crown Macau;

(15) cash payments in lieu of the issuance of fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Capital Stock of the Parent Guarantor or any Restricted Subsidiary; *provided, however*, that any such cash payment shall not be for the purpose of evading the limitation of this Section 4.07;

(16) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Indebtedness of the Company or any Guarantor pursuant to provisions similar to those described under Section 4.15, *provided that* all Notes tendered by holders of the Notes in connection with a Change of Control Offer have been repurchased, redeemed or acquired for value;

(17) payments or distributions to dissenting stockholders of Capital Stock of the Parent Guarantor pursuant to applicable law in connection with a consolidation, merger or transfer of all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, that complies with Section 5.01; *provided that* as a result of such consolidation, merger or transfer of assets, the Company shall have made a Change of Control Offer (if required by this Indenture) and that all Notes tendered by holders in connection with such Change of Control Offer have been repurchased, redeemed or acquired for value; and

(18) other Restricted Payments in an aggregate amount not to exceed US$15.0 million since the Issue Date.

*provided, however*, that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (12), (13) and (18) of this Section 4.07(b), no Default shall have occurred and be continuing or would occur as a consequence thereof.

Notwithstanding the foregoing and for the avoidance of doubt, the Parent Guarantor and its Restricted Subsidiaries may (a) make such interest payments required to be made to Studio City Finance under the Intercompany Note Proceeds Loans, (b) agree to any amendment, restatement or replacement of the Intercompany Note Proceeds Loans and the entry into any new intercompany note proceeds loans as necessary for the refinancing of the 2020 Notes in accordance with the terms of this Indenture.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company, the Parent Guarantor or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this Section 4.07 will be determined by the Board of Directors of the Parent Guarantor whose resolution with respect thereto will be delivered to the Trustee as set forth in an Officer's Certificate of the Parent Guarantor. The Parent Guarantor's Board of Directors' determination must be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of international standing (an "*Independent Financial Advisor*") if the Fair Market Value exceeds US$30.0 million.

Section 4.08 *Dividend and Other Payment Restrictions Affecting Subsidiaries.*

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause, permit or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock to the Parent Guarantor or any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Parent Guarantor or any of its Restricted Subsidiaries;

(2) make loans or advances to the Parent Guarantor or any of its Restricted Subsidiaries; or

(3) sell, lease or transfer any of its properties or assets to the Parent Guarantor or any of its Restricted Subsidiaries.

(b) The restrictions in Section 4.08(a) hereof will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements governing Indebtedness or any other agreements in existence on the Issue Date as in effect on the Issue Date and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in those agreements on the Issue Date;

(2) the Credit Facilities Documents (including the Senior Secured Credit Facilities), and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in the Senior Secured Credit Facilities on the original execution date thereof;

(3) the Indenture, the Notes, the Note Guarantees, the Intercreditor Agreement and the Security Documents;

(4) applicable law, rule, regulation or order, or governmental license, permit or concession;

(5) any agreement or instrument governing Indebtedness or Capital Stock of a Person or assets acquired by the Parent Guarantor or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was Incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired (and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements or instruments; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in those agreements or instruments at the time of such acquisition); *provided further, that*, in the case of Indebtedness, such Indebtedness was permitted by the terms of this Indenture to be Incurred;

(6) customary non-assignment provisions in contracts and licenses including, without limitation, with respect to any intellectual property, entered into in the ordinary course of business;

(7) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in Section 4.08(a)(3);

(8) any agreement for the sale or other disposition of Equity Interests or property or assets of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending the sale or other disposition;

(9) Permitted Refinancing Indebtedness; *provided that* the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(10) Liens permitted to be incurred under the provisions of Section 4.12 hereof that limit the right of the debtor to dispose of the assets subject to such Liens;

(11) provisions limiting dividends or the disposition or distribution of assets, property or Equity Interests in joint venture or operating agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements, merger agreements and other similar agreements entered into with the approval of the Parent Guarantor's Board of Directors, which limitation is applicable only to the assets, property or Equity Interests that are the subject of such agreements;

(12) restrictions on cash or other deposits or net worth imposed by customers or suppliers under contracts entered into in the ordinary course of business; and

(13) any agreement or instrument with respect to any Unrestricted Subsidiary or the property or assets of such Unrestricted Subsidiary that is designated as a Restricted Subsidiary in accordance with the terms of this Indenture at the time of such designation and not incurred in contemplation of such designation, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Subsidiary or its subsidiaries or the property or assets of such Subsidiary or its subsidiaries, and any extensions, refinancing, renewals, supplements or amendments or replacements thereof; *provided that* the encumbrances and restrictions in any such extension, refinancing, renewal, supplement, amendment or replacement, taken as a whole, are no more restrictive in any material respect than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed, supplemented, amended or replaced.

Section 4.09 *Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock.*

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, Incur any Indebtedness (including Acquired Indebtedness) and the Parent Guarantor will not issue any shares of Disqualified Stock and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to issue any shares of Preferred Stock; *provided*, *however*, that the Parent Guarantor may Incur Indebtedness (including Acquired Indebtedness) or issue Disqualified Stock, and the Company or any Subsidiary Guarantor may Incur Indebtedness (including Acquired Indebtedness) or issue Preferred Stock, if the Fixed Charge Coverage Ratio of the Parent Guarantor for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is Incurred or such Disqualified Stock or Preferred Stock is issued, as the case may be, would have been at least 2.25 to 1.00 determined on a *pro forma* basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been Incurred, or the Disqualified Stock or Preferred Stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period.

(b) The provisions of Section 4.09(a) hereof do not apply to the following (collectively, "*Permitted Debt*"):

(1) the Incurrence by the Company and the Guarantors of Indebtedness under Credit Facilities up to an aggregate principal amount of (i)(x) US$35.0 million plus, (y) US$100.0 million incurred in respect of the Phase II Project *less* (ii) in the case of clause (i)(y) the aggregate amount of all Net Proceeds of Asset Sales applied since the Issue Date to repay any term Indebtedness Incurred pursuant to this clause (1)(i)(y) or to repay any revolving credit indebtedness Incurred under this clause (1)(i)(y) and effect a corresponding commitment reduction thereunder pursuant to Section 4.10 hereof;

(2) the Incurrence of Indebtedness represented by the Notes (other than Additional Notes), the Note Guarantees and (b) the 2021 Notes (other than Additional 2021 Notes) and the 2021 Notes Guarantees, and, to the extent those obligations would represent Indebtedness, the Security Documents;

(3) Indebtedness existing on the Issue Date (other than Indebtedness described in clauses (1) and (2));

(4) Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, Incurred for the purpose of financing all or any part of the purchase price or cost of design, construction, installation or improvement of property, plant or other assets (including through the acquisition of Capital Stock of any person that owns property, plant or other assets which will, upon acquisition, become a Restricted Subsidiary) used in the business of the Parent Guarantor or any of its Restricted Subsidiaries, in an aggregate principal amount, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (4) and, without duplication, clause 4.09(b)(4) of the 2021 Notes Indenture, not to exceed the greater of (x) US$50.0 million and (y) 2.0% of Total Assets at any time outstanding;

(5) the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness or Indebtedness owed by the Parent Guarantor or any of its Restricted Subsidiaries under the Intercompany Note Proceeds Loans; *provided* that the Parent Guarantor or any of its Restricted Subsidiaries may agree to such amendment of the terms of the Intercompany Note Proceeds Loans as necessary for the refinancing the 2020 Notes so long as (a) the Indebtedness incurred to refinance the 2020 Notes and the Intercompany Note Proceeds Loans, as amended, each has a Weighted Average Life to Maturity no earlier than 90 days after the stated maturity date of the Notes, and (b) as a result of such amendment, the terms of the Intercompany Note Proceeds Loans are not materially more disadvantageous to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the Intercompany Note Proceeds Loans existing on the Issue Date (other than with respect to economic terms of the Indebtedness to which such Intercompany Note Proceeds Loan relates)) that was permitted by this Indenture to be Incurred under the first paragraph of this covenant or clauses (2), (3), (4), (5) or (15) of this Section 4.09(b);

(6) (a) Obligations in respect of workers' compensation claims, self-insurance obligations, bankers' acceptances, performance, bid, appeal and surety bonds and completion or performance guarantees (including the guarantee of any land grant) provided by the Company or any Restricted Subsidiary in connection with the Property or in the ordinary course of business and (b) Indebtedness constituting reimbursement obligations with respect to letters of credit or trade or bank guarantees (including for land grants) issued in the ordinary course of business to the extent that such letters of credit, trade or bank guarantees (including for land grants) are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than thirty (30) days following receipt of a demand for reimbursement;

(7) the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Parent Guarantor or any of its Restricted Subsidiaries; *provided, however*, that:

(A) if the Company or any Guarantor is the obligor on such Indebtedness and the payee is not the Company or a Guarantor, such Indebtedness must be expressly subordinated to the prior payment in full in cash of all Obligations then due with respect to the Notes, in the case of the Company, or the Note Guarantee, in the case of a Guarantor; and

(B) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor and (ii) any sale or other transfer of any such Indebtedness to a Person that is not the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor, will be deemed, in each case, to constitute an Incurrence of such Indebtedness by the Parent Guarantor or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (7);

(8) shares of Preferred Stock of a Restricted Subsidiary issued to the Parent Guarantor or another Restricted Subsidiary of the Parent Guarantor; *provided that*

(A) any subsequent issuance or transfer of Equity Interests that results in any such Preferred Stock being held by a Person other than the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor; and

(B) any sale or other transfer of any such Preferred Stock to a Person that is not the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor, will be deemed, in each case, to constitute an issuance of such Preferred Stock by such Restricted Subsidiary that was not permitted by this clause (8).

(9) the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Hedging Obligations in the ordinary course of business and not for speculative purposes;

(10) the guarantee by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor of Indebtedness of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor that was permitted to be Incurred by another provision of this Section 4.09; *provided that* if the Indebtedness being guaranteed is subordinated to or *pari passu* with the Notes, then the guarantee shall be subordinated or *pari passu*, as applicable, to the same extent as the Indebtedness guaranteed;

(11) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is extinguished within five (5) Business Days of its Incurrence;

(12) to the extent constituting Indebtedness, agreements to pay service fees to professionals (including architects, engineers, contractors and designers) in furtherance of and/or in connection with the Property or agreements to pay fees and expenses or other amounts pursuant to the Services and Right to Use Agreement or the MSA or otherwise arising under the Services and Right to Use Agreement or the MSA in the ordinary course of business (*provided*, *that* no such agreements shall give rise to Indebtedness for borrowed money);

(13) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, or from guarantees or letters of credit, surety bonds, or performance bonds securing any obligation of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor pursuant to such agreements, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or Capital Stock of a Restricted Subsidiary, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition; *provided, that* the maximum aggregate liability in respect of all such Indebtedness shall at no time exceed the gross proceeds actually received in connection with such disposition;

(14) Obligations in respect of Shareholder Subordinated Debt;

(15) any guarantees made solely in connection with (and limited in scope to) the giving of a Lien of the type specified in clause (22) of "Permitted Liens" to secure Indebtedness of an Unrestricted Subsidiary, the only recourse of which to the Parent Guarantor and its Restricted Subsidiaries is to the Equity Interests subject to the Liens; and

(16) the Incurrence by the Company or the Guarantors of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (16) and, without duplication, clause 4.09(b)(16) of the 2021 Notes Indenture, not to exceed US$30.0 million.

The Parent Guarantor and the Company will not Incur, and the Parent Guarantor will not permit any Subsidiary Guarantor to Incur, any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Parent Guarantor, the Company or such Subsidiary Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the Notes and the applicable Note Guarantee on substantially identical terms; *provided, however*, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Parent Guarantor, the Company or any Subsidiary Guarantor solely by virtue of being unsecured or by virtue of being secured on a first or junior Lien basis.

For purposes of determining compliance with this Section 4.09, in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (16) above, or is entitled to be Incurred pursuant to the first paragraph of this covenant, the Parent Guarantor and the Company will be permitted to classify such item of Indebtedness on the date of its Incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this Section 4.09. Indebtedness incurred under the Senior Secured Credit Facilities will be deemed to have been incurred in reliance on the exception provided by clause (1)(x) of the definition of Permitted Debt and may not be reclassified. The accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of Preferred Stock as Indebtedness due to a change in accounting principles, and the payment of dividends on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock will not be deemed to be an Incurrence of Indebtedness or an issuance of Disqualified Stock for purposes of this Section 4.09; provided, in each such case, that the amount of any such accrual, accretion or payment is included in Fixed Charges of the Parent Guarantor as accrued. Notwithstanding any other provision of this Section 4.09, the maximum amount of Indebtedness that the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor may Incur pursuant to this Section 4.09 shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

Further, for purposes of determining compliance with this covenant, to the extent the Parent Guarantor or any of its Restricted Subsidiaries (including the Company) guarantees Indebtedness of a direct or indirect parent entity to the extent otherwise permitted by this covenant, the on-loan by such direct or indirect parent entity to the Parent Guarantor or any of its Restricted Subsidiaries of all or a portion of the principal amount of such Indebtedness will not be double counted.

The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

(A) the Fair Market Value of such assets at the date of determination; and

(B) the face amount of the Indebtedness of the other Person.

Section 4.10 *Asset Sales.*

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale (other than an Event of Loss), unless:

(1) the Company, the Parent Guarantor or the Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) at least 75% of the consideration received in the Asset Sale by the Company, the Parent Guarantor or such Restricted Subsidiary is in the form of cash. For purposes of this provision, each of the following will be deemed to be cash:

(A) any liabilities, as shown on the Parent Guarantor’s most recent consolidated balance sheet, of the Parent Guarantor or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Note Guarantee) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Parent Guarantor or such Restricted Subsidiary from further liability;

(B) any securities, notes or other Obligations received by the Parent Guarantor or any such Restricted Subsidiary from such transferee that are, within 30 days of the receipt thereof, converted by the Parent Guarantor or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion; and

(C) any stock or assets of the kind referred to in Section 4.10(b)(2) or Section 4.10(b)(4).

(b) Within 360 days after the receipt of any Net Proceeds from an Asset Sale (including an Event of Loss), the Company, the Parent Guarantor or the applicable Restricted Subsidiary, as the case may be may apply such Net Proceeds:

(1) to repay (a) Indebtedness Incurred under Section 4.09(b)(1) and Indebtedness that is secured under clause (25) of the definition of "Permitted Liens", (b) other Indebtedness of the Company or a Guarantor secured by property and assets that do not constitute Collateral that is the subject of such Asset Sale, and, in each case, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto, (c) Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor or (d) the Notes or the 2021 Notes pursuant to the redemption provisions of this Indenture or the 2021 Notes Indenture, as applicable;

(2) to acquire all or substantially all of the assets of another Permitted Business, or any Capital Stock of, a Person undertaking another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary of the Parent Guarantor (*provided that* (a) such acquisition funded with any proceeds from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to acquire such assets or Capital Stock is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss, and (b) if such acquisition is not consummated within the period set forth in clause (a), the Net Proceeds not so applied will be deemed to be Excess Proceeds);

(3) to make a capital expenditure (*provided that* any such capital expenditure funded with any proceeds from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to make such capital expenditure is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss); or

(4) to acquire other assets that are not classified as current assets under GAAP and that are used or useful in a Permitted Business (*provided that* (a) such acquisition funded from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to acquire such assets is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss, and (b) if such acquisition is not consummated within the period set forth in clause (a), the Net Proceeds not so applied will be deemed to be Excess Proceeds);

or enter into a binding commitment regarding clauses (2), (3) or (4) above (in addition to the binding commitments expressly referenced in those clauses), *provided that* such binding commitment shall be treated as a permitted application of Net Proceeds from the date of such commitment until the earlier of (x) the date on which such acquisition or expenditure is consummated and (y) the 180th day following the expiration of the aforementioned 360-day period. To the extent such acquisition or expenditure is not consummated on or before such 180th day and the Company, the Parent Guarantor or such Restricted Subsidiary shall not have applied such Net Proceeds pursuant to clauses (2), (3) or (4) above on or before such 180th day, such commitment shall be deemed not to have been a permitted application of Net Proceeds, and such Net Proceeds will constitute Excess Proceeds.

(c) Pending the final application of any Net Proceeds, the Company may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by this Indenture.

(d) Any Net Proceeds from Asset Sales that are not applied or invested as provided in the second paragraph of this Section 4.10 will constitute "Excess Proceeds." When the aggregate amount of Excess Proceeds exceeds US$5.0 million, within ten (10) days thereof, the Company shall make an Asset Sale Offer to all Holders and all holders of other Indebtedness that is *pari passu* with the Notes and secured by the Collateral containing provisions similar to those set forth in this Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets to purchase the maximum principal amount of Notes and such other *pari passu* Indebtedness that may be purchased out of the Excess Proceeds. The offer price in any Asset Sale Offer will be equal to 100% of the principal amount plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use those Excess Proceeds for any purpose not otherwise prohibited by this Indenture. If the aggregate principal amount of Notes and other *pari passu* Indebtedness tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds, the Company will purchase all tendered Notes and such other *pari passu* Indebtedness on a *pro rata* basis unless otherwise required under Section 3.02. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

(e) The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations to the extent such laws or regulations are applicable in connection with the repurchase of the Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of Section 3.09 hereof or this Section 4.10, the Company will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under Section 3.09 hereof or this Section 4.10 by virtue thereof.

Section 4.11 *Transactions with Affiliates.*

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Parent Guarantor or the Company (each, an "*Affiliate Transaction*"), unless:

(1) the Affiliate Transaction is on terms that are no less favorable to the Company, the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company, the Parent Guarantor or such Restricted Subsidiary with a Person that is not an Affiliate of the Parent Guarantor or the Company; and

(2) the Parent Guarantor delivers to the Trustee:

(A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$30.0 million, a resolution of the Board of Directors of the Parent Guarantor set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with this Section 4.11(a) and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Parent Guarantor or, if the Board of Directors of the Parent Guarantor has no disinterested directors, approved in good faith by a majority of the members (or in the case of a single member, the sole member) of the Board of Directors of the Parent Guarantor; and

(B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$45.0 million, an opinion as to the fairness to the Parent Guarantor or such Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of international standing, or other recognized independent expert of national standing with experience appraising the terms and conditions of the type of transaction or series of related transactions.

(b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 4.11(a) hereof:

(1) any employment agreement, employee benefit plan (including compensation, retirement, disability, severance and other similar plan), officer or director indemnification, stock option or incentive plan or agreement, employee equity subscription agreement or any similar arrangement entered into by the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business and payments pursuant thereto;

(2) transactions between or among the Company, the Parent Guarantor and/or its Restricted Subsidiaries;

(3) transactions with a Person (other than an Unrestricted Subsidiary) that is an Affiliate of the Parent Guarantor or the Company solely because the Parent Guarantor or the Company, as the case may be, owns directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of reasonable officers' and directors' fees and reimbursement of expenses (including the provision of indemnity to officers and directors) to Persons who are not otherwise Affiliates of the Parent Guarantor or the Company;

(5) any issuance of Equity Interests (other than Disqualified Stock) of the Parent Guarantor to Affiliates of the Parent Guarantor or contribution to the common equity capital of the Parent Guarantor;

(6) Restricted Payments (including any payments made under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA) that do not violate Section 4.07 hereof;

(7) any agreement or arrangement existing on the Issue Date, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals (so long as any such agreement or arrangement together with all such amendments, modifications, supplements, extensions, replacements, terminations and renewals, taken as a whole, is not materially more disadvantageous to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the original agreement or arrangement as in effect on the Issue Date, unless any such amendments, modifications, supplements, extensions, replacements, terminations or renewals are imposed by any Gaming Authority or any other public authority having jurisdiction over Melco Crown Macau, the Parent Guarantor or any of its Restricted Subsidiaries, including, but not limited to, the government of the Macau SAR);

(8) loans or advances to employees in the ordinary course of business not to exceed US$1.0 million in the aggregate at any one time outstanding;

(9) the payment of Project Costs and the reimbursement of Affiliates of the Parent Guarantor or the Company or a Restricted Subsidiary, in each case, as permitted pursuant to the Disbursement Agreements as in effect as of the Issue Date and any amendments thereto (so long as such agreement together with all amendments thereto, taken as a whole, is not more disadvantageous in any material respect to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the original agreement as in effect on the Issue Date);

(10) (a) transactions or arrangements under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof (so long as the Services and Right to Use Agreement and the Reinvestment Agreement, taken as a whole, or the MSA, respectively, together with all such amendments, modifications, supplements, extensions, replacements, terminations and renewals, taken as a whole, is not materially more disadvantageous to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the Services and Right to Use Agreement and the Reinvestment Agreement, taken as a whole, or the MSA, respectively, as in effect on the Issue Date or, as determined in good faith by the Board of Directors of the Parent Guarantor, would not materially and adversely affect the Company's ability to make payments of principal of and interest on the Notes) and (b) other than with respect to transactions or arrangements subject to clause (a) above, transactions or arrangements with customers, clients, suppliers or sellers of goods or services in the ordinary course of business, on terms that are fair to the Parent Guarantor or any of its Restricted Subsidiaries, as applicable, or are no less favorable than those that might reasonably have been obtained in a comparable transaction at such time on an arms-length basis from a Person that is not an Affiliate of the Parent Guarantor or the Company, in the case of each of (a) and (b), unless any such amendments, modifications, supplements, extensions, replacements, terminations or renewals are imposed by any Gaming Authority or any other public authority having jurisdiction over Melco Crown Macau, the Parent Guarantor or any of its Restricted Subsidiaries, including, but not limited to, the government of the Macau SAR;

(11) the execution of the Transactions, and the payment of all fees and expenses relating to the Transactions described in the Offering Memorandum;

(12) transactions or arrangements to be entered into in connection with the Property in the ordinary course of business (including, for the avoidance of doubt, transactions or arrangements necessary to conduct a Permitted Business) including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof; *provided* that such transactions or arrangements must comply with clauses 4.11(a)(1) and (a)(2)(A) hereof;

(13) execution, delivery and performance of any tax sharing agreement or the formation and maintenance of any consolidated group for tax, accounting or cash pooling or management purposes; and

(14) provision by, between, among, to or from Persons who may be deemed Affiliates of group administrative, treasury, legal, accounting and similar services.

Section 4.12 *Liens.*

The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind securing Indebtedness on any asset now owned or hereafter acquired or any proceeds, income or profits therefrom or assign or convey any right to receive income therefrom, except Permitted Liens, or, if such Lien is not a Permitted Lien, unless the Notes and the Note Guarantees are secured on a *pari passu* basis with the obligations so secured until such time as such obligations are no longer secured by a Lien.

Section 4.13 *Business Activities.*

The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, engage in any business other than Permitted Business, except to such extent as would not be material to the Parent Guarantor and its Restricted Subsidiaries (taken as a whole).

Section 4.14 *Corporate Existence.*

Subject to Article 5 hereof, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect:

(1) its corporate existence, and the corporate, partnership or other existence of each of its Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Subsidiary; and

(2) the rights (charter and statutory), licenses and franchises of the Company and its Subsidiaries; *provided, however,* that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Subsidiaries, if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders.

Section 4.15 *Offer to Repurchase upon Change of Control.*

(a) Upon the occurrence of a Change of Control, each Holder will have the right to require the Company to repurchase all or any part of such Holder's Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the date of repurchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), except to the extent the Company has previously or concurrently elected to redeem the Notes in full pursuant to Section 3.07 hereof. Within ten (10) days following any Change of Control, except to the extent that the Company has exercised its right to redeem the Notes by delivery of a notice of redemption pursuant to Section 3.03 hereof, the Company shall mail a notice (a "*Change of Control Offer*") to each Holder with a copy to the Trustee stating:

(1) that a Change of Control has occurred and that such Holder has the right to require the Company to repurchase such Holder's Notes at a repurchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest to the date of repurchase (subject to the right of holders of record on a record date to receive interest on the relevant interest payment date (the "*Change of Control Payment*"));

(2) the circumstances and relevant facts and financial information regarding such Change of Control;

(3) the repurchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed) (the "*Change of Control Payment Date*");

(4) that any Note not tendered will continue to accrue interest;

(5) that, unless the Company defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest after the Change of Control Payment Date;

(6) the Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Paying Agent at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(7) the Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Notes purchased, and

(8) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, *provided* that the unpurchased portion has a minimum denomination of US$200,000.

(b) On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(3) deliver or cause to be delivered to the Paying Agent the Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions of Notes properly tendered and being purchased by the Company.

The Paying Agent will promptly mail (but in any case not later than five (5) days after the Change of Control Payment Date) to each Holder properly tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any, *provided* that the unpurchased portion has a minimum denomination of US$200,000. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(c) Notwithstanding anything to the contrary in this Section 4.15, the Company will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 4.15 hereof and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption has been given pursuant to Section 3.03 hereof, unless and until there is a default in payment of the applicable redemption price.

(d) A Change of Control Offer may be made in advance of a Change of Control, and conditioned upon such Change of Control, if a definitive agreement is in place for the Change of Control at the time of making of the Change of Control Offer.

(e) Notes repurchased by the Company pursuant to a Change of Control Offer will be retired and cancelled at the option of the Company. Notes purchased by a third party pursuant to the preceding paragraph will have the status of Notes issued and outstanding.

(f) The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of the Notes pursuant to this Section 4.15. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this Section 4.15, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 4.15 by virtue of such compliance.

Section 4.16 *Payments for Consents.*

The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture, the Notes, the Note Guarantees, the Security Documents or the Intercreditor Agreement unless such consideration is (1) offered to be paid; and (2) is paid to all Holders that consent, waive or agree to amend within the time frame and on the terms set forth in the solicitation documents relating to such consent, waiver or agreement.

Notwithstanding the foregoing, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes in connection with an exchange offer, the Company and any of the Restricted Subsidiaries may exclude (a) in connection with an exchange offer, holders or beneficial owners of the Notes that are not "qualified institutional buyers" as defined in Rule 144A under the Securities Act, and (b) in connection with any consent, waiver or amendment, holders or beneficial owners of the Notes in any jurisdiction where the inclusion of such holders or beneficial owners would require the Company or any of its Restricted Subsidiaries to (i) file a registration statement, prospectus or similar document or subject the Company or any of its Restricted Subsidiaries to ongoing periodic reporting or similar requirements under any securities laws (including but not limited to, the United States federal securities laws and the laws of the European Union or its member states), (ii) qualify as a foreign corporation or other entity as a dealer in securities in such jurisdiction if it is not otherwise required to so qualify, (iii) generally consent to service of process in any such jurisdiction or (iv) subject the Company or any of its Restricted Subsidiaries to taxation in any such jurisdiction if it is not otherwise so subject, or the solicitation of such consent, waiver or amendment from, or the granting of such consent or waiver, or the approval of such amendment by, holders or beneficial owners in such jurisdiction would be unlawful, in each case as determined by the Company in its sole discretion.

Section 4.17 *Future Guarantors.*

(a) If the Parent Guarantor or any of its Restricted Subsidiaries acquires or creates another Subsidiary after the Issue Date, then the Parent Guarantor shall cause such newly acquired or created Subsidiary to become a Guarantor (in the event that such Subsidiary provides a guarantee of any other Indebtedness of the Company or a Guarantor of the type specified under clauses (1) or (2) of the definition of "Indebtedness"), at which time such Subsidiary shall:

(1) execute a supplemental indenture in the form attached as Exhibit D hereto pursuant to which such Subsidiary shall unconditionally guarantee, on a senior basis, all of the Company's Obligations under this Indenture and the Notes on the terms set forth in this Indenture;

(2) execute and deliver to the Security Agent and/or the Intercreditor Agent (as applicable) such amendments or supplements to the Security Documents necessary in order to grant to the Security Agent, for the benefit of the Trustee and the holders of the Notes, a perfected security interest (subject to Permitted Liens and to the extent permitted under applicable law) in the Collateral owned by such Subsidiary Guarantor required to be pledged pursuant to the Security Documents;

(3) take such further action and execute and deliver such other documents as otherwise may be reasonably requested by the Trustee, the Security Agent or the Intercreditor Agent to give effect to the foregoing; and

(4) deliver to the Trustee, the Security Agent and the Intercreditor Agent an Opinion of Counsel that (i) such supplemental indenture and any other documents required to be delivered have been duly authorized, executed and delivered by such Subsidiary and constitute legal, valid, binding and enforceable Obligations of such Subsidiary and (ii) the Security Documents to which such Subsidiary is a party create a valid perfected Lien on the Collateral covered thereby to the extent permitted under applicable law.

(b) Notwithstanding the foregoing, any Guarantee of the Notes created pursuant to the provisions described in paragraph (a) above may provide by its terms that it will be automatically and unconditionally released and discharged upon:

(1) (with respect to any Guarantee created after the date of this Indenture) the release by the holders of the Company's, the Parent Guarantor's or the Subsidiary Guarantor's Debt described in paragraph (a) above, of their guarantee by such Restricted Subsidiary (including any deemed release upon payment in full of all obligations under such Debt other than as a result of payment under such guarantee), at a time when:

(A) no other Indebtedness of either Company, the Parent Guarantor or any Subsidiary Guarantor has been guaranteed by such Restricted Subsidiary; or

(B) the holders of all such other Indebtedness that is guaranteed by such Restricted Subsidiary also release their guarantee by such Restricted Subsidiary (including any deemed release upon payment in full of all obligations under such Debt other than as a result of payment under such guarantee); or

(2) the release of the Guarantees on the terms and conditions and in the circumstances described in Section 11.08 hereof.

(c) Each additional Note Guarantee will be limited as necessary to recognize certain defences generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defences affecting the rights of creditors generally) or other considerations under applicable law. Notwithstanding Section 4.17(a), the Parent Guarantor shall not be obligated to cause such Restricted Subsidiary to Guarantee the Notes to the extent that such Guarantee by such Restricted Subsidiary would reasonably be expected to give rise to or result in (i) any liability for the officers, directors or shareholders of such Restricted Subsidiary or (ii) any significant cost, expense, liability or obligation (including with respect of any Taxes, but excluding any reasonable guarantee or similar fee payable to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor) other than reasonable out of pocket expenses.

Section 4.18 *Designation of Restricted and Unrestricted Subsidiaries.*

The Board of Directors of the Parent Guarantor may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default; *provided that* in no event will the business currently operated by the Company, Studio City Developments Limited, Studio City Entertainment Limited or Studio City Hotels Limited be transferred to or held by an Unrestricted Subsidiary. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Parent Guarantor and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under Section 4.07 hereof or under one or more clauses of the definition of Permitted Investments, as determined by the Parent Guarantor. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors of the Parent Guarantor may re-designate any Unrestricted Subsidiary to be a Restricted Subsidiary if that re-designation would not cause a Default.

Any designation of a Subsidiary of the Parent Guarantor as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a certified copy of a resolution of the Board of Directors of the Parent Guarantor giving effect to such designation and an Officer's Certificate of the Parent Guarantor certifying that such designation complied with the preceding conditions and was permitted by Section 4.07 hereof. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of this Indenture and any Indebtedness of such Subsidiary will be deemed to be Incurred by a Restricted Subsidiary of the Parent Guarantor as of such date and, if such Indebtedness is not permitted to be Incurred as of such date under Section 4.09 hereof, Parent Guarantor and the Company will be in Default of such covenant. The Board of Directors of the Parent Guarantor may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Parent Guarantor; *provided that* such designation will be deemed to be an Incurrence of Indebtedness by a Restricted Subsidiary of the Parent Guarantor of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under Section 4.09 hereof, calculated on a *pro forma* basis as if such designation had occurred at the beginning of the reference period; and (2) no Default or Event of Default would be in existence following such designation. On such designation, the Parent Guarantor shall deliver an Officer's Certificate of the Parent Guarantor to the Trustee regarding such designation and certifying that such designation complies with the preceding conditions and the relevant covenants under this Indenture.

Section 4.19 *Listing.*

The Company will use its commercially reasonable efforts to list and maintain the listing and quotation of the Notes on the Official List of the Singapore Exchange Securities Trading Limited or another comparable exchange.

Section 4.20 *Limitations on Use of Proceeds*

The Parent Guarantor and the Company will not, and the Parent Guarantor will not cause or permit any of its Restricted Subsidiaries to, use the net proceeds from the sale of the Notes, in any amount, for any purpose other than as set forth under the caption "Use of Proceeds" in the Offering Memorandum.

Section 4.21 *Impairment of Security Interest*

(a) Subject to clauses (b) and (c) below, the Parent Guarantor and the Company will not, and the Parent Guarantor will not cause or permit any of its Restricted Subsidiaries to, take or knowingly omit to take, any action which action or omission would have the result of materially impairing the security interest over any of the assets comprising the Collateral (it being understood that the incurrence of Liens on the Collateral permitted by the last paragraph of the definition of Permitted Liens shall under no circumstances be deemed to materially impair the security interest with respect to the Collateral), for the benefit of the Trustee, the Security Agent, the Intercreditor Agent and the holders of Notes (including the priority thereof).

(b) At the request of the Parent Guarantor and without the consent of the holders of the Notes, the Trustee may from time to time (subject to receipt of the documents described in Section 7.02(b)) direct the Security Agent and/or the Intercreditor Agent (as applicable) (and acting on such direction the Security Agent and/or the Intercreditor Agent may, to the extent authorized and permitted by the Intercreditor Agreement), enter into one or more amendments to the Security Documents to: (i) cure any ambiguity, omission, defect or inconsistency therein; (ii) provide for any Permitted Liens; (iii) add to the Collateral or (iv) make any other change thereto that does not adversely affect the holders of the Notes in any material respect; *provided, however*, that no Security Document may be amended, extended, renewed, restated, supplemented or otherwise modified or replaced, unless contemporaneously with such amendment, extension, renewal, restatement, supplement, modification or replacement, the Parent Guarantor delivers to the Trustee, any of:

(1) a solvency opinion, in form satisfactory to the Trustee, from an Independent Financial Advisor confirming the solvency of the Parent Guarantor and its Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement;

(2) a certificate from the Board of Directors or chief financial officer of the Parent Guarantor (acting in good faith), substantially in the form attached hereto as Exhibit E to this Indenture, confirming the solvency of the Person granting such Lien after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement; or

(3) an opinion of counsel, in form satisfactory to the Trustee confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement, the Lien or Liens securing the applicable Notes created under the Security Documents as so amended, extended, renewed, restated, supplemented, modified or replaced remain valid and perfected Liens not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such Lien or Liens were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification, replacement or release and retaking.

(c) Nothing in this Section 4.21 will restrict and clause (b) above will not apply to (x) any release, amendment, extension, renewal, restatement, supplement, modification or replacement of any security interests in compliance with the provisions set out in Section 10.06 or (y) any Permitted Land Concession Amendment.

(d) In the event that the Parent Guarantor complies with this Section 4.21, the Trustee and/or the Security Agent and/or the Intercreditor Agent, as applicable, shall (to the extent authorized and permitted under the Intercreditor Agreement and subject to customary protections and indemnifications) consent to such amendment, extension, renewal, restatement, supplement, modification, replacement or release with no need for instructions from the Holders; *provided* such amendments do not impose any personal obligations on the Trustee and/or the Security Agent and/or the Intercreditor Agent or adversely affect the rights, duties, liabilities or immunities of the Trustee under this Indenture or the Intercreditor Agreement.

Section 4.22 *Suspension of Covenants*

(a) The following covenants (the "*Suspended Covenants*") will not apply during any period during which the Notes have an Investment Grade Status (a "*Suspension Period*"): Section 4.07, Section 4.08, Section 4.09, Section 4.10, Section 4.11, with respect to the Parent Guarantor and the Company Section 5.01(a)(3), Section 4.17 and Section 4.21. Additionally, during any Suspension Period, neither the Parent Guarantor nor the Company will be permitted to designate any Restricted Subsidiary as an Unrestricted Subsidiary.

(b) In the event that the Parent Guarantor and its Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the foregoing, and on any subsequent date (the "*Reversion Date*") the Notes cease to have Investment Grade Status, then the Suspended Covenants will apply with respect to events occurring following the Reversion Date (unless and until the Notes subsequently attain an Investment Grade Status, in which case the Suspended Covenants will again be suspended for such time that the Notes maintain an Investment Grade Status); *provided*, *however*, that no Default or Event of Default will be deemed to exist under the Indenture with respect to the Suspended Covenants, and none of the Parent Guarantor, the Company or any of their respective Subsidiaries will bear any liability for any actions taken or events occurring during a Suspension Period and before any related Reversion Date, or any actions taken at any time pursuant to any contractual obligation or binding commitment arising prior to such Reversion Date, regardless of whether those actions or events would have been permitted if the applicable Suspended Covenant had remained in effect during such period. The Company shall notify the Trustee should the Notes achieve Investment Grade Status, *provided* that such notification shall not be a condition for the suspension of the covenants set forth above to be effective. The Trustee shall be under no obligation to notify the holders of the Notes that the Notes have achieved Investment Grade Status.

(c) On each Reversion Date, all Indebtedness Incurred during the Suspension Period prior to such Reversion Date will be deemed to be Indebtedness existing on the Issue Date. For purposes of calculating the amount available to be made as Restricted Payments under Section 4.07(a)(4)(C) on or after the Reversion Date, calculations under such covenant shall be made as though such covenant had been in effect during the entire period of time after the Issue Date (including the Suspension Period). Restricted Payments made during the Suspension Period not otherwise permitted pursuant to any of clauses (2) through (6) or (18) under Section 4.07(b) will reduce the amount available to be made as Restricted Payments under Section 4.07(a)(4)(C); provided, that the amount available to be made as Restricted Payments on the Reversion Date shall not be reduced to below zero solely as a result of such Restricted Payments. In addition, for purposes of the other Suspended Covenants, all agreements entered into and all actions taken during the Suspension Period, including, without limitation, the Incurrence of Indebtedness shall be deemed to have been taken or to have existed prior to the Issue Date.

## ARTICLE 5
## SUCCESSORS

Section 5.01 *Merger, Consolidation, or Sale of Assets.*

(a) *The Parent Guarantor and the Company*. Neither the Parent Guarantor nor the Company will, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Parent Guarantor or the Company survives); or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person unless:

(1) either:

(A) if the transaction or series of transactions is a consolidation of the Parent Guarantor or the Company with or a merger of the Parent Guarantor or the Company with or into any other Person, the Parent Guarantor or the Company, as the case may be, shall be the surviving entity of such merger or consolidation; or

(B) the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor or the Company) or to which such sale, assignment, transfer, conveyance or other disposition has been made shall be a corporation organized and existing under the laws of the British Virgin Islands, Cayman Islands, Hong Kong, Macau, Singapore, United States, any state of the United States or the District of Columbia, and such Person shall expressly assume all the Obligations of the Parent Guarantor or the Company, as the case may be, under the Notes, the Note Guarantees. this Indenture and the Security Documents and the Intercreditor Agreement pursuant to supplemental indentures or other documents or agreements reasonably satisfactory to the Trustee, the Security Agent and the Intercreditor Agent, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions and take such other actions as may be required by applicable law to perfect or continue the perfection of the Lien created under the Security Documents on the Collateral owned by or transferred to the surviving Person;

(2) immediately after such transaction, no Default or Event of Default exists; and

(3) the Parent Guarantor or the Company or, if applicable, the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor or the Company), or to which such sale, assignment, transfer, conveyance or other disposition has been made, would, on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period, be permitted to Incur at least US$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a) hereof.

(b) *The Subsidiary Guarantors*. No Subsidiary Guarantor will, and the Parent Guarantor will not permit any Subsidiary Guarantor to, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not such Subsidiary Guarantor survives); or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of such Subsidiary Guarantor in one or more related transactions, to another Person, unless:

(1) either:

(A) if the transaction or series of transactions is a consolidation of such Subsidiary Guarantor with or a merger of such Subsidiary Guarantor with or into any other Person, such Subsidiary Guarantor shall be the surviving entity of such consolidation or merger; or

(B) the Person formed by or surviving any such consolidation or merger (if other than such Subsidiary Guarantor) or to which such sale, assignment, transfer, conveyance or other disposition has been made shall be a corporation organized and existing under the laws of the British Virgin Islands, Cayman Islands, Hong Kong, Macau, Singapore, United States, any state of the United States or the District of Columbia, and such Person shall expressly assume all the Obligations of such Subsidiary Guarantor under its Note Guarantee, this Indenture, the Security Documents and the Intercreditor Agreement pursuant to supplemental indentures or other documents or agreements reasonably satisfactory to the Trustee and the Security Agent and the Intercreditor Agent, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions and take such other actions as may be required by applicable law to perfect or continue the perfection of the Lien created under the Security Documents on the Collateral owned by or transferred to the surviving Person; and

(2) immediately after such transaction, no Default or Event of Default exists;

*provided*, *however,* that the provisions of this Section 5.01(b) shall not apply if such Subsidiary Guarantor is released from its Note Guarantee as a result of such consolidation, merger, sale or other disposition pursuant to Section 11.08 hereof.

(c) This Section 5.01 will not apply to:

(1) a merger of the Company or a Guarantor, as the case may be, with an Affiliate solely for the purpose of reincorporating the Company or a Subsidiary Guarantor, as the case may be, in another jurisdiction; or

(2) any consolidation or merger, or any sale, assignment, transfer, conveyance, or other disposition of assets between or among the Company and the Guarantors or between or among the Guarantors.

Upon consummation of any consolidation or merger, or any sale, assignment, transfer, conveyance, or other disposition of assets by a Subsidiary Guarantor with or into the Company or another Guarantor in accordance with this Section 5.01 which results in a Subsidiary Guarantor distributing all of its assets (other than *de minimis* assets required by law to maintain its corporate existence) to the Company or another Guarantor, such transferring Subsidiary Guarantor may be wound up pursuant to a solvent liquidation or solvent reorganization, provided it shall have no third party recourse Indebtedness or be the obligor under any intercompany Indebtedness.

Section 5.02 *Successor Corporation Substituted.*

Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the properties or assets of the Company in a transaction that is subject to, and that complies with the provisions of, Section 5.01 hereof, the successor Person formed by such consolidation or into or with which the Company is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition, the provisions of this Indenture referring to the “Company” shall refer instead to the successor Person and not to the Company), and may exercise every right and power of the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein; *provided, however*, that the predecessor Company shall not be relieved from the obligation to pay the principal of and interest on the Notes except in the case of a sale of all of the Company’s assets in a transaction that is subject to, and that complies with the provisions of, Section 5.01 hereof.

## ARTICLE 6
## DEFAULTS AND REMEDIES

Section 6.01 *Events of Default.*

(a) Each of the following is an event of default (an "*Event of Default*"):

(1) default for 30 days in the payment when due of interest or Additional Amounts, if any, on the Notes;

(2) default in the payment when due (at maturity, upon redemption, upon required repurchase, or otherwise) of the principal of, or premium, if any, on the Notes;

(3) failure by the Parent Guarantor or any of its Restricted Subsidiaries to comply with its obligations under the provisions of Section 3.09, 4.10, 4.15 or 5.01 hereof;

(4) failure by the Parent Guarantor or any of its Restricted Subsidiaries for 60 days after notice to the Company by the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class to comply with any of the other agreements in this Indenture, the Security Documents or the Intercreditor Agreement;

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Parent Guarantor or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Parent Guarantor or any of its Restricted Subsidiaries), whether such Indebtedness or Guarantee now exists, or is created after the date of this Indenture, if that default:

(A) is caused by a failure to pay principal of, or interest or premium, if any, on, such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "*Payment Default*"); or

(B) results in the acceleration of such Indebtedness prior to its express maturity,

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates US$15.0 million or more at any time outstanding;

(6) failure by the Parent Guarantor or any of its Restricted Subsidiaries to pay final judgments entered by a court or courts of competent jurisdiction (other than any judgment as to which a reputable third party insurer has accepted full responsibility and coverage) aggregating in excess of US$15.0 million, which judgments are not paid, discharged or stayed for a period of 60 days;

(7) the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary pursuant to or within the meaning of Bankruptcy Law:

(A) commences a voluntary case or is the subject of a petition by a creditor to have it declared bankrupt,

(B) consents to the entry of an order for relief against it in an involuntary case,

(C) consents to the appointment of a custodian of it or for all or substantially all of its property,

(D) makes a general assignment for the benefit of its creditors, or

(E) generally is not paying its debts as they become due;

(8) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary in an involuntary case;

(B) appoints a custodian of the Company or of any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary or for all or substantially all of the property of the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary; or

(C) orders the liquidation of the Company or of any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary;

(9) the repudiation by the Company or any Guarantor of any of their Obligations under the Security Documents, or except as permitted by this Indenture and the Intercreditor Agreement, any of the Security Documents or the Intercreditor Agreement ceasing to be in full force and effect for any reason, being declared fully or partially void in judicial, regulatory or administrative proceeding or becoming enforceable against the Company or any Guarantor for any reason;

(10) except as permitted by this Indenture, (a) any Note Guarantee being held in any judicial proceeding in a competent jurisdiction to be unenforceable or invalid or ceases for any reason to be in full force and effect, or (b) any Person acting on behalf of any Guarantor, denying or disaffirming its Obligations under its Note Guarantee;

(11) the termination or rescission of any Gaming License or the Macau government takes any formal measure to do so;

Section 6.02 *Acceleration.*

In the case of an Event of Default specified in Section 6.01(a)(7) or 6.01(a)(8) hereof, with respect to the Company, the Parent Guarantor, any Restricted Subsidiary of the Parent Guarantor that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Parent Guarantor that, taken together, would constitute a Significant Subsidiary, all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes may declare all the Notes to be due and payable immediately.

Upon any such declaration, the Notes shall become due and payable immediately.

The Holders of a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may, on behalf of all of the Holders, rescind an acceleration and its consequences, if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal, interest, premium or Additional Amounts, if any, that has become due solely because of the acceleration) have been cured or waived.

Section 6.03 *Other Remedies.*

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal, premium and Additional Amounts, if any, and interest on the Notes or to enforce the performance of any provision of the Notes, this Indenture or the Security Documents.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

Section 6.04 *Waiver of Past Defaults.*

Holders of not less than a majority in aggregate principal amount of the then outstanding Notes by notice to the Trustee may on behalf of the Holders of all of the Notes waive an existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Default in the payment of the principal of, premium, Additional Amounts, if any, or interest on, the Notes (including in connection with an offer to purchase); *provided*, *however*, that the Holders of a majority in aggregate principal amount of the then outstanding Notes may rescind an acceleration and its consequences, including any related payment default that resulted from such acceleration. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05 *Control by Majority.*

Holders of a majority in aggregate principal amount of the then outstanding Notes may direct, in writing, the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on it. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture that the Trustee determines may be unduly prejudicial to the rights of other Holders or that may involve the Trustee in personal liability.

Section 6.06 *Limitation on Suits.*

(a) Subject to the provisions of this Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under this Indenture at the request or direction of any Holders unless such Holders have offered to the Trustee reasonable indemnity and/or security to its satisfaction against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium, if any, or interest or Additional Amounts, if any, when due, no Holder may pursue any remedy with respect to this Indenture or the Notes unless:

(1) such Holder has previously given the Trustee written notice that an Event of Default is continuing;

(2) Holders of at least 25% in aggregate principal amount of the then outstanding Notes have made a written request to the Trustee to pursue the remedy;

(3) such Holders have offered the Trustee security and/or indemnity to its satisfaction against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security and/or indemnity to its satisfaction; and

(5) during such 60-day period, Holders of a majority in aggregate principal amount of the then outstanding Notes have not given the Trustee a written direction inconsistent with such request.

(b) A Holder may not use this Indenture to prejudice the rights of another Holder or to obtain a preference or priority over another Holder.

Section 6.07 *Rights of Holders to Receive Payment.*

Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of principal, premium, Additional Amounts, if any, and interest on the Notes, on or after the respective due dates expressed in the Note (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder; *provided that* a Holder shall not have the right to institute any such suit for the enforcement of payment if and to the extent that the institution or prosecution thereof or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the Lien of this Indenture upon any property subject to such Lien.

Section 6.08 *Collection Suit by Trustee.*

If an Event of Default specified in Section 6.01(a)(1) or (a)(2) hereof occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal of, premium, Additional Amounts, if any, and interest remaining unpaid on, the Notes and interest on overdue principal and premium, if any and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

Section 6.09 *Trustee May File Proofs of Claim.*

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders allowed in any judicial proceedings relative to the Company (or any other obligor upon the Notes), its creditors or its property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.08 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.08 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10 *Priorities.*

Subject to the terms of the Intercreditor Agreement, if the Trustee collects any money pursuant to this Article 6, it shall pay out the money in the following order:

*First*: to the Trustee, the Agents, and their respective agents and attorneys for amounts due under Section 7.08 hereof, including payment of all compensation, expenses and liabilities incurred, and all advances made, by the Trustee or any Agent, and the costs and expenses of collection;

*Second*: to Holders for amounts due and unpaid on the Notes for principal, premium, Additional Amounts, if any, and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, Additional Amounts, if any, and interest, respectively; and

*Third*: to the Company or to such party as a court of competent jurisdiction shall direct.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 6.10.

Section 6.11 *Undertaking for Costs.*

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07 hereof, or a suit by Holders of more than 10% in aggregate principal amount of the then outstanding Notes.

## ARTICLE 7
## TRUSTEE

Section 7.01 *Duties of Trustee.*

(a) If an Event of Default has occurred and is continuing, the Trustee will exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the duties of the Trustee will be determined solely by the express provisions of this Indenture and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of willful misconduct on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee will examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture.

(3) other than with respect to a payment default, the Trustee shall not be charged with knowledge of any Default or Event of Default unless written notice has been delivered to a Responsible Officer at the Corporate Trust Office of the Trustee referencing the applicable provision of this Indenture.

(c) The Trustee may not be relieved from liabilities for its own grossly negligent action, its own grossly negligent failure to act, or its own willful misconduct, except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

(2) the Trustee will not be liable for any error of judgment made in good faith by a Responsible Officer; and

(3) the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), and (c) of this Section 7.01.

(e) No provision of this Indenture or the Intercreditor Agreement will require the Trustee, to expend or risk its own funds or incur any liability.

(f) The Trustee will not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

Section 7.02 *Rights of Trustee.*

(a) The Trustee may conclusively rely upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate or an Opinion of Counsel or both. The Trustee will not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel. The Trustee may engage and consult with professional advisors and counsel selected by it at the reasonable expense of the Company, and the Trustee may rely conclusively upon advice of such professional advisors and counsel or any Opinion of Counsel will be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon by the Trustee and any of its directors, officers, employees or agents duly appointed.

(c) The Trustee may act through its attorneys and agents and will not be responsible for the misconduct or negligence of any agent appointed with due care. The Trustee shall have no duty to monitor the performance of such agents.

(d) The Trustee will not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture and the Intercreditor Agreement. The Trustee shall not be required to take action at the direction of the Company or Holders which conflicts with the requirements of this Indenture and the Intercreditor Agreement or for which it is not indemnified to its satisfaction, or which involves undue risk or would be contrary to applicable law or regulation.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company will be sufficient if signed by an Officer or a director of the Company.

(f) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture or the Intercreditor Agreement at the request or direction of any of the Holders unless such Holders have offered to the Trustee indemnity and/or security satisfactory to it in its sole discretion against the losses, liabilities and expenses that might be incurred by it in compliance with such request or direction.

(g) In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

(h) The recitals contained herein and in the Notes are made by the Company and not by the Trustee, and the Trustee, does not assume any responsibility for the correctness thereof. The Trustee makes no representation as to the validity or sufficiency of this Indenture, the Notes, the Intercreditor Agreement or Security Documents.

(i) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records, and premises of the Company, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation.

(j) In no event shall the Trustee be responsible or liable for special, indirect, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(k) The rights, privileges, indemnity, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder and each agent, custodian and other Person employed to act hereunder and shall be incorporated by reference and made a part of the Security Documents and the Intercreditor Agreement;

(l) The Trustee may request that the Company deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture;

(m) In the event that the Trustee and Agents shall be uncertain as to their respective duties or rights hereunder or shall receive instructions, claims or demands from the Company, which in their opinion, conflict with any of the provisions of this Indenture, they shall be entitled to refrain from taking action until directed in writing by a final order or judgment of a court of competent jurisdiction; and

(n) So long as any of the Notes remains outstanding, the Company shall provide the Agents with a sufficient number of copies of this Indenture and each of the documents sent to the Trustee or which are required to be made available by stock exchange regulations or stated in the Offering Memorandum relating to the Notes, to be available and, subject to being provided with such copies, each of the Agents will procure that such copies shall be available at its specified office during normal office hours for examination by the Holders and that copies thereof will be furnished to the Holders upon written request at their own expense.

(o) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer’s Certificate and/or an Opinion of Counsel;

(p) in the event the Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of Holders, each representing less than a majority in aggregate principal amount of the Notes then outstanding, pursuant to the provisions of this Indenture, the Trustee, in its sole discretion, may determine what action, if any, will be taken and shall not incur any liability for its failure to act until such inconsistency or conflict is, in its reasonable opinion, resolved;

(q) the Trustee may, before commencing (or at any time during the continuance of) any act, action or proceeding, require the Holders at whose instance it is acting to deposit with the Trustee the Notes held by them, for which Notes the Trustee to which such Notes are deposited shall issue receipts to such Holders;

(r) notwithstanding any other provision of this Indenture, the Trustee and the Paying Agent shall be entitled to make a deduction or withholding from any payment which they make under this Indenture for or on account of any present or future taxes, duties or charges if and to the extent so required by applicable law, in which event the Trustee or the Paying Agent, as applicable, shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so withheld or deducted;

(s) the Trustee shall (except as expressly otherwise provided herein) as regards all the trusts, powers, authorities and discretions vested in it by this Indenture or by applicable law, have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and, absent any wilful misconduct, gross negligence or fraud on the part of the Trustee the Trustee shall not be responsible for any loss, damage, cost, claim or any other liability or inconvenience that may result from the exercise or non-exercise thereof;

(t) unless otherwise specifically provided in this Indenture, any demand, request, direction or notice of the Company mentioned herein shall be sufficiently evidenced if in writing and signed by an Officer of the Company and any resolution of the Board of Directors shall be sufficiently evidenced by a board resolution;

(u) the Trustee shall have no duty to inquire as to the performance of the covenants of the Parent Guarantor or its Restricted Subsidiaries. Delivery of reports, information and documents to the Trustee under Section 4.03 hereof shall be for informational purposes only as regards the Trustee and the Trustee's receipt of such reports, information and documents shall not constitute constructive notice of any information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates);

(v) the Trustee shall not have any obligation or duty to monitor, determine or inquire as to compliance, and shall not be responsible or liable for compliance with restrictions on transfer, exchange, redemption, purchase or repurchase, as applicable, of minimum denominations imposed under this Indenture or under applicable law or regulation with respect to any transfer, exchange, redemption, purchase or repurchase, as applicable, of any interest in any Notes;

(w) the Trustee is not required to give any bond or surety with respect to the performance of its duty or the exercise of its power under this Indenture or the Notes;

(x) no provision of this Indenture shall require the Trustee to do anything which, in its opinion, may be illegal or contrary to applicable law or regulation;

(y) the Trustee may assume without inquiry in the absence of actual knowledge that the Company and the Parent Guarantor are duly complying with their obligations contained in this Indenture required to be performed and observed by them, and that no Default or Event of Default or other event which would require repayment of the Notes has occurred;

(z) At any time that the security granted pursuant to the Security Documents has become enforceable and the Holders have given a direction to the Trustee to enforce such Collateral, the Trustee is not required to give any direction to the Security Agent with respect thereto unless it has been indemnified and/or secured in accordance with Section 7.01(e) hereof, if requested. In any event, in connection with any enforcement of such security, the Trustee is not responsible for:

(A) any failure of the Security Agent to enforce such security within a reasonable time or at all;

(B) any failure of the Security Agent to pay over the proceeds of enforcement of the Collateral;

(C) any failure of the Security Agent to realize such security for the best price obtainable;

(D) monitoring the activities of the Security Agent in relation to such enforcement;

(E) taking any enforcement action itself in relation to such security;

(F) agreeing to any proposed course of action by the Security Agent which could result in the Trustee incurring any liability for its own account; or

(G) paying any fees, costs or expenses of the Security Agent; and

(aa) the permissive right of the Trustee to take the actions permitted by this Indenture and the Intercreditor Agreement shall not be construed as an obligation or duty to do so.

Section 7.03 *Limitation on Duties of Trustee in Respect of Collateral; Indemnification*

(a) Beyond the exercise of reasonable care in the custody thereof, the Trustee, shall have no duty as to any Collateral in its possession or control or in the possession or control of any agent or bailee or any income thereon or as to preservation of rights against prior parties or any other rights pertaining thereto and the Trustee shall not be responsible for filing any financing or continuation statements or recording any documents or instruments in any public office at any time or times or otherwise perfecting or maintaining the perfection of any security interest in the Collateral. The Trustee shall be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords other collateral and shall not be liable or responsible for any loss or diminution in the value of any of the Collateral, by reason of the act or omission of any carrier, forwarding agency or other agent or bailee selected by the Trustee in good faith.

(b) The Trustee shall not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority of enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, except to the extent such action or omission constitutes gross negligence, bad faith or willful misconduct on the part of the Trustee for the validity or sufficiency of the Collateral or any agreement or assignment contained therein, for the validity of the title of the Company to the Collateral, for insuring the Collateral or otherwise as to the maintenance of the Collateral. The Trustee shall have no duty to ascertain or inquire as to the performance or observance of any of the terms of this Indenture, the Intercreditor Agreement or the Security Documents, by the Company or the Guarantors.

Section 7.04 *Individual Rights of Trustee.*

(a) The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company or any Affiliate of the Company with the same rights it would have if it were not Trustee. The Trustee is also subject to Section 7.11 hereof.

(b) If the Trustee becomes a creditor of the Company or a Guarantor, this Indenture limits its right to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; however, if it acquires actual knowledge that it has any conflicting interest it must eliminate such conflict within 90 days or resign.

Section 7.05 *Trustee's Disclaimer.*

The Trustee will not be responsible for and makes no representation as to the validity or adequacy of this Indenture, the Intercreditor Agreement, the Security Documents or the Notes, it shall not be accountable for the Company's use of the proceeds from the Notes or any money paid to the Company or upon the Company's direction under any provision of this Indenture or the Intercreditor Agreement, it will not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it will not be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture or the Intercreditor Agreement other than the certificate of authentication. The Trustee shall not be deemed to be required to calculate any Fixed Charges, Treasury Rates, Additional Amounts, any make-whole amount, any Fixed Charge Coverage Ratio or other coverage ratio, or otherwise.

Section 7.06 *Notice of Defaults.*

If a Default or Event of Default occurs and is continuing and if it is known to the Trustee, the Trustee will mail to Holders a notice of the Default or Event of Default within ninety (90) days after it occurs. Except in the case of a Default or Event of Default in payment of principal of, premium, Additional Amounts, if any, or interest on, any Note, the Trustee shall not be deemed to have such actual knowledge and may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders.

Section 7.07 *[Intentionally Omitted.]*

Section 7.08 *Compensation and Indemnity.*

(a) The Company will pay to the Trustee from time to time reasonable compensation for its acceptance of this Indenture and services hereunder pursuant to a written fee agreement executed or as otherwise agreed by the Trustee and the Company. The Trustee's compensation will not be limited by any law on compensation of a trustee of an express trust. The Company will reimburse the Trustee promptly upon request for all reasonable disbursements, advances and expenses properly incurred or made by it in addition to the compensation for its services. Such expenses will include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

(b) The Company and the Guarantors will indemnify the Trustee and its officers, directors, employees and agents against any and all losses, liabilities or expenses (including the fees and expenses of counsel) incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture and the Intercreditor Agreement, including the costs and expenses of enforcing this Indenture against the Company and the Guarantors (including this Section 7.08) and defending itself against any claim (whether asserted by the Company, the Guarantors, any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent any such loss, liability or expense may be attributable solely to its gross negligence, willful misconduct or fraud by a court of competent jurisdiction in a final non-appealable order. The Trustee will notify the Company promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Company will not relieve the Company or any of the Guarantors of their obligations hereunder. The Company or such Guarantor will defend the claim and the Trustee will cooperate in the defense. The Trustee may have separate counsel and the Company will pay the reasonable fees and expenses of such counsel. Neither the Company nor any Guarantor need to pay for any settlement made without its consent, which consent will not be unreasonably withheld.

(c) The obligations of the Company and the Guarantors under this Section 7.08 will survive the satisfaction and discharge of this Indenture, and the resignation or removal of the Trustee and/or any Agent.

(d) To secure the Company's and the Guarantors' payment obligations in this Section 7.08, the Trustee will have a Lien prior to the Notes on all money or property held or collected by the Trustee, in its capacity as Trustee, except that held in trust to pay principal and interest on particular Notes. Such Lien will survive the satisfaction and discharge of this Indenture.

(e) When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(a)(7) or Section 6.01(a)(8) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

Section 7.09 *Replacement of Trustee.*

(a) A resignation or removal of the Trustee and appointment of a successor Trustee will become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.09.

(b) The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Company. The Holders of a majority in aggregate principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Company in writing. The Company may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.11 hereof;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

(c) If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company will promptly appoint a successor Trustee. Within one (1) year after the successor Trustee takes office, the holders of a majority in aggregate principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

(d) If a successor Trustee does not take office within sixty (60) days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company, or the holders of at least 10% in aggregate principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee at the sole expense of the Company.

(e) If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.11 hereof, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(f) A successor Trustee will deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon, the resignation or removal of the retiring Trustee will become effective, and the successor Trustee will have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee will mail a notice of its succession to Holders. The retiring Trustee will promptly transfer all property held by it as Trustee to the successor Trustee; *provided* all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.08 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.09, the Company's obligations under Section 7.08 hereof will continue for the benefit of the retiring Trustee.

Section 7.10 *Successor Trustee by Merger, etc.*

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act will be the successor Trustee.

Section 7.11 *Eligibility; Disqualification.*

There shall at all times be a Trustee hereunder that is entitled to carry out the activities of a trustee under the laws of England and Wales, or Hong Kong, or is a corporation organized or doing business under the laws of the United States of America or any state thereof or the District of Columbia that is authorized under such laws to exercise corporate trustee power, that is subject to supervision or examination by the relevant authorities in such jurisdiction and that is a corporation which is generally recognized as a corporation which customarily performs such corporate trustee roles and provides such corporate trustee services in transactions similar in nature to the offering of the Notes. No obligor under the Notes or Person directly controlling, controlled by, or under common control with such obligor shall serve as trustee under the Notes.

Section 7.12 *Appointment of Co-Trustee.*

(a) Notwithstanding any other provisions of this Indenture, at any time, for the purpose of meeting any legal requirement of any jurisdiction or otherwise, the Trustee shall have the power and may execute and deliver all instruments necessary to appoint one or more Persons to act as a co-trustee or co-trustees, or separate trustees, of all or any part of this Indenture, and to vest in such Person or Persons, in such capacity and for the benefit of the Holders, such powers, duties, obligations, rights and trusts as the Trustee may consider necessary or desirable. No co-trustee or separate trustee hereunder shall be required to meet the terms of eligibility as a successor trustee under Section 7.09 and no notice to the Holders of the appointment of any co-trustee or separate trustee shall be required.

(b) Every separate trustee and co-trustee shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:

(1) All rights, powers, duties and obligations conferred or imposed upon the Trustee shall be conferred or imposed upon and exercised or performed by the Trustee and such separate trustee or co-trustee jointly (it being understood that such separate trustee or co-trustee is not authorized to act separately without the Trustee joining in such act), except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations shall be exercised and performed singly by such separate trustee or co-trustee, but solely at the direction of the Trustee.

(2) No trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder; and

(3) The Trustee may at any time accept the resignation of or remove any separate trustee or co-trustee.

(c) Any notice, request or other writing given to the Trustee shall be deemed to have been given to each of the then separate trustees and co-trustees, as effectively as if given to each of them. Every instrument appointing any separate trustee or co-trustee shall refer to this Indenture and the conditions of this Section 7.12. Each separate trustee and co-trustee, upon its acceptance of the trusts conferred, shall be vested with the estates or property specified in its instrument of appointment, either jointly with the Trustee or separately, as may be provided therein, subject to all the provisions of this Indenture, specifically including every provision of this Indenture relating to the conduct of, affecting the liability of, or affording protection or rights (including the rights to compensation, reimbursement and indemnification hereunder) to, the Trustee. Every such instrument shall be filed with the Trustee.

(d) Any separate trustee or co-trustee may at any time constitute the Trustee its agent or attorney-in-fact with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of this Indenture on its behalf and in its name. If any separate trustee or co-trustee shall die, become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies, and trusts shall vest in and be exercised by the Trustee, to the extent permitted by law, without the appointment of a new or successor trustee.

Section 7.13 *Resignation of Agents.*

Any Agent may resign and be discharged from its duties under this Indenture at any time by giving thirty (30) days' prior written notice of such resignation to the Trustee and the Company. The Trustee or the Company may remove any Agent at any time by giving thirty (30) days' prior written notice to such Agent. Upon such notice, a successor Agent shall be appointed by the Company, who shall provide written notice of such to the Trustee. Such successor Agent shall become the Agent hereunder upon the resignation or removal date specified in such notice. If the Company is unable to replace the resigning Agent within thirty (30) days after such notice, the Agent shall deliver any funds then held hereunder in its possession to the Trustee or (i) such Agent may appoint as its successor Agent, any reputable and experienced financial institution acceptable to the Trustee or (ii) apply to a court of competent jurisdiction for the appointment of a successor Agent or for other appropriate relief. The costs and expenses (including its counsels' fees and expenses) incurred by the Agent in connection with such proceeding shall be paid by the Company. Upon receipt of the identity of the successor Agent, the Agent shall deliver any funds then held hereunder to the successor Agent, less the Agent's fees, costs and expenses or other obligations owed to the Agent. Upon its resignation and delivery of any funds, the Agent shall be discharged of and from any and all further obligations arising in connection with this Indenture, but shall continue to enjoy the benefit of Section 7.08.

Section 7.14 *Agents General Provisions.*

(a) The rights, powers, duties and obligations and actions of each Agent under this Indenture are several and not joint or joint and several.

(b) the Company and the Agents acknowledge and agree that in the event of a Default or Event of Default, the Trustee may, by notice in writing to the Company and the Agents, require that the Agents act as agents of, and take instructions exclusively from, the Trustee. Until they have received such written notice from the Trustee, the Agents shall act solely as agents of the Company and need have no concern for the interests of the Holders.

(c) In the event that instructions given to any Agent are not reasonably clear, then such Agent shall be entitled to seek clarification from the Company or other party entitled to give the Agents instructions under this Indenture. If an Agent has sought clarification in accordance with this Section 7.14(c), then such Agent shall be entitled to take no action until such clarification is provided, and shall not incur any liability for not taking any action pending receipt of such clarification.

(d) The Agents shall only have such duties as expressly set out in this Indenture.

(e) The Company shall provide the Agents with a certified list of authorized signatories.

Section 7.15 *Rights of Trustee in Other Roles.*

All rights, powers and indemnities contained in this Article 7 shall apply to the Trustee in its other roles hereunder (including, for the avoidance of doubt, in relation to the Security Documents and the Intercreditor Agreement) and to the Agents.

## ARTICLE 8
## LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01 *Option to Effect Legal Defeasance or Covenant Defeasance.*

The Company may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an Officer's Certificate, elect to have either Section 8.02 or 8.03 hereof be applied to all outstanding Notes upon compliance with the conditions set forth below in this Article 8.

Section 8.02 *Legal Defeasance and Discharge.*

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.02, the Company and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed to have been discharged from their Obligations with respect to all outstanding Notes (including the Note Guarantees) on the date the conditions set forth below are satisfied (hereinafter, "*Legal Defeasance*"). For this purpose, Legal Defeasance means that the Company and the Guarantors will be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes (including the Note Guarantees), which will thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 hereof and the other Sections of this Indenture referred to in clauses (1) and (2) below, and to have satisfied all their other obligations under such Notes, the Note Guarantees and this Indenture (and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following provisions which will survive until otherwise terminated or discharged hereunder:

(1) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, or interest or premium and Additional Amounts, if any, on, such Notes when such payments are due from the trust referred to in Section 8.04 hereof;

(2) the Company's Obligations with respect to such Notes under Article 2 and Section 4.02 hereof;

(3) the rights, powers, trusts, duties and immunities of the Trustee, the Security Agent, the Intercreditor Agent, the Paying Agent, the Registrar and the Transfer Agent hereunder and the Company's and the Guarantors' Obligations in connection therewith; and

(4) this Article 8.

Subject to compliance with this Article 8, the Company may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03 hereof.

Section 8.03 *Covenant Defeasance.*

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, the Company and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from each of their obligations under the covenants contained in Section 4.07, 4.08, 4.09, 4.10, 4.11, 4.12, 4.13,4.15, 4.16, 4.17, 4.18, 4.19 and 4.21 hereof and Section 5.01(a)(3) hereof with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 hereof are satisfied (hereinafter, "*Covenant Defeasance*"), and the Notes will thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes will not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes and Note Guarantees, the Company and the Guarantors may omit to comply with and will have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01 hereof, but, except as specified above, the remainder of this Indenture and such Notes and Note Guarantees will be unaffected thereby. In addition, upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, Section 6.01(a)(3) through 6.01(a)(5) hereof will not constitute Events of Default.

Section 8.04 *Conditions to Legal or Covenant Defeasance.*

In order to exercise either Legal Defeasance or Covenant Defeasance under either Section 8.02 or 8.03 hereof:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, cash in U.S. dollars, non-callable U.S. Government Obligations, or a combination of cash in U.S. dollars and non-callable U.S. Government Obligations, in amounts as will be sufficient, in the opinion of an internationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, or interest and premium, and Additional Amounts, if any, on, the outstanding Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Company must specify whether the Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of an election under Section 8.02 hereof, the Company must deliver to the Trustee an Opinion of Counsel confirming that:

(A) the Company has received from, or there has been published by, the U.S. Internal Revenue Service a ruling; or

(B) since the date of this Indenture, there has been a change in the applicable U.S. federal income tax law,

in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the holders of the outstanding Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of such Legal Defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of an election under Section 8.03 hereof, the Company must deliver to the Trustee an Opinion of Counsel confirming that the holders of the outstanding Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of such Covenant Defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound;

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture) to which the Parent Guarantor, the Company or any of their respective Subsidiaries is a party or by which the Parent Guarantor, the Company or any of their Subsidiaries is bound;

(6) the Company must deliver to the Trustee an Officer's Certificate of the Company stating that the deposit was not made by the Company with the intent of preferring the Holders over the other creditors of the Company with the intent of defeating, hindering, delaying or defrauding any creditors of the Company or others; and

(7) the Company must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

(8) The Trustee shall be entitled to its usual fees and, in addition, any fees and expenses incurred or charged by the Trustee and its counsel in connection with defeasance, satisfaction and discharge, and investment or custody services provided hereunder.

Section 8.05 *Deposited Money and U.S. Government Obligations to be Held in Trust; Other Miscellaneous Provisions.*

Subject to Section 8.06 hereof, all money and non-callable U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "*Trustee*") pursuant to Section 8.04 hereof in respect of the outstanding Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may determine, to the holders of such Notes of all sums due and to become due thereon in respect of principal, premium, and Additional Amounts, if any, and interest, but such money need not be segregated from other funds except to the extent required by law.

The Company will pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable U.S. Government Obligations deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the holders of the outstanding Notes.

Notwithstanding anything in this Article 8 to the contrary, the Trustee will deliver or pay to the Company from time to time upon the request of the Company any money or non-callable U.S. Government Obligations held by it as provided in Section 8.04 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(1) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06 *Repayment to Company.*

Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, premium or Additional Amounts, if any, or interest on, any Note and remaining unclaimed for two (2) years after such principal, premium, or Additional Amounts, if any, or interest has become due and payable shall be paid to the Company on its request or (if then held by the Company) will be discharged from such trust; and the holder of such Note will thereafter be permitted to look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, will thereupon cease; *provided*, *however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which will not be less than thirty (30) days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 8.07 *Reinstatement.*

If the Trustee or Paying Agent is unable to apply any U.S. dollars or non-callable U.S. Government Obligations in accordance with Section 8.02 or 8.03 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's and the Guarantors' obligations under this Indenture and the Notes and the Note Guarantees will be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.02 or 8.03 hereof, as the case may be; *provided, however*, that, if the Company makes any payment of principal of, premium or Additional Amounts, if any, or interest on, any Note following the reinstatement of its obligations, the Company will be subrogated to the rights of the holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

## ARTICLE 9
## AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01 *Without Consent of Holders of Notes.*

Notwithstanding Section 9.02 of this Indenture, the Company, the Guarantors, the Trustee, each Agent, the Security Agent and/or the Intercreditor Agent, as the case may be, may amend or supplement this Indenture, the Notes, the Note Guarantees, the Security Documents and/or the Intercreditor Agreement without the consent of any Holder:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(3) to provide for the assumption of the Company's or a Guarantor's Obligations under the Notes or the Note Guarantees in the case of a merger or consolidation or sale of all or substantially all of the Company's or such Guarantor's assets, as applicable;

(4) to make any change that would provide any additional rights or benefits to the Holders or that does not adversely affect the legal rights under this Indenture of any such Holder;

(5) to conform the text of the Notes, this Indenture, the Note Guarantees, the Security Documents or the Intercreditor Agreement to any provision of the "Description of Notes" section of the Offering Memorandum, to the extent that such provision in that "Description of Notes" section of the Offering Memorandum was intended to be a verbatim recitation of a provision of the Notes, this Indenture, the Note Guarantees, the Security Documents or the Intercreditor Agreement, which intent shall be evidenced by an Officer's Certificate of the Company to that effect;

(6) to provide for the issuance of Additional Notes in accordance with the limitations set forth in this Indenture as of the date of this Indenture;

(7) to make, complete or confirm any grant of Collateral permitted or required by this Indenture, the Security Documents or the Intercreditor Agreement; or

(8) to allow any Guarantor to execute a supplemental indenture and/or a Note Guarantee with respect to the Notes or to release any Guarantor from its Note Guarantee in accordance with the terms of this Indenture.

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon receipt by the Trustee of the documents described in Section 7.02 hereof, the Trustee, each Agent, the Security Agent (at the direction of the Trustee, subject to receipt of the documents described in Section 7.02(b)) and/or the Intercreditor Agent, (at the direction of the Trustee, subject to receipt of the documents described in Section 7.02(b)), as the case may be, will join with the Company and the Guarantors in the execution of any amended or supplemental indenture authorized or permitted by the terms of this Indenture and the Intercreditor Agreement and to make any further appropriate agreements and stipulations that may be therein contained, but neither the Trustee, the Security Agent, the Intercreditor Agent nor any Agent will be obligated to (although they may at their discretion) enter into such amended or supplemental indenture that affects their own rights, duties or immunities under this Indenture, the Intercreditor Agreement or otherwise.

Section 9.02 *With Consent of Holders of Notes.*

Except as provided below in this Section 9.02, the Company, the Trustee, each Agent, the Security Agent and/or the Intercreditor Agent, as the case may be, may amend or supplement this Indenture (including, without limitation, Section 3.09, 4.10 and 4.15 hereof) and the Notes, and the Company, the Guarantors, the Trustee and/or the Intercreditor Agent and/or the Security Agent, after they have acceded to this Indenture, as the case may be, may amend or supplement the Note Guarantees, the Security Documents and the Intercreditor Agreement with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes), and, subject to Section 6.04 and 6.07 hereof, any existing Default or Event of Default (other than a Default or Event of Default in the payment of the principal of, premium or Additional Amounts, if any, or interest on, the Notes, except a payment default resulting from an acceleration that has been rescinded) or compliance with any provision of this Indenture, the Notes, the Note Guarantees, the Security Documents or the Intercreditor Agreement may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes).

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon the filing with the Trustee of evidence satisfactory to the Trustee of the consent of the holders of Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 7.02, 9.06, 13.04 and 13.05 hereof, the Trustee, each Agent, the Security Agent (at the direction of the Trustee, subject to receipt of the documents described in Section 7.02(b)) and/or the Intercreditor Agent (at the direction of the Trustee, subject to receipt of the documents described in Section 7.02(b)), as the case may be, will join with the Company and the Guarantors in the execution of such amended or supplemental indenture authorized or permitted by the terms of this Indenture and the Intercreditor Agreement unless such amended or supplemental indenture directly affects the Trustee's, any Agent's, the Security Agent's or the Intercreditor Agent's or own rights, duties or immunities under this Indenture or the Intercreditor Agreement, as applicable, or otherwise, in which case the Trustee, each Agent, the Security Agent and/or the Intercreditor Agent (as the case may be) may in their discretion, but will not be obligated to, enter into such amended or supplemental indenture.

It is not be necessary for the consent of the Holders under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver, but it is sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Company will mail to the Holders of Notes affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Company to mail such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver. Subject to Section 6.04 and 6.07 hereof, the Holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class may waive compliance in a particular instance by the Company with any provision of this Indenture or the Notes. However, without the consent of each Holder (including the Additional Notes) affected, an amendment, supplement or waiver under this Section 9.02 may not (with respect to any Notes (including the Additional Notes) held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of, premium, if any, or change the fixed maturity of any Note or alter the provisions with respect to the redemption of the Notes (except as provided above with respect to Section 3.09, 4.10 and 4.15 hereof);

(3) reduce the rate of or change the time for payment of interest, including default interest, on any Note;

(4) waive a Default or Event of Default in the payment of principal of, or interest, premium or Additional Amounts, if any, on, the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any Note payable in money other than that stated in the Notes;

(6) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of, or interest, premium or Additional Amounts, if any, on, the Notes;

(7) waive a redemption payment with respect to any Note (other than a payment required by Section 3.09, 4.10 or 4.15 hereof);

(8) release any Guarantor from any of its Obligations under its Note Guarantee or this Indenture, except in accordance with the terms of this Indenture;

(9) release the Collateral from the Liens securing the Notes or making any changes to the priority of the Liens under the Security Documents or the Intercreditor Agreement that would adversely affect the Holders, except in accordance with the terms of this Indenture, the applicable Security Documents or the Intercreditor Agreement; or

(10) make any change in the preceding amendment and waiver provisions.

For the avoidance of doubt, no amendment to or deletion of, or actions taken in compliance with, the covenants described under Article 4 shall be deemed to impair or affect any rights of Holders to receive payment of principal of, or premium, if any, or interest on, the Notes.

Section 9.03 *Supplemental Indenture.*

Every amendment or supplement to this Indenture or the Notes will be set forth in an amended or supplemental indenture.

Section 9.04 *Revocation and Effect of Consents.*

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder is a continuing consent by such Holder and every subsequent holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder or subsequent holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

Section 9.05 *Notation on or Exchange of Notes.*

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Company in exchange for all Notes may issue and the Trustee shall, upon receipt of an Authentication Order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

Section 9.06 *Trustee, Security Agent and Intercreditor Agent to Sign Amendments, etc.*

The Trustee, the Security Agent and/or the Intercreditor Agent, as the case may be, will sign any amended or supplemental indenture authorized pursuant to this Article 9 if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee, and/or the Security Agent and/or the Intercreditor Agent. The Company may not sign an amended or supplemental indenture until the Board of Directors of the Company approves it. In executing any amended or supplemental indenture, the Trustee, the Security Agent and/or the Intercreditor Agent will be entitled to receive security and/or indemnity to their reasonable satisfaction. The Trustee (subject to Section 7.01 hereof) will be fully protected in relying upon, in addition to the documents required by Section 13.04 hereof, an Officer's Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this Indenture, that the supplemental indenture is legal, valid, binding and enforceable against the Company in accordance with its terms and such other matters as the Trustee may request. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

## ARTICLE 10
## COLLATERAL AND SECURITY

Section 10.01 *Pledge of Collateral.*

The due and punctual payment of the principal of, and premium, interest and Additional Amounts, if any, on the Notes when and as the same shall be due and payable, whether on an interest payment date, at maturity, by acceleration, repurchase, redemption or otherwise, and interest on the overdue principal of and interest and Additional Amounts (to the extent permitted by law), if any, on the Notes and performance of all other obligations of the Company to the Holders of Notes or the Trustee, the Security Agent, the Intercreditor Agent and the Agents under this Indenture and the Notes according to the terms hereunder or thereunder, are secured as provided in the Security Documents, subject to the terms of the Intercreditor Agreement. Each Holder of Notes, by its acceptance thereof, consents and agrees to the terms of the Security Documents and the Intercreditor Agreement in effect or may be amended from time to time in accordance with its terms and authorizes and directs the Security Agent to enter into the Security Documents and the Intercreditor Agreement and to perform its obligations and exercise its rights thereunder in accordance therewith. The Company will deliver to the Trustee copies of all documents delivered to the Security Agent pursuant to the Security Documents and the Intercreditor Agreement, and the Company will, and the Company will cause each of its Restricted Subsidiaries to, do or cause to be done all such acts and things as may be required, to assure and confirm to the Trustee that the Security Agent holds, for the benefit of the Holders and the Trustee, duly created, enforceable and perfected Liens as contemplated hereby and by the Security Documents and the Intercreditor Agreement, so as to render the same available for the security and benefit of this Indenture and of the Notes secured hereby, according to the intent and purposes herein expressed. The Company will take, and will cause its Restricted Subsidiaries to take, upon request of the Trustee or Security Agent, any and all actions reasonably required to cause the Security Documents to create and maintain, as security for the Obligations of the Company hereunder, in respect of the Collateral, valid and enforceable perfected first priority Liens on all such Collateral, superior to and prior to the rights of all third parties and subject to no Liens other than the Permitted Liens. Certain provisions with respect to enforcement of security interests are set out in each of the Security Documents and the Intercreditor Agreement.

Section 10.02 *Security Agent and Intercreditor Agent.*

(a) On or about the Issue Date, the Security Agent and the Intercreditor Agent shall enter into a supplemental indenture substantially in the form attached hereto as Exhibit D pursuant to which it shall accede to this Indenture as Security Agent or Intercreditor Agent hereunder.

(b) Appointment of the Security Agent and the Intercreditor Agent and any resignation or replacement of the Security Agent or the Intercreditor Agent shall be made in accordance with the terms of the Intercreditor Agreement.

(c) The Security Agent agrees that it will hold the security interests in Collateral created under any Security Documents to which it is a party as contemplated by this Indenture and in accordance with the Intercreditor Agreement, and any and all proceeds thereof, for the benefit of, among others, itself, the Trustee and the Holders, without limiting the Security Agent's rights including under Section 10.04, to act in preservation of the security interest in the Collateral. The Security Agent will take action or refrain from taking action in connection therewith only as directed by the Intercreditor Agent or the Trustee, in each case pursuant to the terms of this Indenture and the Intercreditor Agreement.

Section 10.03 *Release of Collateral and Certain Matters with Respect to Collateral.*

(a) Collateral may be released from the Liens and security interests created by the Security Documents at any time or from time to time in accordance with the provisions of the Security Documents, the Intercreditor Agreement and Section 10.06 of this Indenture. In connection therewith, and subject to the terms and conditions of the relevant Security Documents and the Intercreditor Agreement, upon the request of the Company pursuant to an Officer's Certificate certifying that all conditions precedent hereunder have been met, the Security Agent shall, at the expense of the Company, and the direction of the Trustee (subject to receipt of the documents described in Section 7.02(b)), execute, deliver or acknowledge any necessary or proper instruments of termination, satisfaction or release to evidence the release of any Collateral permitted to be released pursuant to this Indenture, the Intercreditor Agreement or the Security Documents. The Company hereby agrees that following the release of the Liens over the Note Interest Accrual Account in accordance with the provisions of the Security Documents, the Intercreditor Agreement and Section 10.06 of this Indenture, the Company shall, as soon as practicable, close the Note Interest Accrual Account, or pledge such account to the Security Agent for the benefit of the Secured Parties, it being understood that so long as such account remains open, in no event shall security interest be created over such account for the benefit of any Person other than the Secured Parties.

(b) The Intercreditor Agreement sets out the rights of the Company or the Guarantors upon the occurrence and during the continuance of a Default or Event of Default.

Section 10.04 *Authorization of Actions to Be Taken by the Trustee and the Security Agent and the Intercreditor Agent.*

(a) Subject to the provisions of Section 6.05, 7.01 and 7.02 and the terms of the Security Documents and the Intercreditor Agreement, the Trustee may (acting on the instruction of Holders holding at least 25% of the aggregate principal amount of the Notes), take all actions it deems necessary or appropriate, or direct, on behalf of the Holders, the Security Agent and/or the Intercreditor Agent to take all actions it deems necessary or appropriate, in order to:

(1) enforce any of the terms of the Security Documents or the Intercreditor Agreement; and

(2) collect and receive any and all amounts payable in respect of the Obligations of the Company hereunder.

(b) The Trustee will have power to institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Collateral by any acts that may be unlawful or in violation of the Security Documents, the Intercreditor Agreement or this Indenture, and such suits and proceedings as the Trustee may deem expedient to preserve or protect its interests and the interests of the Holders of Notes in the Collateral (including power to institute and maintain suits or proceedings to restrain the enforcement of or compliance with any legislative or other governmental enactment, rule or order that may be otherwise invalid if the enforcement of, or compliance with, such enactment, rule or order would impair the security interest hereunder or be prejudicial to the interests of the Holders of Notes or of the Trustee).

(c) With respect to any action authorized to be taken by the Security Agent or the Intercreditor Agent under this Indenture, the Security Agent or the Intercreditor Agent, as the case may be, may act (or refrain from acting) on the instruction of the Trustee unless the provision requiring such action expressly requires otherwise, to the extent such action or non-action is authorized and permitted under the Intercreditor Agreement and subject to Section 14.02(d).

Section 10.05 *Authorization of Receipt of Funds by the Trustee under the Security Documents.*

The Trustee is authorized to receive any funds for the benefit of the Holders of Notes distributed under the Security Documents and the Intercreditor Agreement, and to make further distributions of such funds to the Holders of Notes according to the provisions of this Indenture and the Intercreditor Agreement.

Section 10.06 *Termination of Security Interest.*

Subject to the terms of the Intercreditor Agreement, the Trustee shall, at the request and expense of the Company upon having provided the Trustee an Officer’s Certificate (which shall certify, among other things, that all action under the relevant Security Document(s) with respect to the release of the security thereunder has been taken and the release of the Collateral complies with the terms of the relevant Security Document(s)) and Opinion of Counsel certifying compliance with this Section 10.06, execute and deliver a certificate to the Security Agent and the Intercreditor Agent releasing the relevant Collateral or other appropriate instrument evidencing such release (in the form provided by the Company):

(a) upon the full and final payment and performance of all Obligations of the Company under the Indenture and the Notes;

(b) upon the Legal Defeasance or satisfaction and discharge of the Notes as provided in Section 8.02 and Article 12 hereof;

(c) upon certain dispositions of the Collateral in compliance with either of the covenants entitled Section 4.10 or 5.01 (and in the latter instance, if such covenant authorizes such release);

(d) in the case of a Guarantor that is released from its Note Guarantee, pursuant to the terms of this Indenture, the Intercreditor Agreement;

(e) in connection with certain enforcement actions taken by the creditors under certain of the Company’s and the Guarantors’ secured Indebtedness (including the Notes and the Senior Secured Credit Facilities) in accordance with the Intercreditor Agreement; or

(f) as described under Article 9 hereof.

Section 10.07 *Note Interest Accrual Account*

(a) The Company shall, as soon as practicable and in any event prior to December 30, 2016: (i) establish the Note Interest Accrual Account; (ii) effect the pledge of the Note Interest Accrual Account for the benefit of holders of the Notes; and (iii) substantially concurrently with such pledge, cause the delivery of customary opinion of counsel to the Trustee, in relation to such pledges, in form and substance satisfactory to the Trustee.

(b) Following the Issue Date, the Company will, on the 30th of each month (or the last day of February), deposit an amount that is not less than one-sixth of the aggregate amount of interest due on the Notes on the next interest payment date into the Note Interest Accrual Account so that at such interest payment date, the amount standing to the credit of the Note Interest Accrual Account is at least equal to the amount of interest due on the Notes on such interest payment date (and such aggregate amount will be applied in making such payment). The Security Agent will have a perfected security interest in the Note Interest Accrual Account and all dividends, instruments, cash and Cash Equivalents and other property, as applicable, on deposit in such account on an exclusive basis for the benefit of the Trustee and the holders of the Notes. The Security Agent will not have a Lien on the Note Interest Accrual Account and the cash and Cash Equivalents on deposit in such account for the benefit of the 2021 Notes Trustee, the holders of the 2021 Notes or the Senior Credit Facilities Finance Parties.

Section 10.08 *Further Actions.*

(a) The Company shall use its best efforts to take, or cause to be taken, all appropriate action, and to do or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the security over the Collateral as contemplated by the Security Documents and the Intercreditor Agreement, including, without limitation, (i) cooperating in the preparation of any required filings under the Security Documents and the Intercreditor Agreement, (ii) using best efforts to make all required filings, notifications, releases and applications and to obtain licenses, permits, consents, approvals, authorizations, qualifications and orders of governmental authorities and parties to contracts with the Company as are necessary for the grants of security contemplated by this Indenture, the Intercreditor Agreement and the Security Documents and to fulfill the conditions of the Security Documents including, without limitation, delivery of title deeds and all other documents of title relating to the Collateral secured by the Security Documents in the manner as provided for therein and in the Intercreditor Agreement, (iii) taking any and all action to perfect the security over the Collateral as contemplated by this Indenture, the Intercreditor Agreement and the Security Documents, (iv) cooperating in all respects with each other in connection with any investigation or other inquiry, including any proceeding initiated by any Person, in connection with the granting of security over the Collateral, (v) keeping the Trustee, the Security Agent and the Intercreditor Agent informed in all material respects of any material communication received by the Company from, or given by them to, any governmental authority or any other Person regarding any matters contemplated by the Security Documents and the Intercreditor Agreement or with respect to the Collateral, and (vi) permitting the Trustee, the Security Agent and the Intercreditor Agent to review any material communication given by the Company to any such governmental authority or any other Person.

(b) The Company will deliver to the Trustee, as soon as possible and in any event within thirty (30) days after the Issue Date, a copy of a shareholder resolution stamped by the Registrar of Corporate Affairs in the British Virgin Islands which amends the Memorandum of Association of each of the SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited and Studio City Holdings Four Limited. Each of the shareholder resolutions will evidence the (i) amendment of the current definition of “Senior Facilities Agreement” in clause 1.1 (Definitions and Interpretation) in the Memorandum of Association of the relevant company with a definition of “Senior Facilities Agreement” that will reflect the HK$10,855,880,000 Senior Term Loan and Revolving Facilities Agreement dated January 28, 2013 and made between, inter alia, Studio City Company Limited as the borrower, Deutsche Bank AG, Hong Kong Branch as agent, and other parties thereto (as from time to time amended, novated, supplemented, extended, replaced or restated, including without limitation as amended and restated by an amendment and restatement agreement dated November 23, 2016 entered into by, among others, Studio City Investments Limited as parent, Studio City Company Limited as borrower, Deutsche Bank AG, Hong Kong Branch as retiring agent, Bank of China Limited, Macau Branch as acceding agent and Industrial and Commercial Bank of China (Macau) Limited as security agent), and (ii) authorization and instruction of the registered agent of each of the companies described in this clause (b) of Section 10.08 to file the notice of amendment in respect of the amendment to the Memorandum of Association of each of such companies with the Registrar of Corporate Affairs in the British Virgin Islands.

Notwithstanding any other provision of this Indenture, none of the Trustee, the Security Agent or the Intercreditor Agent has any responsibility for the validity, perfection, priority or enforceability of any lien, Collateral, Security Documents or other security interest.

## ARTICLE 11
## NOTE GUARANTEES

Section 11.01 *Guarantee.*

(a) Each Guarantor hereby jointly and severally, irrevocably and unconditionally guarantees to each Holder and to the Trustee, successors and assigns (1) the full and punctual payment when due, whether at Stated Maturity, by acceleration, by redemption or otherwise, of all obligations of the Company under this Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of, interest, premium or Additional Amounts, if any, on the Notes and all other monetary obligations of the Company under this Indenture and the Notes and (2) the full and punctual performance within applicable grace periods of all other obligations of the Company whether for fees, expenses, indemnification or otherwise under this Indenture and the Notes (all the foregoing being hereinafter collectively called the "*Guaranteed Obligations*"). Each Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from each such Guarantor, and that each such Guarantor shall remain bound under this Article 11 notwithstanding any extension or renewal of any Guaranteed Obligation.

(b) Each Guarantor waives presentation to, demand of payment from and protest to the Company of any of the Guaranteed Obligations and also waives notice of protest for nonpayment. Each Guarantor waives notice of any default under the Notes or the Guaranteed Obligations. The obligations of each Guarantor hereunder shall not be affected by (1) the failure of any Holder or the Trustee to assert any claim or demand or to enforce any right or remedy against the Company or any other Person under this Indenture, the Notes or any other agreement or otherwise; (2) any extension or renewal of any thereof; (3) any rescission, waiver, amendment or modification of any of the terms or provisions of this Indenture, the Notes or any other agreement; (4) the release of any security held by any Holder or the Trustee for the Guaranteed Obligations or any of them; (5) the failure of any Holder or the Trustee to exercise any right or remedy against any other guarantor of the Guaranteed Obligations; or (6) any change in the ownership of such Subsidiary.

(c) Each Guarantor hereby waives any right to which it may be entitled to have its obligations hereunder divided among the Guarantors, such that such Guarantor's obligations would be less than the full amount claimed. Each Guarantor hereby waives any right to which it may be entitled to have the assets of the Company first be used and depleted as payment of the Company's or such Guarantor's obligations hereunder prior to any amounts being claimed from or paid by such Guarantor hereunder. Each Guarantor hereby waives any right to which it may be entitled to require that the Company be sued prior to an action being initiated against such Guarantor.

(d) Each Guarantor further agrees that its Note Guarantee herein constitutes a guarantee of payment, performance and compliance when due (and not a guarantee of collection) and waives any right to require that any resort be had by any Holder or the Trustee to any security held for payment of the Guaranteed Obligations.

(e) Except as expressly set forth in Section 8.02, 11.02 and 11.08, the obligations of each Guarantor hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense of setoff, counterclaim, recoupment or termination whatsoever or by reason of the invalidity, illegality or unenforceability of the Guaranteed Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of each Guarantor herein shall not be discharged or impaired or otherwise affected by the failure of any Holder or the Trustee to assert any claim or demand or to enforce any remedy under this Indenture, the Notes or any other agreement, by any waiver or modification of any thereof, by any default, failure or delay, willful or otherwise, in the performance of the obligations, or by any other act or thing or omission or delay to do any other act or thing which may or might in any manner or to any extent vary the risk of any Guarantor or would otherwise operate as a discharge of any Guarantor as a matter of law or equity.

(f) Except as expressly set forth in Section 8.02, 11.02 and 11.08, each Guarantor agrees that its Note Guarantee shall remain in full force and effect until payment in full of all the Guaranteed Obligations. Each Guarantor further agrees that its Note Guarantee herein shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of principal of or interest on any Guaranteed Obligation is rescinded or must otherwise be restored by any Holder or the Trustee upon the bankruptcy or reorganization of the Company or otherwise.

(g) In furtherance of the foregoing and not in limitation of any other right which any Holder or the Trustee has at law or in equity against any Guarantor by virtue hereof, upon the failure of the Company to pay the principal of or interest on any Guaranteed Obligation when and as the same shall become due, whether at maturity, by acceleration, by redemption or otherwise, or to perform or comply with any other Guaranteed Obligation, each Guarantor hereby promises to and shall, upon receipt of written demand by the Trustee, forthwith pay, or cause to be paid, in cash, to the Holders or the Trustee an amount equal to the sum of (1) the unpaid principal amount of such Guaranteed Obligations, (2) accrued and unpaid interest on such Guaranteed Obligations (but only to the extent not prohibited by law) and (3) all other monetary obligations of the Company to the Holders and the Trustee.

(h) Each Guarantor further agrees that, as between it, on the one hand, and the Holders and the Trustee, on the other hand, (1) the maturity of the Guaranteed Obligations guaranteed hereby may be accelerated as provided in Article 6 for the purposes of any Note Guarantee herein, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the Guaranteed Obligations guaranteed hereby, and (2) in the event of any declaration of acceleration of such Guaranteed Obligations as provided in Article 6, such Guaranteed Obligations (whether or not due and payable) shall forthwith become due and payable by such Guarantor for the purposes of Section 11.01.

(i) Each Guarantor also agrees to pay any and all costs and expenses (including attorneys’ fees and expenses) incurred by the Trustee in enforcing any rights under Section 11.01.

(j) Upon request of the Trustee, each Guarantor shall execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purpose of this Indenture.

Section 11.02 *Limitation on Liability.*

Any term or provision of this Indenture to the contrary notwithstanding, the maximum aggregate amount of the Guaranteed Obligations guaranteed hereunder by any Guarantor shall not exceed the maximum amount that can be hereby guaranteed by the applicable Guarantor without rendering the Note Guarantee, as it relates to such Guarantor, voidable under applicable law relating to ultra vires, fraudulent conveyance, fraudulent transfer, corporate benefit, financial assistance or similar laws affecting the rights of creditors generally or other considerations under applicable law.

Section 11.03 *Successors and Assigns.*

This Article 11 shall be binding upon each Guarantor and its successors and assigns and shall inure to the benefit of the successors and assigns of the Trustee and the Holders and, in the event of any transfer or assignment of rights by any Holder or the Trustee, the rights and privileges conferred upon that party in this Indenture and in the Notes shall automatically extend to and be vested in such transferee or assignee, all subject to the terms and conditions of this Indenture.

Section 11.04 *No Waiver.*

Neither a failure nor a delay on the part of either the Trustee or the Holders in exercising any right, power or privilege under this Article 11 shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of any right, power or privilege. The rights, remedies and benefits of the Trustee and the Holders herein expressly specified are cumulative and not exclusive of any other rights, remedies or benefits which either may have under this Article 11 at law, in equity, by statute or otherwise.

Section 11.05 *Modification.*

No modification, amendment or waiver of any provision of this Article 11, nor the consent to any departure by any Guarantor therefrom, shall in any event be effective unless the same shall be in writing and signed by the Trustee, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on any Guarantor in any case shall entitle such Guarantor to any other or further notice or demand in the same, similar or other circumstances.

Section 11.06 *Execution of Supplemental Indenture for Future Guarantors.*

Each Restricted Subsidiary which is required to become a Guarantor pursuant to Section 4.17 shall promptly execute and deliver to the Trustee a supplemental indenture pursuant to which such Subsidiary shall become a Guarantor under this Article 11 and shall guarantee the Guaranteed Obligations. Concurrently with the execution and delivery of such supplemental indenture, the Company shall deliver to the Trustee an Opinion of Counsel and an Officer's Certificate to the effect that such supplemental indenture has been duly authorized, executed and delivered by such Restricted Subsidiary and that, subject to the application of bankruptcy, insolvency, moratorium, fraudulent conveyance or transfer and other similar laws relating to creditors' rights generally and to the principles of equity, whether considered in a proceeding at law or in equity, the Note Guarantee of such Guarantor is a legal, valid and binding obligation of such Guarantor, enforceable against such Guarantor in accordance with its terms and or to such other matters as the Trustee may reasonably request.

Section 11.07 *Non-Impairment.*

The failure to endorse a Note Guarantee on any Note shall not affect or impair the validity thereof.

Section 11.08 *Release of Guarantees.*

(a) Subject to paragraphs (b), (c) and (d), each Note Guarantee, once it becomes due, is a continuing guarantee and shall (i) remain in full force and effect until payment in full of all the Guaranteed Obligations, (ii) be binding upon each Guarantor and its successors and (iii) inure to the benefit of, and be enforceable by, the Trustee, the Holders and their successors, transferees and assigns.

(b) The Note Guarantee of the Parent Guarantor will be automatically and unconditionally released and discharged:

(1) if the Parent Guarantor is not the surviving entity in a sale of all or substantially all of the properties and assets of the Parent Guarantor in a transaction that complies with the provisions described under Section 5.01(a) (including, without limitation, compliance with the requirement that the surviving entity expressly assume, by a supplemental indenture, the Parent Guarantor's obligations under this Indenture, the applicable Notes, the Intercreditor Agreement and the Security Documents);

(2) upon legal defeasance or satisfaction and discharge of this Indenture as provided in Article 8 and Article 12 hereof.

(3) upon payment in full of the principal of, premium, if any, and accrued and unpaid interest on, the applicable Notes and all other Obligations that are then due and payable thereunder;

(4) in connection with certain enforcement actions taken by the creditors under certain of our secured Indebtedness (including the Notes and the Senior Secured Credit Facilities) in accordance with the Intercreditor Agreement; or

(5) as described under Article 9 hereof.

(c) The Note Guarantee of a Subsidiary Guarantor with respect to the Notes will be automatically and unconditionally released and discharged:

(1) in connection with any sale or other disposition of all or substantially all of the assets of that Subsidiary Guarantor (including by way of merger or, consolidation) to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor, if the sale or other disposition does not violate Section 3.09 or 4.15 hereof;

(2) in connection with any sale or other disposition of the Capital Stock of that Subsidiary Guarantor to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor, if the sale or other disposition does not violate Section 3.09 or 4.15 hereof and such Subsidiary Guarantor ceases to be a Restricted Subsidiary of the Parent Guarantor as a result of such sale or other disposition;

(3) if the Parent Guarantor designates any Restricted Subsidiary that is a Subsidiary Guarantor to be an Unrestricted Subsidiary in accordance with Section 4.18 hereof;

(4) upon Legal Defeasance or satisfaction and discharge of the Indenture as provided by Article 8 and 12 of this Indenture;

(5) upon payment in full of the principal of, premium, if any, and accrued and unpaid interest on, the Notes and all other Obligations that are then due and payable thereunder;

(6) upon the merger or consolidation of any Subsidiary Guarantor with and into the Company, the Parent Guarantor or a Wholly-Owned Subsidiary Guarantor (or a Wholly-Owned Restricted Subsidiary that becomes a Subsidiary Guarantor concurrently with the transaction) that is the surviving Person in such merger or consolidation, or upon the liquidation of such Subsidiary Guarantor following the transfer of all or substantially all of its assets to the Company, the Parent Guarantor or a Wholly-Owned Subsidiary Guarantor (or a Wholly-Owned Restricted Subsidiary that becomes a Subsidiary Guarantor concurrently with the transaction);

(7) in connection with certain enforcement actions taken by the creditors under certain of our secured Indebtedness (including the Notes and the Senior Secured Credit Facilities) in accordance with the Intercreditor Agreement; or

(8) as described under Article 9 hereof.

(d) Each Holder hereby authorizes the Trustee to take all actions to effectuate any release in accordance with the provisions of this Section 11.08, subject to customary and reasonably satisfactory protections and indemnifications provided by the Company to the Trustee.

## ARTICLE 12
## SATISFACTION AND DISCHARGE

Section 12.01 *Satisfaction and Discharge.*

This Indenture will be discharged and will cease to be of further effect as to all Notes issued hereunder, when:

(1) either:

(A) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust and thereafter repaid to the Company, have been delivered to the Trustee for cancellation; or

(B) all Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one (1) year and the Company has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable U.S. Government Obligations, or a combination of cash in U.S. dollars and non-callable U.S. Government Obligations, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes not delivered to the Trustee for cancellation for principal, premium and Additional Amounts, if any, and accrued interest to the date of maturity or redemption;

(2) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound;

(3) the Company or any Guarantor has paid or caused to be paid all sums payable by it under this Indenture; and

(4) the Company has delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at maturity or on the redemption date, as the case may be.

In addition, the Company must deliver an Officer's Certificate of the Company and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to sub clause (b) of clause (1) of this Section 12.01, the provisions of Section 12.02 and 8.06 hereof will survive.

Section 12.02 *Application of Trust Money.*

Subject to the provisions of Section 8.06 hereof, all money deposited with the Trustee pursuant to Section 12.01 hereof shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium and Additional Amounts, if any) and interest for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any cash in U.S. dollars or non-callable U.S. Government Obligations in accordance with Section 12.01 hereof by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 12.01 hereof; *provided that* if the Company has made any payment of principal of, premium or Additional Amounts, if any, or interest on, any Notes because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Notes to receive such payment from the cash in U.S. dollars or non-callable U.S. Government Obligations held by the Trustee or Paying Agent.

## ARTICLE 13
## MISCELLANEOUS

Section 13.01 *[Intentionally Omitted]*.

Section 13.02 *Notices.*

Any notice or communication by the Company or the Trustee to the others is duly given if in writing, in the English language, and delivered in Person or by first class mail (registered or certified, return receipt requested), facsimile transmission or overnight air courier guaranteeing next day delivery, to the others' address:

If to the Company, the Parent Guarantor, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, SCP Holdings Limited, SCIP Holdings Limited, SCP One Limited and/or SCP Two Limited:

Jayla Place, Wickhams Cay I
Road Town, Tortola
British Virgin Islands

With a copy to:

Studio City (HK) Limited
36th Floor, The Centrium
60 Wyndham Street
Central, Hong Kong
Facsimile No.: +852 2537 3618
Attention: Company Secretary

If to Studio City Services Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and/or Studio City Developments Limited:

Rua de Évora, nos 199-207
Edifício Flower City
1° andar, A1, Taipa
Macau

With a copy to:

Studio City (HK) Limited
36th Floor, The Centrium
60 Wyndham Street
Central, Hong Kong
Facsimile No.: +852 2537 3618
Attention: Company Secretary

With a copy to:

Ashurst Hong Kong
11/F Jardine House
1 Connaught Place
Central, Hong Kong
Facsimile No.: +852 2868 0898
Attention: Anna-Marie Slot

If to the Trustee, the Paying Agent, Registrar and Transfer Agent:

Deutsche Bank Trust Company Americas
60 Wall Street, 16th Floor
MS NYC60-1630
New York, NY 10005
United States

Facsimile No.: (732) 578-4635
Attention: Corporates Team – Studio City

With a copy to:

Deutsche Bank National Trust Company
for Deutsche Bank Trust Company Americas
100 Plaza One – 6th Floor
MS JCY03-0699
Jersey City, NJ 07311-3901
United States
Attention: Corporates Team – Studio City
Facsimile: (732) 578-4635

If to the Intercreditor Agent:

DB Trustees (Hong Kong) Limited
52/F, International Commerce Centre
1 Austin Road West, Kowloon
HONG KONG
Attn: The Directors
Facsimile: (852) 2203 7320
Email: loanagency.hkcsg@list.db.com

If to the Security Agent:

For loan administration matters:

Address: 18/F, ICBC Tower, Macau Landmark
555 Avenida da Amizade
Macau
Attention: Linda Chan / Selene Ren / Stephanie Guo
Telephone: +853 8398 2452 / 8398 2499 / 8398 2503
Fax: +853 2858 4496

For credit matters:

Address: 11/F, ICBC Tower, Macau Landmark
555 Avenida da Amizade
Macau
Attention: Alex Li / Eric Chan
Telephone: +853 8398 7313 / 8398 2118
Fax: +853 8398 2160

The Company, any Guarantor, the Trustee, the Security Agent, the Intercreditor Agent and any Agent, by notice to the others, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders) will be deemed to have been duly given: at the time delivered by hand, if personally delivered; five (5) Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if transmitted by facsimile; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery.

Any notice or communication to a Holder will be mailed by first class mail, certified or registered, return receipt requested, or by overnight air courier guaranteeing next day delivery to its address shown on the register kept by the Registrar. Failure to mail a notice or communication to a Holder or any defect in it will not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Company mails a notice or communication to Holders, it will mail a copy to the Trustee and each Agent at the same time.

Section 13.03 *Communication by Holders of Notes with Other Holders of Notes.*

Holders may communicate with other Holders with respect to their rights under this Indenture or the Notes.

Section 13.04 *Certificate and Opinion as to Conditions Precedent.*

Upon any request or application by the Company to the Trustee to take any action under this Indenture, the Company shall furnish to the Trustee:

(1) an Officer’s Certificate in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.05 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and

(2) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.05 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied.

Section 13.05 *Statements Required in Certificate or Opinion.*

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture must include:

(1) a statement that the Person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(4) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

Section 13.06 *Rules by Trustee and Agents.*

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 13.07 *No Personal Liability of Directors, Officers, Employees and Stockholders.*

No past, present or future director, officer, employee, incorporator or stockholder of the Company or any Guarantor, as such, will have any liability for any obligations of the Company or the Guarantors under the Notes, this Indenture, the Security Documents, the Intercreditor Agreement or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

Section 13.08 *Governing Law.*

THE LAWS OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES AND THE NOTE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section 13.09 *No Adverse Interpretation of Other Agreements.*

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Company or its Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 13.10 *Successors.*

All agreements of the Company in this Indenture and the Notes will bind its successors. All agreements of the Trustee, the Security Agent, the Intercreditor Agent and each Agent in this Indenture will bind their respective successors. All agreements of each Guarantor in this Indenture will bind their respective successors, except as otherwise provided in Section 11.05 hereof.

Section 13.11 *Severability.*

In case any provision in this Indenture or in the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 13.12 *Counterpart Originals.*

The parties may sign any number of copies of this Indenture. Each signed copy will be an original, but all of them together represent the same agreement.

Section 13.13 *Table of Contents, Headings, etc.*

The Table of Contents, Cross-Reference Table and Headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and will in no way modify or restrict any of the terms or provisions hereof.

Section 13.14 *Patriot Act*

In order to comply with the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including, without limitation, those relating to the funding of terrorist activities and money laundering, including Section 326 of the USA Patriot Act of the United States (“Applicable Law”), the Trustee, the Security Agent, the Intercreditor Agent, and Agents are required to obtain, verify, record and update certain information relating to individuals and entities which maintain a business relationship with the Trustee, the Security Agent, the Intercreditor Agent and Agents. Accordingly, each of the parties agree to provide to the Trustee, the Security Agent, the Intercreditor Agent and Agents, upon their request from time to time such identifying information and documentation as may be available for such party in order to enable the Trustee, the Security Agent, the Intercreditor Agent and Agents to comply with Applicable Law.

Section 13.15 *Submission to Jurisdiction; Waiver of Jury Trial*

THE COMPANY AND EACH GUARANTOR HEREBY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK IN ANY SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THE COMPANY AND EACH GUARANTOR IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTE GUARANTEES, THE NOTES AND ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY IN FEDERAL AND STATE COURTS IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK AND IRREVOCABLY AND UNCONDITIONALLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH SUIT OR PROCEEDING IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE TRUSTEE OR ANY HOLDER OF THE NOTES TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST THE COMPANY IN ANY OTHER JURISDICTION. THE COMPANY AND EACH GUARANTOR IRREVOCABLY APPOINTS LAW DEBENTURE CORPORATE SERVICES INC., 4TH FLOOR, 400 MADISON AVENUE, NEW YORK, NEW YORK, 10017, AS ITS AUTHORIZED AGENT IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK UPON WHICH PROCESS MAY BE SERVED IN ANY SUCH SUIT OR PROCEEDING, AND AGREES THAT SERVICE OF PROCESS UPON SUCH AGENT, AND WRITTEN NOTICE OF SAID SERVICE TO THE COMPANY BY THE PERSON SERVING THE SAME TO THE ADDRESS PROVIDED IN Section 13.02, SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON THE COMPANY OR ANY GUARANTOR, AS THE CASE MAY BE, IN ANY SUCH SUIT OR PROCEEDING. THE COMPANY AND EACH GUARANTOR FURTHER AGREES TO TAKE ANY AND ALL ACTION AS MAY BE NECESSARY TO MAINTAIN SUCH DESIGNATION AND APPOINTMENT OF SUCH AGENT IN FULL FORCE AND EFFECT FOR SO LONG AS THE NOTES ARE OUTSTANDING FROM THE DATE OF THIS INDENTURE.

EACH PARTY HERETO HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS INDENTURE, THE NOTES, THE NOTE GUARANTEES, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS Section 13.15 HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS SHALL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, SUPPLEMENTS OR MODIFICATIONS TO (OR ASSIGNMENTS OF) THIS INDENTURE. IN THE EVENT OF LITIGATION, THIS INDENTURE MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL (WITHOUT A JURY) BY THE COURT.

## ARTICLE 14
## INTERCREDITOR ARRANGEMENTS

Section 14.01 *Intercreditor Agreement*

The Indenture is entered into with the benefit of, and subject to the terms of, the Intercreditor Agreement and each Holder, by accepting a Note, shall be deemed to have agreed to, and accepted the terms and conditions of, the Intercreditor Agreement. The rights and benefits of the Holders, the Trustee, the Security Agent and the Intercreditor Agent (on their own behalf and on behalf of the Holders (as applicable)) are subject to the terms of the Intercreditor Agreement. To the extent any provision of the Intercreditor Agreement conflicts with the express provisions of this Indenture, the provisions of the Intercreditor Agreement shall govern and be controlling.

Section 14.02 *Additional Intercreditor Agreement*

(a) At the request of the Company, at the time of, or prior to, the Incurrence of any Indebtedness that is permitted to share the Collateral or that is otherwise permitted to be incurred under this Indenture, the Company, the relevant Guarantors, the Trustee, the Security Agent and the Intercreditor Agent will (without the consent of Holders), to the extent authorized and permitted under the Intercreditor Agreement, enter into an Additional Intercreditor Agreement; *provided* that such Additional Intercreditor Agreement will not impose any personal obligations on the Trustee, the Security Agent or the Intercreditor Agent or adversely affect the rights, duties, liabilities or immunities of the Trustee, the Security Agent or the Intercreditor Agent under the Indenture or the Intercreditor Agreement.

(b) At the written direction of the Company and without the consent of the Holders, the Trustee, the Security Agent and the Intercreditor Agent, to the extent authorized and permitted under the Intercreditor Agreement, shall upon the written direction of the Company from time to time enter into one or more Additional Intercreditor Agreements to: (1) cure any ambiguity, omission, defect or inconsistency therein; (2) increase the amount of Indebtedness permitted to be incurred or issued under this Indenture of the types covered thereby that may be incurred by the Company or any Guarantors that is subject thereto (including the addition of provisions relating to new Indebtedness); (3) add Guarantors thereto; (4) further secure the Notes (including any Additional Notes); or (5) make any other such change thereto that does not adversely affect the rights of holders of the Notes in any material respect; *provided* that such Additional Intercreditor Agreement will not impose any personal obligations on the Trustee, the Security Agent or the Intercreditor Agent or adversely affect the rights, duties, liabilities or immunities of the Trustee, the Security Agent or the Intercreditor Agent under the Indenture or the Intercreditor Agreement.

(c) Each Holder, by accepting a Note, will be deemed to have agreed to and accepted the terms and conditions of each Intercreditor Agreement and Additional Intercreditor Agreement, to have authorized the Trustee, Intercreditor Agent and the Security Agent to become a party to any such Intercreditor Agreement, and Additional Intercreditor Agreement, and any amendment referred to in Section 9 and the Trustee, the Intercreditor Agent or the Security Agent will not be required to seek the consent of any Holders to perform their respective obligations under and in accordance with this Article 14.

(d) For the avoidance of doubt, the Intercreditor Agent will, subject to being indemnified or secured in accordance with this Indenture, take action or refrain from taking action in connection with this Indenture only as directed by the Trustee and subject to the Intercreditor Agreement.

[Signatures on following page]

SIGNATURES

Dated as of November 30, 2016

STUDIO CITY COMPANY LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY INVESTMENTS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOLDINGS TWO LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOLDINGS THREE LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

*[Signature Page – Indenture]*

STUDIO CITY HOLDINGS FOUR LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY ENTERTAINMENT LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY SERVICES LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOTELS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCP HOLDINGS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

*[Signature Page – Indenture]*

SCIP HOLDINGS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOSPITALITY AND SERVICES LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCP ONE LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCP TWO LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY DEVELOPMENTS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

*[Signature Page – Indenture]*

STUDIO CITY RETAIL SERVICES LIMITED

By: /s/ Timothy Green Nauss

Name: Timothy Green Nauss

Title: Authorized Representative

*[Signature Page – Indenture]*

DEUTSCHE BANK TRUST COMPANY AMERICAS,
as Trustee
By: Deutsche Bank National Trust Company

By: /s/ ROBERT S. PESCHLER
Name: ROBERT S. PESCHLER
Title: VICE PRESIDENT

By: /s/ Annie Jaghatspanyan
Name: Annie Jaghatspanyan
Title: Vice President

DEUTSCHE BANK TRUST COMPANY AMERICAS,
as Paying Agent, Registrar and Transfer Agent
By: Deutsche Bank National Trust Company

By: /s/ ROBERT S. PESCHLER
Name: ROBERT S. PESCHLER
Title: VICE PRESIDENT

By: /s/ Annie Jaghatspanyan
Name: Annie Jaghatspanyan
Title: Vice President

*[Signature Page – Indenture]*

**EXHIBIT A**

[Face of Note]

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*[Insert the Global Note Legend, if applicable pursuant to the provisions of the Indenture]*

*[Insert the Private Placement Legend, if applicable pursuant to the provisions of the Indenture]*

**CUSIP:**
**ISIN:**
**COMMON CODE:**

5.875% Senior Secured Notes Due 2019

No.

STUDIO CITY COMPANY LIMITED

Promises to pay to Cede & Co. or its registered assigns, the principal sum of [*NUMBER IN WORDS*] November 30, 2019.

Interest Payment Dates: May 30 and November 30

Record Dates: May 15 and November 15

Dated: , 20

IN WITNESS WHEREOF, the Company has caused this Note to be signed manually or by facsimile by the duly authorized officers referred to below.

Dated: , 20

STUDIO CITY COMPANY LIMITED, as Company

By: ________________________
Name:
Title:

**Certificate of Authentication**

This is one of the Notes referred to in the within-mentioned Indenture.

Dated: , 20

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Authentication Agent for the Trustee

By: Deutsche Bank National Trust Company

By: ________________________________________

Name:

Title:

[Back of Note]
STUDIO CITY COMPANY LIMITED
5.875% SENIOR SECURED NOTES DUE 2019

Capitalized terms used herein have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

(1) *INTEREST*. Studio City Company Limited, a BVI business company with limited liability incorporated under the laws of the British Virgin Islands (the "*Company*"), promises to pay interest on the principal amount of this Note at 5.875% per annum from , 20 until maturity. The Company will pay interest and Additional Amounts, if any, semi-annually in arrears on May 30 and November 30 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each, an "*Interest Payment Date*"). Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; *provided that* if there is no existing Default in the payment of interest, and if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; *provided further* that the first Interest Payment Date shall be , 20 . The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, at the rate equal to 1% per annum in excess of the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Additional Amounts (without regard to any applicable grace period) at the same rate to the extent lawful. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

(2) *METHOD OF PAYMENT*. The Company will pay interest on the Notes (except defaulted interest) and Additional Amounts, if any, to the Persons who are registered Holders of Notes at the close of business on the May 15 or November 15 next preceding the Interest Payment Date, even if such Notes are canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes will be payable as to principal, premium, and Additional Amounts, if any, and interest at the office or agency of the Company maintained for such purpose within or without the City and State of New York, or, at the option of the Company, payment of interest and Additional Amounts, if any, may be made by check mailed to the Holders at their addresses set forth in the register of Holders; *provided that* payment by wire transfer of immediately available funds will be required with respect to principal of and interest, premium and Additional Amounts, if any, on, all Global Notes and all other Notes, the Holders of which will have provided wire transfer instructions to the Company or the Paying Agent, and shall so notify the Trustee and each Paying Agent thereof. Such payment will be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

(3) *PAYING AGENT AND REGISTRAR*. Initially, Deutsche Bank Trust Company Americas will act as Paying Agent, Registrar and Transfer Agent. The Company may change any Paying Agent, Transfer Agent or Registrar without notice to any Holder. The Parent Guarantor or any of its Subsidiaries may act in any such capacity.

(4) *INDENTURE, SECURITY DOCUMENTS AND INTERCREDITOR AGREEMENT*. The Company issued the Notes under an Indenture dated as of November 30, 2016 (the "*Indenture*") among the Company, each Guarantor, the Trustee, the Paying Agent, the Registrar and other persons from time to time party thereto. The terms of the Notes include those stated in the Indenture. The Notes are subject to all such terms, and Holders are referred to the Indenture for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are secured pursuant to the terms of the Indenture and the Security Documents referred to in the Indenture and subject to the terms of the Intercreditor Agreement referred to in the Indenture. The Indenture does not limit the aggregate principal amount of Notes that may be issued thereunder.

(5) *OPTIONAL REDEMPTION.*

Except as set forth in subparagraphs (b) and (c) of this Paragraph (5), the Company will not have the option to redeem the Notes prior to November 30, 2019.

Unless the Company defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(a) Notwithstanding the provisions of subparagraph (a) of this Paragraph (5), at any time prior to November 30, 2019, the Company may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes issued under the Indenture at a redemption price equal to 105.8750% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the redemption date (subject to the rights of the Holders on the relevant record date to receive interest on the relevant interest payment date), with the net cash proceeds of one or more Equity Offerings; *provided that* at least 65% in aggregate principal amount of the Notes originally issued under the Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption and that such redemption occurs within 45 days of the date of the closing of such Equity Offering.

(b) At any time prior to November 30, 2019, the Company may also redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' prior notice mailed by first-class mail to each Holder's registered address, at a redemption price equal to 100% of the principal amount of Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to the date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

(c) The Notes may also be redeemed in the circumstances described in Section 3.10 and 3.11 of the Indenture.

(6) *MANDATORY REDEMPTION.* The Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

(7) *REPURCHASE AT THE OPTION OF HOLDER.* The Notes may be subject to a Change of Control Offer or an Asset Sale Offer, as further described in Section 3.09, 4.10 and 4.15 of the Indenture.

(8) *NOTICE OF REDEMPTION*. Notice of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction or discharge of the Indenture. Notes in denominations larger than US$200,000 may be redeemed in part but only in integral multiples of US$1,000 provided that the unredeemed part has a minimum denomination of US$200,000, unless all of the Notes held by a Holder are to be redeemed.

(9) *DENOMINATIONS, TRANSFER, EXCHANGE*. The Notes are in registered form without coupons in denominations of US$200,000 and integral multiples of US$1,000 in excess thereof. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar, the Transfer Agent and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a record date and the corresponding Interest Payment Date.

(10) *PERSONS DEEMED OWNERS.* The registered Holder may be treated as its owner for all purposes.

(11) *AMENDMENT, SUPPLEMENT AND WAIVER*. The Indenture, the Notes, the Note Guarantees, the Security Documents or the Intercreditor Agreement may be amended as set forth in the Indenture.

(12) *DEFAULTS AND REMEDIES.* The events listed in Section 6.01 of the Indenture shall constitute "*Events of Default*" for the purpose of this Note.

(13) *TRUSTEE DEALINGS WITH COMPANY*. The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

(14) *NO RECOURSE AGAINST OTHERS*. A director, officer, employee, incorporator or stockholder of the Company, as such, will not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes.

(15) *AUTHENTICATION*. This Note will not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

(16) *ABBREVIATIONS*. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(17) *CUSIP NUMBERS*. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes, and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption, and reliance may be placed only on the other identification numbers placed thereon.

(18) *GOVERNING LAW*. THE LAWS OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THE INDENTURE AND THIS NOTE WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to:

Studio City Company Limited
Jayla Place, Wickhams Cay I
Road Town, Tortola
British Virgin Islands
Attention: Company Secretary

With a copy to:

Studio City (HK) Limited
36th Floor, The Centrium
60 Wyndham Street
Central, Hong Kong
Facsimile No.: +852 2537 3618
Attention: Company Secretary

ASSIGNMENT FORM

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to: ______________________________________

(Insert assignee's legal name)

______________________________________

(Insert assignee's soc. sec. or tax I.D. no.)

______________________________________

______________________________________

______________________________________

______________________________________

(Print or type assignee's name, address and zip code)

and irrevocably appoint ______________________________________ to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: ______________________

Your Signature: ______________________

(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: ______________________

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

*OPTION OF HOLDER TO ELECT PURCHASE*

If you want to elect to have this Note purchased by the Company pursuant to Section 4.10 or 4.15 of the Indenture, check the appropriate box below:

☐ Section 4.10 ☐ Section 4.15

If you want to elect to have only part of the Note purchased by the Company pursuant to Section 4.10 or Section 4.15 of the Indenture, state the amount you elect to have purchased:

US$

Date: ________________________

Your Signature: ________________________
(Sign exactly as your name appears on the face of this Note)

Tax Identification No.: ________________________

Signature Guarantee*: ________________________

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

| Date of Exchange | Amount of decrease in Principal Amount of this Global Note | Amount of increase in Principal Amount of this Global Note | Principal Amount of this Global Note following such decrease (or increase) | Signature of authorized officer of Trustee or Custodian |
|---|---|---|---|---|
| | | | | |
| | | | | |

**EXHIBIT B**

FORM OF CERTIFICATE OF TRANSFER

[*Company address block*]

[*Registrar address block*]

Re: 5.875% Senior Secured Notes due 2019 of Studio City Company Limited

Reference is hereby made to the Indenture, dated as of November 30, 2016 (the "*Indenture*"), among Studio City Company Limited, as issuer (the "*Company*"), each Guarantor and Deutsche Bank Trust Company Americas, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

, (the "*Transferor*") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of US$ in such Note[s] or interests (the "*Transfer*"), to (the "*Transferee*"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. ☐ **Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a Restricted Definitive Note pursuant to Rule 144A.** The Transfer is being effected pursuant to and in accordance with Rule 144A under the Securities Act of 1933, as amended (the "*Securities Act*"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

2. ☐ **Check if Transferee will take delivery of a beneficial interest in the Regulation S Global Note or a Restricted Definitive Note pursuant to Regulation S**. The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the Restricted Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

3. ☐ **Check and complete if Transferee will take delivery of a beneficial interest in a Restricted Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S**. The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) ☐ such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;

or

(b) ☐ such Transfer is being effected to the Company or a subsidiary thereof;

or

(c) ☐ such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act.

4. ☐ **Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note**.

(a) ☐ **Check if Transfer is pursuant to Rule 144**. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(b) ☐ **Check if Transfer is Pursuant to Regulation S**. (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(c) ☐ **Check if Transfer is Pursuant to Other Exemption**. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

[Insert Name of Transferor]

By:

Name:

Title:

Dated:

**ANNEX A TO CERTIFICATE OF TRANSFER**

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP ), or

(ii) ☐ Regulation S Global Note (CUSIP ); or

(b) ☐ a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP ), or

(ii) ☐ Regulation S Global Note (CUSIP ), or

(iii) ☐ Unrestricted Global Note (CUSIP ); or

(b) ☐ a Restricted Definitive Note; or

(c) ☐ an Unrestricted Definitive Note,

in accordance with the terms of the Indenture.

**EXHIBIT C**

FORM OF CERTIFICATE OF EXCHANGE

[*Company address block*]

[*Registrar address block*]

Re: 5.875% Senior Secured Notes due 2019 of Studio City Company Limited

(CUSIP )

Reference is hereby made to the Indenture, dated as of November 30, 2016 (the "*Indenture*"), among Studio City Company Limited, as issuer (the "*Company*"), each Guarantor and Deutsche Bank Trust Company Americas, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

, (the "*Owner*") owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of US$ in such Note[s] or interests (the "*Exchange*"). In connection with the Exchange, the Owner hereby certifies that:

1. **Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to beneficial interest in an Unrestricted Global Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the Securities Act of 1933, as amended (the "*Securities Act*"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Unrestricted Definitive Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in an Unrestricted Global Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) ☐ **Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. **Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Restricted Definitive Note.** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture and the Securities Act.

(b) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in a Restricted Global Note**. In connection with the Exchange of the Owner's Restricted Definitive Note for a beneficial interest in the [CHECK ONE] ☐ 144A Global Note, ☐ Regulation S Global Note with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

__________________________________
[Insert Name of Transferor]

By: ______________________________
Name:
Title:

Dated: __________________________

**EXHIBIT D**

FORM OF SUPPLEMENTAL INDENTURE

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*") dated as of , among [name of New Guarantor[s]] (the "*New Guarantor*"), Studio City Company Limited, a BVI business company with limited liability incorporated under the laws of British Virgin Islands (the "*Company*") and Deutsche Bank Trust Company Americas, as Trustee (in such role, the "*Trustee*").

WITNESSETH:

WHEREAS the Company, the Trustee and each of the parties described above are parties to an Indenture, dated as of November 30, 2016, as amended (as amended, supplemented, waived or otherwise modified, the "*Indenture*"), providing for the issuance of the Company's 5.875% Senior Secured Notes due 2019;

WHEREAS, pursuant to Section 9.03 of the Indenture, each New Guarantor is required to execute a supplemental Indenture;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the New Guarantor, the Company, the Trustee and the other parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee. Pursuant to, and subject to the provisions of, Article 11 of the Indenture, [each][the] New Guarantor (which term includes each other New Guarantor that hereinafter guarantees the Notes pursuant to the terms of the Indenture) hereby unconditionally and irrevocably guarantees, jointly and severally with each other New Guarantor and all Guarantors, to each Holder and to the Trustee and their successors and assigns to the extent set forth in the Indenture and subject to the provisions thereof (a) the full and punctual payment when due, whether at Stated Maturity, by acceleration, by redemption or otherwise, of all obligations of the Company under the Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of, or interest, premium, if any, on, the Notes and all other monetary obligations of the Company under the Indenture and the Notes and (b) the full and punctual performance within applicable grace periods of all other obligations of the Company whether for fees, expenses, indemnification or otherwise under the Indenture and the Notes (all the foregoing being hereinafter collectively called the "Guaranteed Obligations"). [Each][The] New Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from such New Guarantor and that such New Guarantor[s] will remain bound under Article 11 of the Indenture, notwithstanding any extension or renewal of any Guaranteed Obligation.

The Guaranteed Obligations of [each][the] New Guarantor to the Holders of Notes and to the Trustee pursuant to the Indenture as supplemented hereby, are expressly set forth in Article 11 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee.

[*Relevant limitations imposed by local law analogous to Section 11.02 of the Indenture to be inserted, if and as applicable*].

3. Ratification of Indenture: Supplemental Indentures Part of Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and each Holder, by accepting the Notes whether heretofore or hereafter authenticated and delivered (a) agrees to and shall be bound by such provisions, (b) authorizes and directs the Trustee, on behalf of such Holder, to take such action as may be necessary or appropriate to effectuate the subordination as provided in the Indenture and (c) appoints the Trustee attorney-in-fact of such Holder for such purpose; *provided, however*, that [the][each] New Guarantor and each Guarantor shall be released from all its obligations with respect to this Guarantee in accordance with the terms of the Indenture, including Section 11.08 of the Indenture and upon any defeasance of the Notes in accordance with Article 8 of the Indenture.

4. Governing Law. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

5. Trustee Makes No Representation. The Trustee makes no representation as to the validity or sufficiency of this Supplemental Indenture. The recitals of fact contained herein shall be treated as statements of the other parties hereto and not the Trustee.

6. Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

7. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

[NAME OF NEW GUARANTOR], as New Guarantor,

By: ______________________________
Name:
Title:

STUDIO CITY COMPANY LIMITED, as Company

By: ______________________________
Name:
Title:

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Trustee

By: Deutsche Bank National Trust Company

By: ______________________________
Name:
Title:

**EXHIBIT E**

FORM OF SUPPLEMENTAL INDENTURE FOR SECURITY AGENT AND INTERCREDITOR AGENT

This SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of November 30, 2016, is made by Studio City Company Limited (the "*Company*"), Industrial and Commercial Bank of China (Macau) Limited, as the Security Agent (the "*Security Agent*"), DB Trustees (Hong Kong) Limited, as the Intercreditor Agent (the "*Intercreditor Agent*") and Deutsche Bank Trust Company Americas, as the Trustee ("*Trustee*"), under the Indenture referred to below.

WHEREAS, the Company has heretofore executed and delivered one or more global notes (each a "*Global Note*"), dated as of November 30, 2016 providing for the issuance of an initial aggregate principal amount of US$350,000,000 of 5.875% Senior Secured Notes due 2019, pursuant to the terms of the Indenture dated as November 30, 2016 among the Company, the Parent Guarantor and the Trustee, among others (the "*Indenture*").

WHEREAS, the Indenture provides that under certain circumstances each of the Security Agent and the Intercreditor Agent shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Security Agent shall accede to the Indenture, as security agent, and the Intercreditor Agent shall accede to the Indenture, as intercreditor agent.

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

1. CAPITALIZED TERMS. Capitalized terms used in this Supplemental Indenture and not otherwise defined in this Supplemental Indenture shall have the meanings ascribed to them in the Indenture.

2. AGREEMENT TO ACCEDE. Each of the Security Agent and the Intercreditor Agent hereby agrees to accede, as security agent and intercreditor agent, respectively, to the Indenture on the terms and conditions set forth in this Supplemental Indenture and the Indenture. In particular connection with such accession, each of the Security Agent and the Intercreditor Agent agrees (a) to be bound by all of the covenants, stipulations, promises and agreements set forth in the Indenture that are applicable to the Security Agent or the Intercreditor Agent, as applicable and (b) to perform in accordance with its terms of the Indenture, all the terms of the Indenture required to be performed by the Security Agent or the Intercreditor Agent, as applicable.

3. NEW YORK LAW TO GOVERN. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

4. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

5. EFFECT OF HEADINGS. The section headings herein are for convenience only and shall not affect the construction hereof.

6. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity of sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Company.

7. RATIFICATION OF INDENTURE; ACCESSION AGREEMENT PART OF NDENTURE. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder heretofore or hereafter authenticated and delivered shall be bound hereby.

8. SUCCESSORS. All covenants and agreements in this Supplemental Indenture by the parties hereto shall bind their successors.

(*Signature page to follow*)

IN WITNESS WHEREOF, the parties have caused this Supplemental Indenture to the Indenture be duly executed and attested, as of the date first above written.

STUDIO CITY COMPANY LIMITED

By: ____________________________
Name:
Title:

STUDIO CITY INVESTMENTS LIMITED

By: ____________________________
Name:
Title:

STUDIO CITY HOLDINGS TWO LIMITED

By: ____________________________
Name:
Title:

STUDIO CITY HOLDINGS THREE LIMITED

By: ____________________________
Name:
Title:

STUDIO CITY HOLDINGS FOUR LIMITED

By: ____________________________
Name:
Title:

STUDIO CITY ENTERTAINMENT LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY SERVICES LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY HOTELS LIMITED

By: ______________________________
Name:
Title:

SCP HOLDINGS LIMITED

By: ______________________________
Name:
Title:

SCIP HOLDINGS LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY HOSPITALITY AND SERVICES LIMITED

By: ____________________________
Name:
Title:

SCP ONE LIMITED

By: ____________________________
Name:
Title:

SCP TWO LIMITED

By: ____________________________
Name:
Title:

STUDIO CITY DEVELOPMENTS LIMITED

By: ____________________________
Name:
Title:

STUDIO CITY RETAIL SERVICES LIMITED

By: ____________________________
Name:
Title:

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED, as Security Agent,

By: ________________________________
Name:
Title:

DB TRUSTEES (HONG KONG) LIMITED, as Intercreditor Agent

By: ________________________________
Name:
Title:

STUDIO CITY COMPANY LIMITED, as Company

By: ________________________________
Name:
Title:

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Trustee

By: Deutsche Bank National Trust Company

By: ________________________________
Name:
Title:

By: ________________________________
Name:
Title:

**EXHIBIT F**

**FORM OF SOLVENCY CERTIFICATE**

Reference is hereby made to the Indenture, dated as of November 30, 2016, (as amended and supplemented by the applicable Supplemental Indenture and as may be further amended or supplemented from time to time, the "Indenture"), entered between, among others, Studio City Company Limited, as the issuer, Studio City Investments Limited (the "Parent Guarantor") and Deutsche Bank Trust Company Americas, as Trustee, Paying Agent, Transfer Agent and Registrar. Capitalized terms used but not defined herein shall have the meaning given to such terms in the Indenture.

[I][We], [                    ], [Property Chief Financial Officer][the members of the Board of Directors] of the Parent Guarantor, solely in [my][our] capacity as [Property Chief Financial Officer][the members of the Board of Directors] of the Parent Guarantor and not in an individual capacity, do hereby confirm pursuant to Section 4.21(b)(2) of the Indenture,                     (the "Grantor") will be Solvent after giving effect to the transaction related to the [amendment, extension, renewal, restatement, supplement, modification, release or replacement] of the [Security Document]. As used in this paragraph, the term "Solvent" means (i) the present fair market value (or present fair saleable value) of the assets of the Grantor is not less than the total amount required to pay the liabilities of the Grantor on its total existing debts and liabilities (including contingent liabilities that would need to be reflected as liabilities on the balance sheet pursuant to applicable accounting rules) as they become absolute and matured each as calculated in accordance applicable accounting rules relating to the Grantor; and (ii) the Grantor is able to realize upon its assets and pay its debts and other liabilities, contingent obligations and commitments as they mature and become due in the normal course of business.

*[Signature Page Follows]*

By: ____________________________________

Name:

Title: [Property Chief Financial Officer][The members of the Board of Directors] of the Parent Guarantor

**EXHIBIT G**

SECURITY DOCUMENTS

**Part A Offshore Confirmatory Security**

1. A composite deed of confirmatory security to be entered into (among others) by Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited and SCP Holdings Limited with respect to the following share charges, all dated 26 November 2013 (each as amended, novated, supplemented, extended, replaced or restated from time to time):

(a) the charge over all present and future shares of Studio City Company Limited held by Studio City Investments Limited, granted by Studio City Investments Limited;

(b) the charge over all present and future shares of Studio City Holdings Two Limited held by Studio City Company Limited, granted by Studio City Company Limited;

(c) the charge over all present and future shares in Studio City Holdings Three Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited;

(d) the charge over all present and future shares in Studio City Holdings Four Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited;

(e) the charge over all present and future shares in SCP Holdings Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited;

(f) the charge over all present and future shares in SCIP Holdings Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited;

(g) the charge over all present and future shares in SCP One Limited held by SCP Holdings Limited, granted by SCP Holdings Limited; and

(h) the charge over all present and future shares in SCP Two Limited held by SCP Holdings Limited, granted by SCP Holdings Limited;

2. A deed of confirmatory security to be entered into (among others) by Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited, with respect to the debenture dated 26 November 2013 entered into between, among others, Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited and the Security Agent.

3. A deed of confirmatory security to be entered into (among others) by Studio City Holdings Five Limited with respect to the debenture dated 18 September 2015 entered into between, among others, Studio City Holdings Five Limited and the Security Agent.

4. A composite deed of confirmatory security to be entered into (among others) by Studio City Company Limited, Studio City Investments Limited, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited with respect to the following charges over accounts, all dated 26 November 2013 (each as amended, novated, supplemented, extended, replaced or restated from time to time):

(a) the charge over certain accounts of Studio City Company Limited held in the Hong Kong SAR, granted by Studio City Company Limited;

(b) the charge over certain accounts of Studio City Investments Limited held in the Hong Kong SAR, granted by Studio City Investments Limited;

(c) the charge over certain accounts of Studio City Developments Limited held in the Hong Kong SAR, granted by Studio City Developments Limited;

(d) the charge over certain accounts of Studio City Entertainment Limited held in the Hong Kong SAR, granted by Studio City Entertainment Limited;

(e) the charge over certain accounts of Studio City Hotels Limited held in the Hong Kong SAR, granted by Studio City Hotels Limited;

(f) the charge over certain accounts of Studio City Services Limited held in the Hong Kong SAR, granted by Studio City Services Limited;

(g) the charge over certain accounts of Studio City Hospitality and Services Limited held in the Hong Kong SAR, granted by Studio City Hospitality and Services Limited;

(h) the charge over certain accounts of Studio City Retail Services Limited held in the Hong Kong SAR, granted by Studio City Retail Services Limited; and

(i) the charge over certain accounts of SCIP Holdings Limited held in the Hong Kong SAR, granted by SCIP Holdings Limited.

**Part B**
**Confirmations and amendments for Onshore Security**

1. A composite confirmation to be entered into (among others) by Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Holdings Five Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited, SCIP Holdings Limited and Melco Crown (Macau) Limited with respect to the following Macau law security documents:

(a) the power of attorney granted by Studio City Developments Limited dated 26 November 2013 supplementing the mortgage over its rights under the Amended Land Concession;

(b) the promissory note issued by Studio City Company Limited dated 26 November 2013 and endorsed by Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCP One Limited, SCP Two Limited, Studio City Developments Limited, Studio City Retail Services Limited and SCIP Holdings Limited (the "**Livrança**");

(c) the covering letter dated 26 November 2013 in relation to the Livrança from Studio City Company Limited and acknowledged by Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCP One Limited, SCP Two Limited, Studio City Developments Limited, Studio City Retail Services Limited and SCIP Holdings Limited;

(d) the assignment of the Services and Right to Use Agreement granted by Studio City Entertainment Limited dated 26 November 2013;

(e) the assignment of the Reimbursement Agreement granted by Studio City Entertainment Limited dated 26 November 2013;

(f) the direct agreement in relation to (i) the Services and Right to Use Agreement; and (ii) the Reimbursement Agreement, granted by Studio City Company Limited, Studio City Entertainment Limited, Studio City Developments Limited, Studio City Hotels Limited, Melco Crown (Macau) Limited and Studio City Holdings Five Limited dated 26 November 2013;

(g) the pledge over all present and future shares of Studio City Entertainment Limited held by Studio City Holdings Three Limited and Studio City Holdings Four Limited granted by Studio City Holdings Three Limited and Studio City Holdings Four Limited dated 26 November 2013;

(h) the power of attorney granted by Studio City Holdings Three Limited dated 18 September 2015 regarding all its present and future shares in Studio City Entertainment Limited;

(i) the power of attorney granted by Studio City Holdings Four Limited dated 18 September 2015 regarding all its present and future shares in Studio City Entertainment Limited;

(j) the pledge over the share in Studio City Entertainment Limited held by Studio City Holdings Five Limited granted by Studio City Holdings Five Limited dated 18 September 2015;

(k) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Entertainment Limited;

(l) the pledge over all present and future shares in Studio City Hotels Limited held by Studio City Holdings Three Limited and Studio City Holdings Four Limited, granted by Studio City Holdings Three Limited and Studio City Holdings Four Limited dated 26 November 2013;

(m) the power of attorney granted by Studio City Holdings Three Limited dated 18 September 2015 regarding all its present and future shares in Studio City Hotels Limited;

(n) the power of attorney granted by Studio City Holdings Four Limited dated 18 September 2015 regarding all its present and future shares in Studio City Hotels Limited;

(o) the pledge over the share in Studio City Hotels Limited held by Studio City Holdings Five Limited, granted by Studio City Holdings Five Limited dated 18 September 2015;

(p) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Hotels Limited;

(q) the pledge over all present and future shares in Studio City Developments Limited held by SCP Holdings Limited, SCP One Limited and SCP Two Limited, granted by SCP Holdings Limited, SCP One Limited and SCP Two Limited dated 26 November 2013;

(r) the power of attorney granted by SCP Holdings Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited;

(s) the power of attorney granted by SCP One Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited;

(t) the power of attorney granted by SCP Two Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited;

(u) the pledge over the share in Studio City Developments Limited held by Studio City Holdings Five Limited, granted by Studio City Holdings Five Limited dated 18 September 2015;

(v) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Developments Limited;

(w) the pledge over all present and future shares in Studio City Retail Services Limited held by Studio City Services Limited and Studio City Hospitality and Services Limited, granted by Studio City Services Limited and Studio City Hospitality and Services Limited dated 26 November 2013;

(x) the pledge over all present and future shares in Studio City Hospitality and Services Limited held by Studio City Services Limited, granted by Studio City Services Limited dated 26 November 2013;

(y) the pledge over all present and future shares of Studio City Services Limited held by Studio City Company Limited and Studio City Holdings Two Limited, granted by Studio City Company Limited and Studio City Holdings Two Limited dated 26 November 2013;

(z) the pledge over accounts granted by Melco Crown (Macau) Limited and Studio City Entertainment Limited, over (i) accounts of Melco Crown (Macau) Limited in respect of the Service and Right to Use Agreement and (ii) the Trust Account (as defined in the Service and Right to Use Agreement) dated 26 November 2013;

(aa) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 to terminate certain preference right agreements pursuant to which Studio City Holdings Five Limited was given preference in the acquisition of certain shares and the assignment of the interest in the Amended Land Concession;

(bb) the floating charge over substantially all assets of Studio City Developments Limited, granted by Studio City Developments Limited dated 26 November 2013;

(cc) the floating charge over substantially all assets of Studio City Entertainment Limited, granted by Studio City Entertainment Limited dated 26 November 2013;

(dd) the floating charge over substantially all assets of Studio City Services Limited, granted by Studio City Services Limited dated 26 November 2013;

(ee) the floating charge over substantially all assets of Studio City Hospitality and Services Limited, granted by Studio City Hospitality and Services Limited dated 26 November 2013;

(ff) the floating charge over substantially all assets of Studio City Hotels Limited, granted by Studio City Hotels Limited dated 26 November 2013; and

(gg) the floating charge over substantially all assets of Studio City Retail Services Limited, granted by Studio City Retail Services Limited dated 26 November 2013.

2. A confirmation to be entered into (among others) by Studio City Developments Limited with respect to the mortgage granted by Studio City Developments Limited over its rights under the Amended Land Concession dated 26 November 2013.

3. A composite amendment and confirmation to be entered into (among others) by Studio City Company Limited, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited with respect to the following pledges over onshore accounts:

(a) the pledge over certain onshore accounts of Studio City Company Limited held in the Macau SAR, granted by Studio City Company Limited dated 26 November 2013;

(b) the pledge over certain onshore accounts of Studio City Developments Limited held in the Macau SAR, granted by Studio City Developments Limited dated 26 November 2013;

(c) the pledge over certain onshore accounts of Studio City Entertainment Limited held in the Macau SAR, granted by Studio City Entertainment Limited dated 26 November 2013;

(d) the pledge over certain onshore accounts of Studio City Hotels Limited held in the Macau SAR, granted by Studio City Hotels Limited dated 26 November 2013;

(e) the pledge over certain onshore accounts of Studio City Services Limited held in the Macau SAR, granted by Studio City Services Limited dated 26 November 2013;

(f) the pledge over certain onshore accounts of Studio City Hospitality and Services Limited held in the Macau SAR, granted by Studio City Hospitality and Services Limited dated 26 November 2013;

(g) the pledge over certain onshore accounts of Studio City Retail Services Limited held in the Macau SAR, granted by Studio City Retail Services Limited dated 26 November 2013; and

(h) the pledge over certain onshore accounts of SCIP Holdings Limited held in the Macau SAR, granted by SCIP Holdings Limited dated 26 November 2013.

4. A composite amendment and confirmation to be entered into (among others) by Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and Studio City Developments Limited with respect to the following assignments of leases and right of use agreements:

(a) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Developments Limited;

(b) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Entertainment Limited;

(c) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Hotels Limited;

(d) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Services Limited;

(e) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Hospitality and Services Limited; and

(f) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Retail Services Limited.

**Exhibit 4.10**

**EXECUTION VERSION**

SUPPLEMENTAL INDENTURE

This SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of November 30, 2016, is made by Studio City Company Limited (the "*Company*"), Industrial and Commercial Bank of China (Macau) Limited, as the Security Agent (the "*Security Agent*"), DB Trustees (Hong Kong) Limited, as the Intercreditor Agent (the "*Intercreditor Agent*") and Deutsche Bank Trust Company Americas, as the Trustee ("*Trustee*"), under the Indenture referred to below.

WHEREAS, the Company has heretofore executed and delivered one or more global notes (each a "*Global Note*"), dated as of November 30, 2016 providing for the issuance of an initial aggregate principal amount of US$350,000,000 of 5.875% Senior Secured Notes due 2019, pursuant to the terms of the Indenture dated as November 30, 2016 among the Company, the Parent Guarantor and the Trustee, among others (the "*Indenture*").

WHEREAS, the Indenture provides that under certain circumstances each of the Security Agent and the Intercreditor Agent shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Security Agent shall accede to the Indenture, as security agent, and the Intercreditor Agent shall accede to the Indenture, as intercreditor agent.

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

1. CAPITALIZED TERMS. Capitalized terms used in this Supplemental Indenture and not otherwise defined in this Supplemental Indenture shall have the meanings ascribed to them in the Indenture.

2. AGREEMENT TO ACCEDE. Each of the Security Agent and the Intercreditor Agent hereby agrees to accede, as security agent and intercreditor agent, respectively, to the Indenture on the terms and conditions set forth in this Supplemental Indenture and the Indenture. In particular connection with such accession, each of the Security Agent and the Intercreditor Agent agrees (a) to be bound by all of the covenants, stipulations, promises and agreements set forth in the Indenture that are applicable to the Security Agent or the Intercreditor Agent, as applicable and (b) to perform in accordance with its terms of the Indenture, all the terms of the Indenture required to be performed by the Security Agent or the Intercreditor Agent, as applicable.

3. NEW YORK LAW TO GOVERN. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

4. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

5. EFFECT OF HEADINGS. The section headings herein are for convenience only and shall not affect the construction hereof.

6. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity of sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Company.

7. RATIFICATION OF INDENTURE; ACCESSION AGREEMENT PART OF INDENTURE. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder heretofore or hereafter authenticated and delivered shall be bound hereby.

8. SUCCESSORS. All covenants and agreements in this Supplemental Indenture by the parties hereto shall bind their successors.

(*Signature page to follow*)

IN WITNESS WHEREOF, the parties have caused this Supplemental Indenture to the Indenture be duly executed and attested, as of the date first above written.

STUDIO CITY COMPANY LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY INVESTMENTS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOLDINGS TWO LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOLDINGS THREE LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOLDINGS FOUR LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

*[Signature Page - Supplemental Indenture]*

STUDIO CITY ENTERTAINMENT LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY SERVICES LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOTELS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCP HOLDINGS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCIP HOLDINGS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

*[Signature Page - Supplemental Indenture]*

STUDIO CITY HOSPITALITY AND SERVICES LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCP ONE LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCP TWO LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY DEVELOPMENTS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY RETAIL SERVICES LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

*[Signature Page - Supplemental Indenture]*

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED, as Security Agent,

By: /s/ Lui Kwok Tai
Name: Lui Kwok Tai
Title:

By: /s/ Yang Peng
Name: Yang Peng
Title:

DB TRUSTEES (HONG KONG) LIMITED, as Intercreditor Agent

By: /s/ Howard Hao-Jan Yu
Name: Howard Hao-Jan Yu
Title: Authorised Signatory

By: /s/ James Connell
Name: James Connell
Title: Vice President

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Trustee

By: Deutsche Bank National Trust Company

By: /s/ ROBERT S. PESCHLER
Name: ROBERT S. PESCHLER
Title: VICE PRESIDENT

By: /s/ Annie Jaghatspanyan
Name: Annie Jaghatspanyan
Title: Vice President

*[Signature Page - Supplemental Indenture]*

**Exhibit 4.11**

SECOND SUPPLEMENTAL INDENTURE

SECOND SUPPLEMENTAL INDENTURE (this "*Second Supplemental Indenture*") dated as of July 30, 2018 among Studio City (HK) Two Limited (the "*New Guarantor*"), Studio City Company Limited, a BVI business company with limited liability incorporated under the laws of British Virgin Islands (the "*Company*"), Studio City Investments Limited (the "*Parent Guarantor*"), certain subsidiaries of the Parent Guarantor (the "*Subsidiary Guarantors*" and, together with the Parent Guarantor and the New Guarantor, the "*Guarantors*") and Deutsche Bank Trust Company Americas, as Trustee (in such role , the "*Trustee*").

WITNESSETH:

WHEREAS the Company, the Trustee and each of the patties described above are parties to an Indenture, dated as of November 30, 2016, as amended (as amended, supplemented, waived or otherwise modified, the "Indenture"), providing for the issuance of the Company's 5.875% Senior Secured Notes due 2019;

WHEREAS, pursuant to Sections 4.l7(a)(l) and 9.03 of the Indenture, the New Guarantor is required to execute a supplemental Indenture;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged , the New Guarantor, the Company, the Trustee and the other parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee. Pursuant to, and subject to the provisions of, Article 11 of the Indenture, the New Guarantor (which term includes each other New Guarantor that hereinafter guarantees the Notes pursuant to the terms of the Indenture) hereby unconditionally and irrevocably guarantees, jointly and severally with each other Guarantor, to each Holder and to the Trustee and their successors and assigns to the extent set forth in the Indenture and subject to the provisions thereof (a) the full and punctual payment when due, whether at Stated Maturity, by acceleration, by redemption or otherwise, of all obligations of the Company under the Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of, or interest, premium, if any, on, the Notes and all other monetary obligations of the Company under the Indenture and the Notes and (b) the full and punctual performance within applicable grace periods of all other obligations of the Company whether for fees, expenses, indemnification or otherwise under the Indenture and the Notes (all the foregoing being hereinafter collectively called the "*Guaranteed Obligations*"). The New Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from such New Guarantor and that such New Guarantor will remain bound under Article 11 of the Indenture, notwithstanding any extension or renewal of any Guaranteed Obligation.

The Guaranteed Obligations of the New Guarantor to the Holders of Notes and to the Trustee pursuant to the Indenture as supplemented hereby, are expressly set forth in Article 11 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee.

3. Ratification of Indenture: Supplemental Indentures Part of Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Second Supplemental Indenture shall form a part of the Indenture for all purposes, and each Holder, by accepting the Notes whether heretofore or hereafter authenticated and delivered (a) agrees to and shall be bound by such provisions, (b) authorizes and directs the Trustee, on behalf of such Holder, to take such action as may be necessary or appropriate to effectuate the subordination as provided in the Indenture and (c) appoints the Trustee attorney-in-fact of such Holder for such purpose; provide d, however, that each Guarantor shall be released from all its obligations with respect to this Guarantee in accordance with the terms of the Indenture, including Section 11.08 of the Indenture and upon any defeasance of the Notes in accordance with Article 8 of the Indenture.

4. Governing Law. **THIS SECOND SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

5. Trustee Makes No Representation. The Trustee makes no representation as to the validity or sufficiency of this Second Supplemental Indenture. The recitals of fact contained herein shall be treated as statements of the other parties hereto and not the Trustee.

6. Counterparts. The parties may sign any number of copies of this Second Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

7. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction thereof.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed as of the date first above written.

STUDIO CITY (HK) TWO LIMITED, as New Guarantor,

By: /s/ Stephanie Cheung
Name: Stephanie Cheung
Title: Sole Director

STUDIO CITY COMPANY LIMITED, as Company,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY INVESTMENTS LIMITED, as Parent Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY HOLDINGS TWO LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

*[Signature Page to the 2019 Notes Second Supplemental Indenture]*

STUDIO CITY HOLDINGS THREE LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY HOLDINGS FOUR LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY ENTERTAINMENT LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY SERVICES LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

*[Signature Page to the 2019 Notes Second Supplemental Indenture]*

STUDIO CITY HOTELS LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

SCP HOLDINGS LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

SCIP HOLDINGS LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY HOSPITALITY AND SERVICES LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

SCP ONE LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

*[Signature Page to the 2019 Notes Second Supplemental Indenture]*

SCP TWO LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY DEVELOPMENTS LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY RETAIL SERVICES LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

*[Signature Page to the 2019 Notes Second Supplemental Indenture]*

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Trustee,
By: Deutsche Bank National Trust Company

By: /s/ Chris Niesz
Name: Chris Niesz
Title: Vice President

By: /s/ Debra A. Schwalb
Name: Debra A. Schwalb
Title: Vice President

*[Signature Page to the 2019 Notes Second Supplemental Indenture]*

**Exhibit 4.12**

**EXECUTION VERSION**

**STUDIO CITY COMPANY LIMITED,**

as Company

**THE GUARANTORS PARTIES HERETO,**

**7.250% SENIOR SECURED NOTES DUE 2021**

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# INDENTURE

**November 30, 2016**

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**DEUTSCHE BANK TRUST COMPANY AMERICAS,**

as Trustee, Paying Agent, Registrar and Transfer Agent

and

THE OTHER PERSONS FROM TIME TO TIME PARTY HERETO

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INDENTURE dated as of November 30, 2016 among Studio City Company Limited, a BVI business company with limited liability incorporated under the laws of the British Virgin Islands with company number 1673603 (the "*Company*"), Studio City Investments Limited (the "*Parent Guarantor*"), and certain subsidiaries of the Parent Guarantor from time to time parties hereto and Deutsche Bank Trust Company Americas, as Trustee, Paying Agent, Registrar and Transfer Agent. On or about the Issue Date, each of the Security Agent and the Intercreditor Agent (as such terms defined below) will accede to this Indenture by delivering a duly and validly executed supplemental indenture substantially in the form of Exhibit E.

Each party agrees as follows for the benefit of each other and for the other parties hereto and for the equal and ratable benefit of the Holders (as defined herein) of the 7.250% Senior Secured Notes due 2021 (the "*Notes*"):

## ARTICLE 1
## DEFINITIONS

Section 1.01 *Definitions.*

"*144A Global Note*" means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee, that will be issued in a denomination equal (subject to a maximum denomination of US$500 million) to the outstanding principal amount of the Notes sold in reliance on Rule 144A.

"*2019 Notes*" means the Senior Notes due 2019 to be issued on or about the Issue Date by the Company.

"*2019 Notes Guarantees*" means a guarantee by each guarantor of the Company's Obligations under the 2019 Notes Indenture and the 2019 Notes.

"*2019 Notes Indenture*" means an indenture for the 2019 Notes, as amended or supplemented from time to time between, among others, the Company, the Parent Guarantor and 2019 Notes Trustee.

"*2019 Note Interest Accrual Account*" means a U.S. dollar-denominated note interest accrual account (together with any sub-accounts or related accounts, including for term deposits, established in connection therewith) established by, and in the name of, the Company with the Account Bank.

"*2019 Notes Trustee*" means Deutsche Bank Trust Company Americas until a successor replaces it in accordance with the applicable provisions of the 2019 Notes Indenture and thereafter means the successor serving hereunder.

"*2020 Notes*" means the 8.500% Senior Notes due 2020 of Studio City Finance.

"*Account Bank*" means Bank of China Limited, Macau Branch and its successor and assignee named pursuant to any document evidencing the Note Interest Accrual Accounts.

"*Acquired Indebtedness*" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is Incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

“*Additional Notes*” means additional Notes (other than the Initial Notes) issued under this Indenture in accordance with Section 2.02 and Section 4.09 hereof, as part of the same series as the Initial Notes; *provided that* any Additional Notes that are not fungible with the Notes for U.S. federal income tax purposes shall have a separate CUSIP, ISIN or other identifying number than any previously issued Notes, but shall otherwise be treated as a single class with all other Notes issued under this Indenture.

“*Additional Intercreditor Agreement*” means any intercreditor agreement entered into in connection with the Incurrence of any Indebtedness that is permitted to share the Collateral or that is otherwise permitted to be incurred under this Indenture, by the Company, the relevant Guarantors, the Trustee, the Security Agent and the Intercreditor Agent (without the consent of Holders) on terms substantially similar to the Intercreditor Agreement (or on terms more favorable to the Holders) or an accession or amendment to or an amendment and restatement of the Intercreditor Agreement (which accession or amendment does not adversely affect the rights of the Holders).

“*Additional 2019 Notes*” means additional 2019 Notes (other than the Initial 2019 Notes) issued under the 2019 Notes Indenture, as part of the same series as the Initial 2019 Notes; *provided that* any Additional 2019 Notes that are not fungible with the 2019 Notes for U.S. federal income tax purposes shall have a separate CUSIP, ISIN or other identifying number than any previously issued 2019 Notes, but shall otherwise be treated as a single class with all other 2019 Notes issued under the 2019 Notes Indenture.

“*Affiliate*” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “*control*,” as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; *provided that* beneficial ownership of 10% or more of the Voting Stock of a Person will be deemed to be control. For purposes of this definition, the terms “*controlling*,” “*controlled by*” and “*under common control with*” have correlative meanings.

“*Agent*” means any Registrar, co-registrar, Paying Agent, Transfer Agent or additional paying agents or transfer agents.

“*Applicable Premium*” means, with respect to any Note on any redemption date, the greater of:

(1) 1.0% of the principal amount of the Note; or

(2) the excess of:

(a) the present value at such redemption date of (i) the redemption price of the Note at November 30, 2018 (such redemption price being set forth in the table appearing in Section 3.07 hereof) plus (ii) all required interest payments due on the Note through November 30, 2018 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over

(b) the principal amount of the Note, if greater,

as calculated by the Company or on behalf of the Company by such Person as the Company may engage. For the avoidance of doubt, calculation of the Applicable Premium shall not be a duty or obligation of the Trustee, the 2019 Notes Trustee, the Paying Agent or the Registrar.

“*Applicable Procedures*” means, with respect to any transfer or exchange of or for beneficial interests in any Global Note, the rules and procedures of the Depositary, Euroclear and Clearstream, Luxembourg that apply to such transfer or exchange.

"*Asset Sale*" means:

(1) the sale, lease, conveyance or other disposition of any assets or rights; *provided that* the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole will be governed by the provisions of this Indenture described in Section 4.15 hereof and/or the provisions described in Section 5.01 hereof and not by the provisions of Section 4.10 hereof;

(2) the issuance of Equity Interests in any of the Restricted Subsidiaries of the Parent Guarantor or the sale of Equity Interests in any of the Parent Guarantor's Subsidiaries; and

(3) any Event of Loss.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than US$5.0 million;

(2) a transfer of assets between or among the Parent Guarantor and its Restricted Subsidiaries;

(3) an issuance of Equity Interests by a Restricted Subsidiary of the Parent Guarantor to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor;

(4) the sale, license, transfer, lease (including the right to use) or other disposal of products, services, rights, accounts receivable, undertakings, establishments or other current assets or cessation of any undertaking or establishment in the ordinary course of business (including pursuant to any shared services agreements (including the MSA), Revenue Sharing Agreement or any construction and development activities) and any sale or other disposition of damaged, worn-out, surplus or obsolete assets in the ordinary course of business;

(5) the sale or other disposition of cash or Cash Equivalents;

(6) any transfer, termination or unwinding or other disposition of Hedging Obligations in the ordinary course of business;

(7) a transaction covered under Section 5.01 or Section 4.15;

(8) the lease of, right to use or equivalent interest under Macau law on that portion of real property granted to Studio City Developments Limited pursuant to the applicable land concession granted by the government of the Macau SAR in connection with the development of the Phase II Project in accordance with such applicable land concession;

(9) a Restricted Payment that does not violate the provisions of Section 4.07 hereof or a Permitted Investment, and any other payment under the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA and any transactions or arrangements involving contractual rights under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof;

(10) the (i) lease, sublease, license or right to use of any portion of the Property to persons who, either directly or through Affiliates of such persons, intend to develop, operate or manage gaming, hotel, nightclubs, bars, restaurants, malls, amusements, attractions, recreation, spa, pool, exercise or gym facilities, or entertainment facilities or venues or retail shops or venues or similar or related establishments or facilities within the Property and (ii) the grant of declarations of covenants, conditions and restrictions and/or easements or other rights to use with respect to common area spaces and similar instruments benefiting such tenants of such lease, subleases licenses and rights to use generally and/or entered into connection with the Property (collectively, the "*Venue Easements*"); *provided that* no Venue Easements or operations conducted pursuant thereto would reasonably be expected to materially interfere with, or materially impair or detract from, the operation of the Property;

(11) the dedication of space or other dispositions of property in connection with and in furtherance of constructing structures or improvements reasonably related to the development, construction and operation of the Property; *provided*, that in each case such dedication or other disposition is in furtherance of, and does not materially impair or interfere with the use or operations (or intended use or operations) of, the Property;

(12) the granting of easements, rights of way, rights of access and/or similar rights to any governmental authority, utility providers, cable or other communication providers and/or other parties providing services or benefits to the Property, the real property held by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor or the public at large that would not reasonably be expected to interfere in any material respect with the construction, development or operation of the Property;

(13) the granting of a lease, right to use or equivalent interest to Melco Crown Macau for purposes of operating a gaming facility under the Services and Right to Use Agreement and any related agreements, or any transactions or arrangements contemplated thereby;

(14) the grant of licenses to intellectual property rights to third Persons (other than Affiliates of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor) on an arm's length basis in the ordinary course of business or to Melco Crown Macau and its Affiliates in the ordinary course of business;

(15) [Reserved];

(16) transfers, assignments or dispositions constituting an Incurrence of a Permitted Lien (but not the actual sale or other disposition of the property subject to such Lien); and

(17) any surrender or waiver of contractual rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business.

"*Attributable Debt*" in respect of a sale and leaseback transaction means, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP.

"*Bankruptcy Law*" means (i) the United States Bankruptcy Code of 1978 or any similar U.S. federal or state law for the relief of debtors, (ii) the provisions of the Code of Civil Procedure of Macau that deal with the placement of a debtor into liquidation, the administration and disposal of its assets, the distribution of the proceeds thereof and the alternatives to such liquidation, or any laws of similar effect, and (iii) those laws included, principally within (but not limited to) the BVI Business Companies Act, 2004 (as amended) and the Insolvency Act, 2007 (as amended) concerning the solvency and insolvency of BVI companies.

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

"*Board of Directors*" means:

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

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

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

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

"*Business Day*" means any day other than a Legal Holiday.

"*Capital Lease Obligation*" means, at the time any determination is to be made, the amount of the liability in respect of a finance or capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"*Capital Stock*" means:

(1) in the case of a corporation, corporate stock or shares;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"*Cash Equivalents*" means:

(1) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (*provided that* the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than six months from the date of acquisition;

(2) demand deposits, certificates of deposit, time deposits and eurodollar time deposits with maturities of 12 months or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case, with any commercial bank organized under the laws of Macau, Hong Kong, a member state of the European Union or of the United States of America or any state thereof having capital and surplus in excess of US$500.0 million (or the foreign currency equivalent thereof as of the date of such investment) and whose long-term debt is rated "A-3" or higher by Moody's or "A-" or higher by S&P or the equivalent rating category or another internationally recognized rating agency or, with respect to any Note Interest Accrual Account, any bank with which the Company maintains such account, in each case pursuant to the terms of the document governing such Note Interest Accrual Account;

(3) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (1) and (2) above entered into with any financial institution meeting the qualifications specified in clause (2) above;

(4) commercial paper having one of the two highest ratings obtainable from Moody's or S&P and, in each case, maturing within 12 months after the date of acquisition; and

(5) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (4) of this definition.

"*Casualty*" means any casualty, loss, damage, destruction or other similar loss with respect to real or personal property or improvements.

"*Change of Control*" means the occurrence of any of the following:

(1) MCE's equity securities not being listed on at least one of the following:

(a)The Hong Kong Stock Exchange;

(b) The NASDAQ Stock Market; or

(c) The New York Stock Exchange;

(2) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Parent Guarantor and its Subsidiaries taken as a whole to any "person" or "group" (as such terms are used in Section 13(d) of the Exchange Act) (other than a Sponsor or a Related Party of a Sponsor);

(3) the adoption of a plan relating to the liquidation or dissolution of the Parent Guarantor or the Company;

(4) prior to the consummation of a Qualifying Event, the first day on which:

(A) MCE ceases to own, directly or indirectly (through a Subsidiary), a majority of the outstanding Equity Interests and/or Voting Stock of each of the Parent Guarantor, Melco Crown Macau and Studio City Holdings Five Limited (or any Person which becomes a "Golden Shareholder" and/or a "Preference Holder" under the Direct Agreement pursuant to the terms thereof); or

(B) MCE ceases to have, directly or indirectly (through a Subsidiary), the power to nominate a number of directors on the Board of Directors of the Parent Guarantor who are entitled to cast a majority of the votes which may be cast at a meeting of the Board of Directors of the Parent Guarantor;

(5) upon or after the consummation of a Qualifying Event, the first day on which:

(A) MCE ceases to own, directly or indirectly (through a subsidiary), at least 35% of the outstanding Equity Interests and/or Voting Stock of each of the Parent Guarantor, Melco Crown Macau and Studio City Holdings Five Limited (or any Person which becomes a "Golden Shareholder" and/or a "Preference Holder" under the Direct Agreement pursuant to the terms thereof); or

(B) any “*person*” or “*group*” (as such terms are used in Section 13(d) of the Exchange Act), other than MCE or a Related Party of MCE, is or becomes (i) the Beneficial Owner, directly or indirectly, of a larger percentage of the outstanding Equity Interests and/or Voting stock of either the Parent Guarantor or Melco Crown Macau than MCE, or (ii) entitled to nominate a number of directors on the Board of Directors of the Parent Guarantor who are entitled to cast a majority of the votes which may be cast at a meeting of the Board of Directors of the Parent Guarantor; or

(6) the first day on which the Parent Guarantor ceases to own, directly or indirectly (through a subsidiary), 100% of the outstanding Equity Interests and/or Voting Stock of the Company.

“*Clearstream, Luxembourg*” means Clearstream Banking société anonyme.

“*Collateral*” means the rights, property and assets securing the Notes and the Note Guarantees and any rights, property or assets in which a security interest has been or will be granted on the Issue Date or thereafter to secure the Obligations of the Company and the Guarantors under the Notes, the Note Guarantees and this Indenture.

“*Common Collateral*” means the Collateral other than the Credit-Specific Transaction Security.

“*Company*” means Studio City Company Limited, and any and all successors thereto.

“*Condemnation*” means any taking by a Governmental Authority of assets or property, or any part thereof or interest therein, for public or quasi-public use under the power of eminent domain, by reason of any public improvement or condemnation or in any other manner.

“*Consolidated Net Income*” means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; *provided that*:

(1) the Net Income (or loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions actually paid in cash to, or the amount of loss actually funded in cash by, the specified Person or a Restricted Subsidiary of the Person;

(2) the Net Income of any Restricted Subsidiary that is not a Subsidiary Guarantor will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that Net Income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders *provided*, *however*, that Consolidated Net Income of the specified Person will be increased by the amount of dividends or similar contributions actually paid in cash (or to the extent converted into cash) to the specified Person or any of its Restricted Subsidiaries that is a Subsidiary Guarantor, to the extent not already included therein;

(3) the cumulative effect of a change in accounting principles will be excluded; and

(4) charges or expenses related to deferred financing fees and Indebtedness issuance costs, including related commissions, fees and expenses, premiums paid or other expenses incurred directly in connection with any early extinguishment of Indebtedness and any net gain (loss) from any write-off, extinguishment, repurchase, cancellation or forgiveness of Indebtedness will be excluded.

"*Corporate Trust Office of the Trustee*" will be at the address of the Trustee specified in Section 13.02 hereof or such other address as to which the Trustee may give notice to the Company.

"*Credit Facilities*" means one or more debt facilities (including, without limitation, the Senior Secured Credit Facilities) or commercial paper facilities, in each case, with banks or other lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables), letters of credit or other forms of Indebtedness, in each case, as amended, restated, modified, renewed, refunded, replaced (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to investors) in whole or in part from time to time; *provided* that in no event shall such amendment, restatement, modification, renewable, refunding, replacement or refinancing result in the Parent Guarantor and its Restricted Subsidiaries not having any debt facilities which would have the effect of impairing any security interest over any of the assets comprising the Collateral for the benefit of the Holders (including the priority thereof).

"*Credit Facilities Documents*" means the collective reference to any Credit Facilities, any notes issued pursuant thereto and the guarantees thereof, and the collateral or other documents relating thereto, as amended, supplemented, restated, renewed, refunded, replaced, restructured, repaid, refinanced or otherwise modified, in whole or in part, from time to time.

"*Credit-Specific Transaction Security*" means:

(a) the Lien over the Note Interest Accrual Account;

(b) the Lien over the cash collateral account securing the term loan portion of the Senior Secured Credit Facilities;

(c) the Lien over any interest accrual account or debt service reserve account established in connection with any *pari passu* Indebtedness; and

(d) the Lien over the 2019 Note Interest Accrual Account.

"*Custodian*" means Deutsche Bank Trust Company Americas, as custodian with respect to the Notes in global form, or any successor entity thereto.

"*Debt Documents*" means the definitive documents in respect to the Secured Obligations as determined in accordance with the Intercreditor Agreement.

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

"*Definitive Note*" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06 hereof, substantially in the form of Exhibit A hereto, except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"*Depositary*" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03 hereof as the Depositary with respect to the Notes, and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provision of this Indenture.

"*Direct Agreement*" means the direct agreement dated November 26, 2013, in relation to (a) the Services and Rights to Use Agreement and (b) the Reinvestment Agreement.

"*Disbursement Agreements*" means the Note Disbursement and Account Agreement and the Senior Disbursement Agreement.

"*Disqualified Stock*" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the date on which the Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Parent Guarantor to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Parent Guarantor may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 4.07 hereof. The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Indenture will be the maximum amount that the Parent Guarantor may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"*EBITDA*" means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period plus, without duplication:

(1) an amount equal to any extraordinary loss plus any net loss realized by such Person or any of its Restricted Subsidiaries in connection with an Asset Sale, to the extent such losses were deducted in computing such Consolidated Net Income; *plus*

(2) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; *plus*

(3) the Fixed Charges of such Person and its Restricted Subsidiaries for such period, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; *plus*

(4) depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period), of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income; *plus*

(5) any non-cash compensation charge arising from any grant of stock, stock options or other equity based awards; *plus*

(6) any goodwill or other intangible asset impairment charge; *plus*

(7) non-cash items increasing such Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business,

in each case, on a consolidated basis and determined in accordance with GAAP.

Notwithstanding the preceding, the provision for taxes based on the income or profits of, and the depreciation and amortization and other non-cash expenses of, a Restricted Subsidiary of the Parent Guarantor will be added to Consolidated Net Income to compute EBITDA of the Parent Guarantor only to the extent that a corresponding amount was included in the calculation of Consolidated Net Income.

"*Equity Interests*" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"*Equity Offering*" means any public sale or private issuance of Capital Stock (other than Disqualified Stock) of (1) the Parent Guarantor or (2) a direct or indirect parent of the Parent Guarantor to the extent the net proceeds from such issuance are contributed in cash to the common equity capital of the Parent Guarantor (in each case other than pursuant to a registration statement on Form S-8 or otherwise relating to equity securities issuable under any employee benefit plan of the Parent Guarantor).

"*Euroclear*" means Euroclear Bank SA/NV.

"*Event of Loss*" means, with respect to the Company, Parent Guarantor, any Subsidiary Guarantor or any Restricted Subsidiary of the Parent Guarantor that is a Significant Subsidiary, any (1) Casualty, (2) Condemnation or seizure (other than pursuant to foreclosure) or (3) settlement in lieu of clause (2) above, in each case having a fair market value in excess of US$10.0 million.

"*Exchange Act*" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"*Excluded Contributions*" means the net cash proceeds received by the Parent Guarantor subsequent to the Issue Date from:

(1) contributions to its common equity capital; and

(2) the issuance or sale (other than to a Subsidiary of the Parent Guarantor or to any Parent Guarantor or Subsidiary management equity plan or stock option plan or any other management or employee benefit plan or agreement) by the Parent Guarantor of shares of its Capital Stock (other than Disqualified Stock) or a share capital increase;

in each case, designated as Excluded Contributions on the date on which such Excluded Contributions were received pursuant to an Officer's Certificate, and excluded from the calculation set forth in Section 4.07(a)(C)(ii) hereof.

"*Fair Market Value*" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of the Parent Guarantor or the Company, as the case may be (unless otherwise provided in this Indenture).

"*Fixed Charge Coverage Ratio*" means with respect to any specified Person for any period, the ratio of EBITDA of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "*Calculation Date*"), then the Fixed Charge Coverage Ratio will be calculated giving pro forma effect to such incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Preferred Stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period.

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions and including increases in ownership of Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date will be given pro forma effect (in accordance with Regulation S-X under the Securities Act) as if they had occurred on the first day of the four-quarter reference period;

(2) the EBITDA attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the Obligations giving rise to such Fixed Charges will not be Obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period; and

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months).

"*Fixed Charges*" means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued, including, without limitation, amortization of debt discount (but not (i) debt issuance costs, commissions, fees and expenses or (ii) amortization of discount on the Intercompany Note Proceeds Loans), non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges Incurred in respect of letter of credit or bankers' acceptance financings, and net of the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates; *plus*

(2) the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period; *plus*

(3) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries (other than Indebtedness secured by a Lien of the type specified in clause (22) of the definition of "Permitted Liens"), whether or not such Guarantee or Lien is called upon; *plus*

(4) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of Preferred Stock of such Person or any of its Restricted Subsidiaries, other than dividends on Equity Interests payable solely in Equity Interests of such Person (other than Disqualified Stock) or to such Person or a Restricted Subsidiary of such Person, *times* (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with GAAP.

"*GAAP*" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time.

"*Gaming Authorities*" means, in any jurisdiction in which Melco Crown Macau (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Parent Guarantor or any of its Subsidiaries manages or conducts any casino, gaming business or activities, the applicable gaming board, commission, or other governmental gaming regulatory body or agency which (a) has, or may at any time after issuance of the Notes have, jurisdiction over the gaming activities of Melco Crown Macau (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Parent Guarantor or any of its Subsidiaries, or any successor to such authority or (b) is, or may at any time after the issuance of the Notes be, responsible for interpreting, administering and enforcing the Gaming Laws.

"*Gaming Laws*" means all applicable constitutions, treatises, resolutions, laws, regulations, instructions and statutes pursuant to which any Gaming Authority possesses regulatory, licensing or permit authority over gaming, gambling or casino activities, and all rules, rulings, orders, ordinances, regulations of any Gaming Authority applicable to the gambling, casino, gaming businesses or activities of Melco Crown Macau (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Parent Guarantor or any of its Subsidiaries in any jurisdiction, as in effect from time to time, including the policies, interpretations and administration thereof by the Gaming Authorities.

"*Gaming Licenses*" means any concession, subconcession, license, permit, franchise or other authorization at any time required under any Gaming Laws to own, lease, operate or otherwise conduct the gaming business of Melco Crown Macau (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Parent Guarantor and its Restricted Subsidiaries.

"*Global Note Legend*" means the legend set forth in Section 2.06(f)(2) hereof, which is required to be placed on all Global Notes issued under this Indenture.

"*Global Notes*" means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes deposited with or on behalf of and registered in the name of the Depository or its nominee, substantially in the form of Exhibit A hereto and that bears the Global Note Legend and that has the "Schedule of Exchanges of Interests in the Global Note" attached thereto, issued in accordance with Section 2.01, 2.06(b)(3), 2.06(b)(4), and with Section 2.06(d)(2) or 2.06(f) hereof.

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

"*Guarantee*" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"*Hedging Obligations*" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates or commodity prices.

"*Holder*" means a Person in whose name a Note is registered.

"*Incur*" means, with respect to any Indebtedness, Capital Stock or other Obligation of any Person, to create, issue, assume, guarantee, incur (by conversion, exchange, or otherwise) or otherwise become liable in respect of such Indebtedness, Capital Stock or other Obligation or the recording, as required pursuant to GAAP or otherwise, of any such Indebtedness or other Obligation on the balance sheet of such Person. Indebtedness or Capital Stock otherwise Incurred by a Person before it becomes a Restricted Subsidiary of the Parent Guarantor shall be deemed to be Incurred at the time at which such Person becomes a Restricted Subsidiary of the Parent Guarantor. The accretion of original issue discount, the accrual of interest, the accrual of dividends, the payment of interest in the form of additional Indebtedness and the payment of dividends on Preferred Stock in the form of additional shares of Preferred Stock shall not be considered an Incurrence of Indebtedness.

"*Indebtedness*" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than one year after such property is acquired or such services are completed; or

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person.

Notwithstanding the foregoing, "Indebtedness" will not include (i) any capital commitments, deposits or advances from customers or any contingent obligations to refund payments (including deposits) to customers (or any guarantee thereof), or (ii) obligations of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor to pay the deferred and unpaid purchase price of property or services due to suppliers of equipment or other assets (including parts thereof) not more than one year after such property is acquired or such services are completed and the amount of unpaid purchase price retained by the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business in connection with an acquisition of equipment or other assets (including parts thereof) pending full operation or contingent on certain conditions during a warranty period of such equipment or assets in accordance with the terms of the acquisition; *provided that*, in each case, such Indebtedness is not reflected as borrowings on the consolidated balance sheet of the Parent Guarantor (contingent obligations and commitments referred to in a footnote to financial statements and not otherwise reflected as borrowings on the balance sheet will not be deemed to be reflected on such balance sheet).

The amount of Indebtedness of any Person at any time shall be the outstanding balance at such time of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided that*:

(A) the amount outstanding at any time of any Indebtedness issued with original issue discount is the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP;

(B) money borrowed and set aside at the time of the Incurrence of any Indebtedness in order to prefund the payment of the interest on such Indebtedness shall not be deemed to be "Indebtedness" so long as such money is held to secure the payment of such interest; and

(C) that the amount of or the principal amount of Indebtedness with respect to any Hedging Obligation shall be equal to the net amount payable if such Hedging Obligation terminated at or prior to that time due to a default by such Person.

"*Indenture*" means this Indenture, as amended or supplemented from time to time.

"*Independent Financial Advisor*" means accounting, appraisal or investment banking firm of international standing.

"*Indirect Participant*" means a Person who holds a beneficial interest in a Global Note through a Participant.

"*Initial Notes*" means the first US$850,000,000 aggregate principal amount of Notes issued under this Indenture on the date hereof.

"*Initial 2019 Notes*" means the first US$350,000,000 aggregate principal amount of 2019 Notes issued under the 2019 Notes Indenture on the date thereof.

"*Initial Purchasers*" means Deutsche Bank AG, Singapore Branch, Merrill Lynch International, Australia and New Zealand Banking Group Limited and BOCI Asia Limited (each an "*Initial Purchaser*").

"*Instructing Group*" means:

(a) subject to paragraph (b) below, the Majority Super Senior Creditors and the Majority Pari Passu Creditors; and

(b) (i) in relation to instructions as to enforcement of the Common Collateral, the group of Primary Creditors entitled to give instructions as to enforcement of the Common Collateral in accordance with which the Security Agent is obliged to act under Clause 15.2 (*Instructions to enforce*) of the Intercreditor Agreement; and

(ii) in relation to instructions as to enforcement of any of the Credit-Specific Transaction Security, the group of Primary Creditors entitled to give instructions as to enforcement of that Credit-Specific Transaction Security in accordance with which the Security Agent is obliged to act under Clause 15.2 (*Instructions to enforce*) of the Intercreditor Agreement.

"*Intercompany Note Proceeds Loans*" means the one or more intercompany loans between Studio City Finance and the Parent Guarantor or its Subsidiaries pursuant to which Studio City Finance on-lends to the Parent Guarantor or its Subsidiaries the net proceeds from the issuance of the 2020 Notes in accordance with the terms of the definitive documents with respect to the 2020 Notes, including in connection with any extension, additional issuance or refinancing thereof.

"*Intercreditor Agent*" means DB Trustees (Hong Kong) Limited, or its successors or assignees appointed pursuant to the Intercreditor Agreement.

"*Intercreditor Agreement*" means the Intercreditor agreement, dated on or about the Issue Date, made between, among others, the Company, the Guarantors, the Trustee, the 2019 Notes Trustee, the Security Agent, the agent for the Senior Secured Credit Facilities and the other parties named therein, as amended, restated or otherwise modified or varied from time to time.

"*Investment Grade Status*" shall apply at any time the Notes receive (i) a rating equal to or higher than BBB- (or the equivalent) from S&P and (ii) a rating equal to or higher than Baa3 (or the equivalent) from Moody's.

"*Investments*" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees and consultants made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Parent Guarantor or any Subsidiary of the Parent Guarantor sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Parent Guarantor such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Parent Guarantor, the Parent Guarantor will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Parent Guarantor's Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in the final paragraph of Section 4.07 hereof. The acquisition by the Parent Guarantor or any Subsidiary of the Parent Guarantor of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Company or such Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in the final paragraph of Section 4.07 hereof. Except as otherwise provided in this Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"*Issue Date*" means the date on which the Notes (other than any Additional Notes) are originally issued.

"*Land Concession*" means the land concession by way of lease, for a period of 25 years, subject to renewal as of October 17, 2001 for a plot of land situated in Cotai, Macau, described with the Macau Immovable Property Registry under No. 23059 and registered in Studio City Developments Limited's name under inscription no. 26642 of Book F, titled by Dispatch of the Secretary for Public Works and Transportation no. 100/2001 of October 9, 2001, published in the Macau Official Gazette no. 42 of October 17, 2001, as amended by Dispatch of the Secretary for Public Works and Transportation no. 31/2012 of July 19, 2012, published in the Macau Official Gazette no. 30 of July 25, 2012, and by Dispatch of Secretary for Public Works and Transportation no. 92/2015 of September 10, 2015, published in the Macau Official Gazette no. 38 of September 23, 2015 and including any other amendments from time to time to such land concession.

"*Legal Holiday*" means a Saturday, a Sunday or a day on which banking institutions in the City of New York, Hong Kong, Macau or at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction).

"*Majority Pari Passu Creditors*" means creditors holding more than 50% of the Notes and certain pari passu Indebtedness, as determined in accordance with the Intercreditor Agreement.

"*Majority Super Senior Creditors*" means creditors holding more than 50% of the super senior credit participations under the Senior Secured Credit Facilities and certain designated super senior hedging, as determined in accordance with the Intercreditor Agreement.

"*MCE*" means Melco Crown Entertainment Limited, an exempted company incorporated with limited liability under the laws of the Cayman Islands.

"*Melco Crown Macau*" means Melco Crown (Macau) Limited, a Macau company.

"*Melco Crown Parties*" means Melco Crown (COD) Hotels Limited, Melco Crown (COD) Developments Limited, Altira Hotel Limited, COD Theatre Limited, Melco Crown COD (GH) Hotel Limited, Melco Crown (COD) Retail Services Limited, Altira Developments Limited, Melco Crown (Macau) Limited, MPEL Services Limited, Golden Future (Management Services) Limited, MPEL Properties (Macau) Limited, Melco Crown Hospitality and Services Limited, Melco Crown Security Services Limited, Melco Crown COD (HR) Hotel Limited, Melco Crown COD (CT) Hotel Limited, MCE Travel Limited, MCE Transportation Limited and MCE Transportation Two Limited and any other Person which accedes to the MSA as a "Melco Crown Party" pursuant to terms thereof; and a "*Melco Crown Party*" means any of them.

"*Moody's*" means Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

"*MSA*" means the master services agreement dated December 21, 2015, including any work agreements entered into pursuant to the master services agreement, entered into between the Studio City Parties on the one part and the Melco Crown Parties on the other part, as amended, modified, supplemented, extended, replaced or renewed from time to time, and any other master services agreement or equivalent agreement or contract, including any work agreements entered into pursuant to any such master services agreement, in each case entered into in connection with the conduct of Permitted Business and on terms that are no less favorable to the Company, the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in an arm's length commercial transaction, as amended, modified, supplemented, extended, replaced or renewed from time to time.

"*Net Income*" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of Preferred Stock dividends, excluding, however:

(1) any gain (or loss), together with any related provision for taxes on such gain (or loss), realized in connection with: (a) any Asset Sale; or (b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment, repurchase or cancellation of any Indebtedness of such Person or any of its Restricted Subsidiaries; and

(2) any extraordinary gain (or loss), together with any related provision for taxes on such extraordinary gain (or loss).

"*Net Proceeds*" means the aggregate cash proceeds received by the Parent Guarantor or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with GAAP.

"*Non-Recourse Debt*" means Indebtedness:

(1) as to which neither the Parent Guarantor nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender, other than, in the case of (a) and (b), Indebtedness incurred pursuant to Section 4.09(b)(15) hereof; and

(2) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Parent Guarantor or any of its Restricted Subsidiaries (other than to the Equity Interests of any Unrestricted Subsidiary).

"*Non-U.S. Person*" means a Person who is not a U.S. Person.

"*Note Disbursement and Account Agreement*" means the Note Disbursement and Account Agreement dated as of November 26, 2012, among Studio City Finance, Studio City Company Limited as borrower under the Senior Secured Credit Facilities, the collateral agent and the trustee for the 2020 Notes and the Note Disbursement Agent named therein.

"*Note Guarantee*" means the Guarantee by each Guarantor of the Company's Obligations under this Indenture and the Notes.

"*Note Interest Accrual Account*" means a U.S. dollar-denominated note interest accrual account (together with any sub-accounts or related accounts, including for term deposits, established in connection therewith) established by, and in the name of, the Company with the Account Bank.

"*Notes*" has the meaning assigned to it in the preamble to this Indenture. The Initial Notes and the Additional Notes shall be treated as a single class for all purposes under this Indenture, and unless the context otherwise requires, all references to the Notes shall include the Initial Notes and any Additional Notes.

"*Obligations*" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"*Offering Memorandum*" means the offering memorandum dated November 22, 2016 in respect of the Notes.

"*Officer*" means the Chairman of the Board, Chief Executive Officer, Property Chief Financial Officer, President, any Executive Vice President, Senior Vice President or Vice President, Treasurer or Secretary of the Company or the Parent Guarantor, as the case may be, or any Directors of the Board or any Person acting in that capacity.

"*Officer's Certificate*" means a certificate signed on behalf of the Company or the Parent Guarantor, as the case may be, by an Officer of the Company or the Parent Guarantor, as applicable, which meets the requirements of Section 13.05 hereof.

"*Opinion of Counsel*" means a written opinion from legal counsel who is acceptable to the Trustee that meets the requirements of Section 13.05 hereof. The counsel may be an employee of or counsel to the Company or the Trustee.

"*Parent Guarantor*" means Studio City Investments Limited.

“*Participant*” means, with respect to the Depositary, Euroclear or Clearstream, Luxembourg, a Person who has an account with the Depositary, Euroclear or Clearstream, Luxembourg, respectively (and, with respect to DTC, shall include Euroclear and Clearstream, Luxembourg).

“*Permitted Business*” means (1) any businesses, services or activities engaged in by the Parent Guarantor or any of its Restricted Subsidiaries on the Issue Date, including, without limitation, the construction, development and operation of the Property, (2) any gaming, hotel, accommodation, hospitality, transport, tourism, resort, food and beverage, retail, entertainment, cinema / cinematic venue, audio-visual production (including provision of sound stage, recording studio and similar facilities), performance, cultural or related business, development, project, undertaking or venture of any kind in the Macau SAR, and (3) any other businesses, services, activities or undertaking that are necessary for, supportive of, or connected, related, complementary, incidental, ancillary or similar to, any of the foregoing or are extensions or developments of any thereof (including in support of the businesses, services, activities and undertakings of the MCE group as a whole or any member thereof including through participation in shared and centralized services and activities).

“*Permitted Investments*” means:

(1) any Investment in the Company, the Parent Guarantor or in a Restricted Subsidiary of the Parent Guarantor;

(2) any Investment in cash or Cash Equivalents;

(3) any Investment by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in a Person, if as a result of such Investment:

(A) such Person becomes a Restricted Subsidiary of the Parent Guarantor; or

(B) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor;

(4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 4.10 hereof;

(5) any acquisition of assets or Capital Stock in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Parent Guarantor;

(6) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Parent Guarantor or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (B) litigation, arbitration or other disputes with Persons who are not Affiliates;

(7) Investments represented by Hedging Obligations;

(8) loans or advances to employees, officers, or directors made in the ordinary course of business of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in an aggregate principal amount not to exceed US$1.0 million at any one time outstanding;

(9) repurchases of the Notes and the 2019 Notes;

(10) any Investments consisting of gaming credit extended to customers and junket operators in the ordinary course of business and consistent with applicable law and any Investments made or deemed to be made in connection with or through any transactions or arrangements involving contractual rights under, pursuant to or in connection with (i) the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA and (ii) any transaction or arrangements made pursuant to clause (10) of the definition of “Asset Sale”, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals;

(11) advances to contractors and suppliers and accounts, trade and notes receivables created or acquired in the ordinary course of business;

(12) receivables owing to the Parent Guarantor or any of its Restricted Subsidiaries if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;

(13) any Investment existing on the Issue Date or made pursuant to binding commitments in effect on the Issue Date or an Investment consisting of any extension, modification or renewal of any Investment existing on the Issue Date; *provided that* the amount of any such Investment may be increased (x) as required by the terms of such Investment as in existence on the Issue Date or (y) as otherwise permitted under this Indenture;

(14) Investments in prepaid expenses, negotiable instruments held for collection, deposits made in connection with self-insurance, and performance and other similar deposits and prepayments made in connection with an acquisition of assets or property in the ordinary course of business by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor;

(15) deposits made by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business to comply with statutory or regulatory obligations (including land grants) to maintain deposits for the purposes specified by the applicable statute or regulation (including land grants) from time to time;

(16) any Investment consisting of a Guarantee permitted by Section 4.09 hereof and performance guarantees that do not constitute Indebtedness entered into by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business;

(17) to the extent constituting an Investment, licenses of intellectual property rights granted by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business; *provided*, that such grant does not interfere in any material respect with the ordinary conduct of the business of such Person;

(18) Investments consisting of purchases and acquisitions of inventory, supplies, materials, services or equipment or purchases of contract rights or licenses or leases of intellectual property, in each case, in the ordinary course of business;

(19) Investments held by a Person that becomes a Restricted Subsidiary of the Parent Guarantor; *provided*, *however*, that such Investments were not acquired in contemplation of the acquisition of such Person;

(20) an Investment in an Unrestricted Subsidiary consisting solely of an Investment in another Unrestricted Subsidiary;

(21) pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business or (y) otherwise described in the definition of “Permitted Liens”;

(22) Investments (other than Permitted Investments) made with Excluded Contributions; *provided*, *however*, that any amount of Excluded Contributions made will not be included in the calculation of Section 4.07(a)(C)(ii) hereof;

(23) Investments consisting of the licensing or contribution of intellectual property pursuant to joint marketing arrangements with other Persons; and

(24) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (24) and, without duplication, clause (24) of the definition of "Permitted Investments" in the 2019 Notes Indenture that are at the time outstanding, not to exceed US$5.0 million.

"*Permitted Land Concession Amendment*" means any of the following:

(1) any action or thing which results in, with respect to the Land Concession:

(i) an increase of the gross floor construction area at the Site as permitted under Macau legal requirements; or

(ii) any extension of the term of the Land Concession; or

(iii) the removal of development or other obligations or terms; or

(iv) the imposition of less onerous development or other obligations or terms than those set forth in the Land Concession; or

(v) any extension of the date required for completion of development of the Site; or

(vi) amendments to enable definitive registration of the Land Concession (or part thereof) in line with the works actually executed; *provided* that such amendments do not adversely affect the interests of the Holders; or

(2) any amendment to the Land Concession:

(i) required to permit development of the Site under formal phasing (where the Property will be comprised in one of such formal phases);

(ii) required to permit separation of the Site into more than one autonomous land plot or lots (where the Property will be comprised in one of such land plots or lots);

(iii) required to permit registration of strata title (pursuant to which the Property shall be comprised in one or more autonomous units to be created under strata title);

(iv) required to permit separate and/or definitive registration of the part of the Land Concession comprising the Property separately from the remaining development of the Site;

(v) required to permit independent termination of the part of the Land Concession relative to the Property from the termination of the remaining part;

(vi) required to permit independent registration of the part of the Land Concession comprising the Property from the remaining part;

(vii) required to permit the separate disposal of the rights resulting from the Land Concession relative to the Property from the remaining rights; or

(viii) required to modify the purpose of the Land Concession only in respect of the part of the Site not comprising the Property;

*provided* that any such amendment would not reasonably be expected to be adverse to the interests of the Holders; or

(3) any amendments to the purpose of the Land Concession relating to the rating of a hotel;

(4) any amendment which is of a mechanical or administrative nature or any amendment required by any Macau SAR Governmental Authority for which reasonable notice has been given (which does not, in any case, materially adversely affect the interests of the Holders); or

(5) any other amendment to the Land Concession that is not or would not reasonably be expected to be materially adverse to the interests of the Holders under this Indenture.

"*Permitted Liens*" means:

(1) Liens securing Indebtedness Incurred pursuant to of Section 4.09(b)(1)(i)(x) hereof;

(2) Liens created for the benefit of (or to secure) (a) the Notes (including any Additional Notes) or the Note Guarantees and (b) the 2019 Notes (including any Additional 2019 Notes) and the related 2019 Notes Guarantees;

(3) Liens in favor of the Company or the Guarantors;

(4) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with the Parent Guarantor or any Subsidiary of the Parent Guarantor; *provided that* such Liens were not created in connection with, or in contemplation of, such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with the Parent Guarantor or the Subsidiary;

(5) Liens on property (including Capital Stock) existing at the time of acquisition of the property by the Parent Guarantor or any Subsidiary of the Parent Guarantor; *provided that* such Liens were in existence prior to, such acquisition, and not incurred in contemplation of, such acquisition;

(6) Liens incurred or deposits made in the ordinary course of business in connection with workmen's compensation or unemployment obligations or other obligations of a like nature, including any Lien securing letters of credit issued in the ordinary course of business in connection therewith, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

(7) Liens to secure Indebtedness (including Capital Lease Obligations) permitted by Section 4.09(b)(4) covering only the assets acquired with or financed by such Indebtedness and directly related assets such as proceeds (including insurance proceeds), improvements, replacements and substitutions thereto;

(8) Liens existing on the Issue Date;

(9) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided that* any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;

(10) Liens imposed by law, such as carriers, warehousemen's, landlord's, suppliers' and mechanics' Liens, in each case, incurred in the ordinary course of business;

(11) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(12) Liens to secure any Permitted Refinancing Indebtedness permitted to be Incurred under this Indenture; *provided*, *however*, that:

(A) the new Lien shall be limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to, such property or proceeds or distributions thereof); and

(B) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(13) Liens securing Hedging Obligations so long as the related Indebtedness is, and is permitted to be under this Indenture, secured by a Lien on the same assets or property securing such Hedging Obligations;

(14) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks not given in connection with the money borrowed, (ii) relating to pooled deposit or sweep accounts of the Parent Guarantor or any of its Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Parent Guarantor and its Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business;

(15) Liens arising out of judgments against such Person not giving rise to an Event of Default, with respect to which such Person shall then be proceeding with an appeal or other proceedings for review, *provided that* any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;

(16) Liens granted to the Trustee for its compensation and indemnities pursuant to this Indenture;

(17) Liens arising out of or in connection with licenses, sublicenses, leases (other than capital leases) and subleases (including rights to use) of assets (including, without limitation, intellectual property) entered into in the ordinary course of business;

(18) Liens upon specific items of inventory or other goods and proceeds of the Parent Guarantor or any of its Restricted Subsidiaries securing obligations in respect of bankers' acceptances issued or created to facilitate the purchase, shipment or storage of such inventory or other goods in the ordinary course of business;

(19) Liens arising out of conditional sale, title retention, hire purchase, consignment or similar arrangement for the sale of goods in the ordinary course of business;

(20) Liens arising under customary provisions limiting the disposition or distribution of assets or property or any related restrictions thereon in operating agreements, joint venture agreements, partnership agreements, contracts for sale and other agreements arising in the ordinary course of business; *provided*, *that* such Liens do not extend to any assets of the Parent Guarantor or any of its Restricted Subsidiaries other than the assets subject to such agreements or contracts;

(21) Liens on deposits made in the ordinary course of business to secure liability to insurance carriers;

(22) Liens on the Equity Interests of Unrestricted Subsidiaries;

(23) Liens created or Incurred under, pursuant to or in connection with the Services and Right to Use Agreement or the Reinvestment Agreement, including Liens on any revenues or receipts thereunder or any accounts created or maintained thereunder;

(24) limited recourse Liens in respect of the ownership interests in, or assets owned by, any joint ventures which are not Restricted Subsidiaries of the Parent Guarantor securing obligations of such joint ventures;

(25) Liens securing Indebtedness Incurred pursuant to Section 4.09(a) and Section 4.09(b)(1)(i)(y) hereof, in each case in connection with Indebtedness incurred to finance the Phase II Project, *provided that* the amount of Indebtedness secured by such Lien does not exceed the greater of (x) 75% of the EBITDA of the Parent Guarantor for the last twelve months (which figure shall be based on audited financial information, if for an annual period) and (y) US$350.0 million;

(26) Liens incurred in the ordinary course of business of the Parent Guarantor or any Subsidiary of the Parent Guarantor with respect to Obligations that do not exceed US$5.0 million at any one time outstanding; and

(27) Liens securing obligations under a debt service reserve account or interest reserve account (including all dividends, instruments, cash and Cash Equivalents and other property, as applicable, on deposit in such account) established for the benefit of creditors securing Indebtedness to the extent such debt service reserve account or interest reserve account is established in the ordinary course of business consistent with past practice.

Notwithstanding the foregoing:

(a) no Liens on the Note Interest Accrual Account other than Liens of the type described in paragraphs (2)(a), (9), (10), (14)(i), (14)(ii) and (21) of this definition shall constitute Permitted Liens;

(b) no Liens on the 2019 Note Interest Accrual Account other than Liens of the type described in paragraphs (2)(b), (9), (10), (14)(i), (14)(ii) and (21) of this definition shall constitute Permitted Liens; and

(c) no Liens on the Common Collateral other than Liens of the type described in paragraphs (1), (2) (and any Permitted Refinancing Indebtedness in respect of Indebtedness secured pursuant to paragraph (2)), (6), (9), (10), (11), (13), (14)(i), (14)(ii), (15), (16), (17), (18), (19), (2 0), (21), (23) and (25) of this definition of "Permitted Liens" shall constitute Permitted Liens; *provided*, in the case of this clause (c), with respect to Liens securing Indebtedness of the type described in paragraphs (1), (2) (and any Permitted Refinancing Indebtedness in respect of Indebtedness secured pursuant to paragraph (2)), (13) (with respect to Hedging Obligations secured by the Common Collateral) and (25) of this definition of "Permitted Liens":

(i) all the property and assets securing such Indebtedness (including, without limitation, the Collateral) also secures the Notes and the Note Guarantees on a senior or *pari passu* basis (other than (I) Liens described in clauses (a) and (b) above, (II) Liens of the type described in paragraph (27) of the definition of "Permitted Liens", or (III) Liens securing any cash collateral arrangements established under the term loan portion of a Credit Facility Incurred pursuant to clause (1)(i)(x) of the definition of "Permitted Debt");

(ii) Indebtedness secured by Liens of the type described in paragraph (1) or (13) (with respect to Hedging Obligations supporting Indebtedness of the type described in paragraphs (1) and (2) (and any Permitted Refinancing Indebtedness in respect of Indebtedness secured pursuant to paragraph (2)) of the definition of "Permitted Debt" in an aggregate amount outstanding at any time up to US$5.0 million) of the definition of "Permitted Liens" may receive priority as to enforcement proceeds from such Collateral; and

(iii) the parties with respect to such Indebtedness will have entered into the Intercreditor Agreement (and/or an Additional Intercreditor Agreement) as "Secured Parties" (or the analogous term) thereunder.

"*Permitted Refinancing Indebtedness*" means any Indebtedness of the Company or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge other Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries (other than intercompany Indebtedness); *provided that*:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, Incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Notes or the Note Guarantees, such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and is subordinated in right of payment to, the Notes and the Note Guarantees on terms at least as favorable to the Holders as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) such Indebtedness is Incurred either by the Parent Guarantor or by the Restricted Subsidiary who is the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

"*Phase I*" means the approximate 477,100 gross square meter complex on the Site which contains retail, hotel, gaming, entertainment, food and beverage outlets and entertainment studios and other facilities.

“*Phase II Project*” the development of the remainder of the Site, which is expected to include one or more types of Permitted Business and will be developed in accordance with the applicable governmental requirements regarding the Site.

“*Preferred Stock*” means any Equity Interest with preferential right of payment of dividends or upon liquidation, dissolution, or winding up.

“*Private Placement Legend*” means the legend set forth in Section 2.06(f)(1) hereof to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

“*Primary Creditors*” means the super senior creditors under the Senior Secured Credit Facilities and certain designated hedging obligations and the *pari passu* creditors under the Notes and certain *pari passu* indebtedness and hedging obligations.

“*Project Costs*” means the construction and development costs and other project costs, including licensing, financing, interest, fees and pre-opening costs, of Phase I of the Property.

“*Property*” means Phase I and the Phase II Project.

“*Public Market*” means any time after:

(1) a public Equity Offering has been consummated; and

(2) 15% or more of the total issued and outstanding shares of common stock or common Equity Interests of the entity whose Capital Stock was offered in such Equity Offering as of the date of such Equity Offering have been distributed to investors other than the Sponsors, any Related Party of the Sponsors or any other direct or indirect shareholders of the Parent Guarantor as of the date of the Equity Offering.

“*Qualifying Event*” means an underwritten public Equity Offering, listing or floatation or the listing or admission to trading on any stock exchange or market of the Parent Guarantor or any direct or indirect parent of the Parent Guarantor or any successor thereof following which there is a Public Market and, as a result of which, the Capital Stock of such entity in such offering is listed or floated on an internationally recognized exchange or traded on an internationally recognized market.

“*QIB*” means a “qualified institutional buyer” as defined in Rule 144A.

“*Regulation S*” means Regulation S promulgated under the Securities Act.

“*Regulation S Global Note*” means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal (subject to a maximum denomination of US$500 million) to the outstanding principal amount of the Notes sold in reliance on Rule 903 of Regulation S.

“*Reinvestment Agreement*” means the reimbursement agreement dated June 15, 2012, between Melco Crown Macau and Studio City Entertainment Limited, as amended, modified, supplemented, extended, replaced or renewed from time to time, including pursuant to the Direct Agreement.

“*Related Party*” means:

(1) any controlling stockholder, 80% (or more) owned Subsidiary, or immediate family member (in the case of an individual) of any Sponsor; or

(2) any trust, corporation, partnership, limited liability company or other entity, the beneficiaries, stockholders, partners, members, owners or Persons beneficially holding an 80% or more controlling interest of which consist of any one or more Sponsor and/or such other Persons referred to in the immediately preceding clause (1).

"*Responsible Officer*," when used with respect to the Trustee, means any officer within the Corporate Trust Office of the Trustee (or any successor group of the Trustee) or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"*Restricted Definitive Note*" means a Definitive Note bearing the Private Placement Legend.

"*Restricted Global Note*" means a Global Note bearing the Private Placement Legend.

"*Restricted Investment*" means an Investment other than a Permitted Investment.

"*Restricted Period*" means the 40-day distribution compliance period as defined in Regulation S.

"*Restricted Subsidiary*" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

"*Revenue Sharing Agreement*" means any joint venture, development, management, operating or similar agreement or arrangement for the sharing of revenues, profits, losses, costs or expenses entered into in connection with developments or services complementary or ancillary to the Property in the ordinary course of business (including, for the avoidance of doubt, such agreements or arrangements reasonably necessary to conduct a Permitted Business) and on arms' length terms.

"*Rule 144*" means Rule 144 promulgated under the Securities Act.

"*Rule 144A*" means Rule 144A promulgated under the Securities Act.

"*Rule 903*" means Rule 903 promulgated under the Securities Act.

"*Rule 904*" means Rule 904 promulgated under the Securities Act.

"*S&P*" means S&P Global Ratings or any successor to the rating agency business thereof.

"*SEC*" means the U.S. Securities and Exchange Commission.

"*Secured Obligations*" means all Obligations of and all other present and future liabilities and obligations at any time due, owing or incurred by the Company and the Guarantors and by each of them to any Secured Party under (or in connection with) the Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

"*Secured Parties*" means the creditors of the Secured Obligations as determined in accordance with the Intercreditor Agreement.

"*Security Agent*" means Industrial and Commercial Bank of China (Macau) Limited, or its successors or assignees appointed pursuant to the applicable Security Documents and/or Intercreditor Agreement. For the avoidance of doubt, all references to the "Common Security Agent" in the Intercreditor Agreement, insofar as they are references to the Common Security Agent acting as security agent under this Indenture, are to the Security Agent.

"*Securities Act*" means the United States Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

"*Security Documents*" means the security agreements, pledge agreements and related agreements, as amended, supplemented, restated, renewed, refunded, replaced, restructured, repaid, refinanced or otherwise modified from time to time, creating the security interests in the Collateral for the benefit of the Trustee and the Holders as contemplated by this Indenture including those listed on Exhibit G.

"*Senior Disbursement Account*" means any construction disbursement account or accounts or other accounts established under the Senior Secured Credit Facilities.

"*Senior Disbursement Agreement*" means the applicable agreement or agreements governing disbursements from the Senior Disbursement Account under the Senior Secured Credit Facilities.

"*Senior Secured Credit Facilities*" means the senior secured credit facilities described in the section entitled "Description of Other Material Indebtedness—2021 Senior Secured Credit Facilities" of the Offering Memorandum, among the Senior Secured Credit Facilities Borrower, the guarantors named therein, the Senior Secured Credit Facilities Lenders, and the agent for the Senior Secured Credit Facilities Lenders, including any related notes, guarantees, collateral documents, instruments and agreements executed in connection therewith.

"*Senior Secured Credit Facilities Borrower*" means the Company.

"*Senior Secured Credit Facilities Finance Parties*" means the Senior Secured Credit Facilities Lenders, the counterparties of any secured Hedging Obligations, and any other administrative parties that benefit from the collateral securing the Senior Secured Credit Facilities.

"*Senior Secured Credit Facilities Lenders*" means the financial institutions named as lenders under the Senior Secured Credit Facilities.

"*Services and Right to Use Agreement*" means the services and right to use agreement originally dated May 11, 2007 and as amended and restated on June 15, 2012, executed with Studio City Entertainment Limited (formerly named MSC Diversões, Limitada and New Cotai Entertainment (Macau) Limited), a wholly owned indirect subsidiary of the Company, as amended, modified, supplemented, extended, replaced or renewed from time to time, including pursuant to the Direct Agreement.

"*Shareholder Subordinated Debt*" means, collectively, any debt provided to the Parent Guarantor by any direct or indirect parent holding company of the Parent Guarantor (or any Sponsor), in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Shareholder Subordinated Debt; *provided that* such Shareholder Subordinated Debt:

(1) does not (including upon the happening of any event) mature or require any amortization or other payment of principal prior to the first anniversary of the maturity of the Notes (other than through conversion or exchange of any such security or instrument for Equity Interests of the Parent Guarantor (other than Disqualified Stock) or for any other security or instrument meeting the requirements of the definition);

(2) does not (including upon the happening of any event) require the payment of cash interest prior to the first anniversary of the maturity of the Notes;

(3) does not (including upon the happening of any event) provide for the acceleration of its maturity nor confer on its shareholders any right (including upon the happening of any event) to declare a default or event of default or take any enforcement action, in each case, prior to the first anniversary of the maturity of the Notes;

(4) is not secured by a Lien on any assets of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor and is not guaranteed by any Subsidiary of the Parent Guarantor;

(5) is subordinated in right of payment to the prior payment in full in cash of the Notes in the event of any default, bankruptcy, reorganization, liquidation, winding up or other disposition of assets of the Parent Guarantor;

(6) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Notes or compliance by the Parent Guarantor or the Company with its obligations under the Notes, the Note Guarantees and this Indenture;

(7) does not (including upon the happening of an event) constitute Voting Stock; and

(8) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder, in whole or in part, prior to the date on which the Notes mature other than into or for Capital Stock (other than Disqualified Stock) of the Parent Guarantor.

"*Significant Subsidiary*" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such regulation is in effect on the Issue Date.

"*Site*" means an approximately 130,789 square meter parcel of land in the reclaimed area between Taipa and Coloane Island (Cotai), Lotes G300, G310 and G400, registered with the Macau Real Estate Registry under no. 23059.

"*Sponsors*" means (i) Melco Crown Entertainment Limited, (ii) Silver Point Capital L.P. and (iii) Oaktree Capital Management LLC.

"*Stated Maturity*" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the Issue Date, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"*Studio City Finance*" means, Studio City Finance Limited, a BVI business company with limited liability incorporated under the laws of the British Virgin Islands with company number 1673307.

"*Studio City Parties*" means Studio City International Holdings Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Retail Services Limited, Studio City Developments Limited, Studio City Ventures Limited, Studio City Services Limited and any other Person which accedes to the MSA as a "Studio City Party" pursuant to terms thereof.

"*Subordinated Indebtedness*" means (a) with respect to the Company, any Indebtedness of the Company which is by its terms subordinated in right of payment to the Notes, and (b) with respect to any Guarantor, any Indebtedness of such Guarantor which is by its terms subordinated in right of payment to such Guarantor's Obligations in respect of its Note Guarantee.

"*Subsidiary*" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

"*Subsidiary Guarantor*" means each of Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCIP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Developments Limited and Studio City Retail Services Limited and (2) any other Subsidiary of the Parent Guarantor or the Company that provides a Note Guarantee in accordance with the provisions of this Indenture, and their respective successors and assigns, in each case, until the Note Guarantee of such Person has been released in accordance with the provisions of this Indenture.

"*Total Assets*" means, as of any date, the consolidated total assets of the Parent Guarantor and its Restricted Subsidiaries in accordance with GAAP as shown on the most recent balance sheet of such Person.

"*Transactions*" means the offering of the Notes, the establishment of the Senior Secured Credit Facilities (as an amendment and restatement of the existing senior secured credit facility) and the application of the proceeds received therefrom as described under "*Use of Proceeds*" in the Offering Memorandum.

"*Treasury Rate*" means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to November 30, 2018; *provided*, *however*, that if the period from the redemption date to November 30, 2018 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"*Trustee*" means Deutsche Bank Trust Company Americas until a successor replaces it in accordance with the applicable provisions of this Indenture and thereafter means the successor serving hereunder.

"*Unrestricted Definitive Note*" means a Definitive Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Global Note*" means a Global Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Subsidiary*" means any Subsidiary of the Parent Guarantor that is designated by the Board of Directors of the Parent Guarantor as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors, but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by Section 4.11 hereof, is not party to any agreement, contract, arrangement or understanding with the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company, the Parent Guarantor or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Parent Guarantor or the Company;

(3) is a Person with respect to which neither the Parent Guarantor nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries.

"*U.S. Government Obligations*" means securities that are:

(1) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged, or

(2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America, the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America,

which, in each case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act) as custodian with respect to any such U.S. Government Obligations or a specific payment of principal of or interest on any such U.S. Government Obligations held by such custodian for the account of the holder of such depository receipt; *provided that* (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligations or the specific payment of principal of or interest on the U.S. Government Obligations evidenced by such depository receipt.

"*U.S. Person*" means a U.S. Person as defined in Rule 902(k) promulgated under the Securities Act.

"*Voting Stock*" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"*Weighted Average Life to Maturity*" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

"*Wholly-Owned Restricted Subsidiary*" is any Wholly-Owned Subsidiary that is a Restricted Subsidiary.

"*Wholly-Owned Subsidiary*" of any Person means a Subsidiary of such Person 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

Section 1.02 *Other Definitions*.

| **Term** | **Defined in Section** |
|---|---|
| "*Additional Amounts*" | 2.13 |
| "*Affiliate Transaction*" | 4.11 |
| "*Asset Sale Offer*" | 3.09 |
| "*Authentication Order*" | 2.02 |
| "*Change of Control Offer*" | 4.15 |
| "*Change of Control Payment*" | 4.15 |
| "*Change of Control Payment Date*" | 4.15 |
| "*Covenant Defeasance*" | 8.03 |
| "*Designated Subsidiary Guarantor Enforcement Sale*" | 11.08 |

| | |
|---|---|
| “*direct parent companies*” | 4.20 |
| “*DTC*” | 2.03 |
| “*Event of Default*” | 6.01 |
| “*Excess Proceeds*” | 4.10 |
| “*Guaranteed Obligations*” | 11.01 |
| “*Legal Defeasance*” | 8.02 |
| “*New Intermediate Holding Companies*” | 4.20 |
| “*Offer Amount*” | 3.09 |
| “*Offer Period*” | 3.09 |
| “*Paying Agent*” | 2.03 |
| “*Permitted Debt*” | 4.09 |
| “*Payment Default*” | 6.01 |
| “*Purchase Date*” | 3.09 |
| “*Redemption Date*” | 3.07 |
| “*Registrar*” | 2.03 |
| “*Relevant Jurisdiction*” | 2.13 |
| “*Restricted Payments*” | 4.07 |
| “*Reversion Date*” | 4.22 |
| “*Suspended Covenants*” | 4.22 |
| “*Suspension Period*” | 4.22 |
| “*Taxes*” | 2.13 |

Section 1.03 *Rules of Construction*.

Unless the context otherwise requires:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(3) “or” is not exclusive;

(4) words in the singular include the plural, and in the plural include the singular; (5) “will” shall be interpreted to express a command;

(6) provisions apply to successive events and transactions; and

(7) references to sections of or rules under the Securities Act will be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time.

ARTICLE 2
THE NOTES

Section 2.01 *Form and Dating*.

(a) *General*. The Notes and the Trustee’s certificate of authentication will be substantially in the form of Exhibit A hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Note will be dated the date of its authentication. The Notes shall be in denominations of US$200,000 and integral multiples of US$1,000 in excess thereof.

The terms and provisions contained in the Notes will constitute, and are hereby expressly made, a part of this Indenture and the Company, the Guarantors and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) *Global Notes*. Notes issued in global form will be substantially in the form of Exhibit A hereto (including the Global Note Legend thereon and the “Schedule of Exchanges of Interests in the Global Note” attached thereto). Notes issued in definitive form will be substantially in the form of Exhibit A hereto (but without the Global Note Legend thereon and without the “Schedule of Exchanges of Interests in the Global Note” attached thereto). Each Global Note will represent such of the outstanding Notes as will be specified therein and each shall provide that it represents the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Paying Agent, Trustee or the Registrar, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof.

(c) *Euroclear and Clearstream, Luxembourg Procedures Applicable*. The provisions of the “Operating Procedures of the Euroclear System” and “Terms and Conditions Governing Use of Euroclear” and the “General Terms and Conditions—Clearstream Banking, Luxembourg” and “Customer Handbook” of Clearstream, Luxembourg will be applicable to transfers of beneficial interests in the Regulation S Global Note that are held by Participants through Euroclear or Clearstream, Luxembourg.

Section 2.02 *Execution and Authentication*.

At least one Officer must sign the Notes for the Company by manual or facsimile signature.

If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note will nevertheless be valid.

A Note will not be valid until authenticated by the manual signature of the Trustee. The signature will be conclusive evidence that the Note has been authenticated under this Indenture.

As a condition precedent to authenticating the Notes, the Trustee shall be entitled to receive an Officer’s Certificate complying with Sections 13.04 and 13.05 hereof and covering subparagraphs (1) and (2) below, and an Opinion of Counsel which shall state:

(1) that the form of such Notes has been established by a supplemental indenture or by or pursuant to a resolution of the Board of Directors and in conformity with the provisions of this Indenture;

(2) that the terms of such Notes have been established in accordance with Section 2.01 and in conformity with the other provisions of this Indenture;

(3) that such Notes, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting the enforcement of creditors’ rights and to general equity principles; and

(4) that all laws, requirements and conditions in respect of the execution and delivery by the Company by such Notes and authentication by the Trustee have been complied with.

The Trustee will, upon receipt of a written order of the Company signed by an Officer or a director (an "*Authentication Order*"), authenticate Notes for original issue that may be validly issued under this Indenture, including any Additional Notes. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount of Notes authorized for issuance by the Company pursuant to one or more Authentication Orders, except as provided in Section 2.07 hereof.

The Trustee may appoint an authenticating agent acceptable to the Company to authenticate Notes. An authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with Holders or an Affiliate of the Company.

Section 2.03 *Registrar, Paying Agent and Transfer Agent*.

The Company will maintain an office or agency where Notes may be presented for registration of transfer or for exchange ("*Registrar*") and an office or agency where Notes may be presented for payment ("*Paying Agent*"). The Company will also maintain a transfer agent (the "*Transfer Agent*"). The Registrar will keep a register of the Notes and of their transfer and exchange. The Transfer Agent shall perform the functions of a transfer agent. The Company may appoint one or more co-registrars, one or more additional transfer agents and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Company may change any Paying Agent, the Transfer Agent or Registrar without notice to any Holder and shall so notify the Trustee and each Paying Agent thereof in writing of the name and address of any Agent not a party to this Indenture. If the Company fails to appoint or maintain another entity as Registrar, Transfer Agent or Paying Agent, the Trustee shall act as such. The Company or any of its Subsidiaries may act as Paying Agent or Registrar.

The Company initially appoints The Depository Trust Company ("*DTC*") to act as Depositary with respect to the Global Notes.

The Company initially appoints Deutsche Bank Trust Company Americas to act as the Registrar, Transfer Agent and Paying Agent and to act as Custodian, with respect to the Global Notes.

Section 2.04 *Paying Agent to Hold Money in Trust*.

The Company will require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal, premium or Additional Amounts, if any, or interest on the Notes, and will notify the Trustee of any default by the Company in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Company at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Company or a Subsidiary) will have no further liability for the money. If the Company or a Subsidiary acts as Paying Agent, it will segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Upon any bankruptcy or reorganization proceedings relating to the Company, the Trustee will serve as Paying Agent for the Notes.

Section 2.05 *Holder Lists*.

The Registrars, will preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders. If the Trustee is not the Registrar, the Company will furnish to the Trustee at least seven Business Days before each interest payment date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders of Notes.

Section 2.06 *Transfer and Exchange*.

(a) *Transfer and Exchange of Global Notes*. A Global Note may not be transferred except as a whole by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Notes will be exchanged by the Company for Definitive Notes if:

(1) the Company delivers to the Trustee notice from the Depositary that it is unwilling or unable to continue to act as Depositary or that it is no longer a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Company within 120 days after the date of such notice from the Depositary;

(2) the Company in its sole discretion determines that the Global Notes (in whole but not in part) should be exchanged for Definitive Notes and delivers a written notice to such effect to the Trustee; or

(3) there has occurred and is continuing a Default or Event of Default with respect to the Notes.

Upon the occurrence of either of the preceding events in (1) or (2) above, Definitive Notes shall be issued in such names as the Depositary shall instruct the Trustee. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a), however, beneficial interests in a Global Note may be transferred and exchanged as provided in Section 2.06(b), (c) or (f) hereof.

(b) *Transfer and Exchange of Beneficial Interests in the Global Notes*. The transfer and exchange of beneficial interests in the Global Notes will be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes will be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in the Global Notes also will require compliance with either subparagraph (1) or (2) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(1) *Transfer of Beneficial Interests in the Same Global Note*. Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; *provided*, *however*, that prior to the expiration of the Restricted Period, transfers of beneficial interests in the Regulation S Global Note may not be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(1).

(2) *All Other Transfers and Exchanges of Beneficial Interests in Global Notes.* In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(1) above, the transferor of such beneficial interest must deliver to the Registrar either:

(A) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase; or

(B) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (1) above.

Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.06(g) hereof.

(3) *Transfer of Beneficial Interests to Another Restricted Global Note.* A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof; and

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof.

(4) *Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note*. A beneficial interest in any Restricted Global Note may be exchanged by any Holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(i) if the Holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(ii) if the Holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to the paragraph above at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to the paragraph above.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Note.

(c) *Transfer or Exchange of Beneficial Interests for Definitive Notes*.

(1) *Beneficial Interests in Restricted Global Notes to Restricted Definitive Notes.* If any Holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(F) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Company shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the Holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c)(1) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(2) *Beneficial Interests in Restricted Global Notes to Unrestricted Definitive Notes.* A Holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if the Registrar receives the following:

(i) if the Holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(ii) if the Holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in such case set forth in this paragraph, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes.* If any Holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in Section 2.06(b)(2) hereof, the Trustee will cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Company will execute and the Trustee will authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will be registered in such name or names and in such authorized denomination or denominations as the Holder of such beneficial interest requests through instructions to the Registrar from or through the Depositary and the Participant or Indirect Participant. The Trustee will deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will not bear the Private Placement Legend.

(d) *Transfer and Exchange of Definitive Notes for Beneficial Interests*.

(1) *Restricted Definitive Notes to Beneficial Interests in Restricted Global Notes.* If any Holder of a Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such Restricted Definitive Note is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(F) if such Restricted Definitive Note is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee will cancel the Restricted Definitive Note, increase or cause to be increased the aggregate principal amount of the appropriate Restricted Global Note.

(2) *Restricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if the Registrar receives the following:

(i) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(ii) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in such case set forth in this paragraph, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions in this Section 2.06(d)(2), the Trustee will cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(3) *Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee will cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

If any such exchange or transfer from a Definitive Note to a beneficial interest is effected pursuant to subparagraphs (1)(B), (1)(D) or (3) above at a time when an Unrestricted Global Note has not yet been issued, the Company will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee will authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) *Transfer and Exchange of Definitive Notes for Definitive Notes.* Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar will register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder must present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder must provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(1) *Restricted Definitive Notes to Restricted Definitive Notes.* Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications and certificates required by item (3) thereof, if applicable.

(2) *Restricted Definitive Notes to Unrestricted Definitive Notes.* Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if the Registrar receives the following:

(i) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(ii) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in such case set forth in this paragraph, if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Unrestricted Definitive Notes to Unrestricted Definitive Notes.* A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) *Legends.* The following legends will appear on the face of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(1) Private Placement Legend.

(A) Except as permitted by subparagraph (C) below, each 144A Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THE NOTES MAY BE PURCHASED AND TRANSFERRED ONLY IN MINIMUM PRINCIPAL AMOUNTS OF US$200,000 AND INTEGRAL MULTIPLES OF US$1,000 IN EXCESS THEREOF. IF AT ANY TIME THE COMPANY DETERMINES IN GOOD FAITH THAT A HOLDER OR BENEFICIAL OWNER OF THIS SECURITY OR BENEFICIAL INTERESTS HEREIN IS IN BREACH, AT THE TIME GIVEN, OF ANY OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE INDENTURE, THE COMPANY SHALL REQUIRE SUCH HOLDER TO TRANSFER THIS SECURITY (OR INTEREST HEREIN) TO A TRANSFEREE ACCEPTABLE TO THE COMPANY WHO IS ABLE TO AND WHO DOES SATISFY ALL OF THE REQUIREMENTS SET FORTH HEREIN AND IN THE INDENTURE. PENDING SUCH TRANSFER, SUCH HOLDER WILL BE DEEMED NOT TO BE THE HOLDER OF THIS SECURITY (OR INTEREST HEREIN) FOR ANY PURPOSE, INCLUDING BUT NOT LIMITED TO RECEIPT OF PRINCIPAL AND INTEREST PAYMENTS ON THE SECURITY, AND SUCH HOLDER WILL BE DEEMED TO HAVE NO INTEREST WHATSOEVER IN THE SECURITY EXCEPT AS OTHERWISE REQUIRED TO SELL ITS INTEREST THEREIN AS DESCRIBED HEREIN.

THE NOTES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH NOTE, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS NOTE (OR ANY PREDECESSOR OF THIS NOTE) ONLY (A) TO THE COMPANY, THE GUARANTORS OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND TO COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE COMPANY AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSE (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS NOTE IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND (III) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE."

(B) Except as permitted by subparagraph (C) below, each Regulation S Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THE NOTES MAY BE PURCHASED AND TRANSFERRED ONLY IN MINIMUM PRINCIPAL AMOUNTS OF US$200,000 AND INTEGRAL MULTIPLES OF US$1,000 IN EXCESS THEREOF.

THE NOTES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH NOTE, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") WHICH IS 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS NOTE (OR ANY PREDECESSOR OF THIS NOTE) ONLY (A) TO THE COMPANY, THE GUARANTORS OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND TO COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE COMPANY AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSE (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS NOTE IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND (III) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE."

(C) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraphs (b)(4), (c)(2), (d)(2), (d)(3), (e)(2) or (e)(3) of this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) will not bear the Private Placement Legend.

(2) *Global Note Legend*. Each Global Note will bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(g) *Cancellation and/or Adjustment of Global Notes.* At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note will be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note will be reduced accordingly and an endorsement will be made on such Global Note by the Trustee or by the Registrar at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note will be increased accordingly and an endorsement will be made on such Global Note by the Trustee or by the Registrar at the direction of the Trustee to reflect such increase.

(h) *General Provisions Relating to Transfers and Exchanges*.

(1) To permit registrations of transfers and exchanges, the Company will execute and the Trustee will authenticate Global Notes and Definitive Notes upon receipt of an Authentication Order in accordance with Section 2.02 hereof or at the Registrar's request.

(2) No service charge will be made to a Holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.06, 3.06, 3.09, 4.10, 4.15 and 9.05 hereof).

(3) The Registrar will not be required to register the transfer of or exchange of any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(4) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes will be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(5) Neither the Registrar nor the Company will be required:

(A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business 15 days before the day of any selection of Notes for redemption under Section 3.02 hereof and ending at the close of business on the day of selection;

(B) to register the transfer of or to exchange any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part; or

(C) to register the transfer of or to exchange a Note between a record date and the next succeeding interest payment date.

(6) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Company may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Notes and for all other purposes, and none of the Trustee, any Agent or the Company shall be affected by notice to the contrary.

(7) The Trustee will authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.02 hereof.

(8) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

Section 2.07 *Replacement Notes*.

If any mutilated Note is surrendered to the Trustee or the Company and the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, the Company will issue and the Trustee, upon receipt of an Authentication Order, will authenticate a replacement Note if the Trustee's requirements are met. If required by the Trustee or the Company, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Company to protect the Company, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Note is replaced. The Company and the Trustee may charge the Holder for their expenses in replacing a Note, including but not limited to the reasonable expenses of counsel and any tax that may be imposed with respect to replacement of such Note.

Every replacement Note is an additional obligation of the Company and will be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08 *Outstanding Notes*.

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Trustee in accordance with the provisions hereof, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09 hereof, a Note does not cease to be outstanding because the Company or an Affiliate of the Company holds the Note; however, Notes held by the Company or a Subsidiary of the Company shall not be deemed to be outstanding for purposes of Section 3.07(a) hereof.

If a Note is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Note is held by a protected purchaser.

If the principal amount of any Note is considered paid under Section 4.01 hereof, it ceases to be outstanding and interest on it ceases to accrue.

If the Paying Agent (other than the Company, a Subsidiary or an Affiliate of any thereof) holds, on a redemption date or maturity date, money sufficient to pay Notes payable on that date, then on and after that date such Notes will be deemed to be no longer outstanding and will cease to accrue interest.

Section 2.09 *Treasury Notes*.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Company or any Guarantor, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any Guarantor, will be considered as though not outstanding, except that for the purposes of determining whether the Trustee will be protected in relying on any such direction, waiver or consent, only Notes that the Trustee actually knows are so owned will be so disregarded.

Section 2.10 *Temporary Notes*.

Until certificates representing Notes are ready for delivery, the Company may prepare and the Trustee, upon receipt of an Authentication Order, will authenticate temporary Notes. Temporary Notes will be substantially in the form of certificated Notes but may have variations that the Company considers appropriate for temporary Notes and as may be reasonably acceptable to the Trustee. Without unreasonable delay, the Company will prepare and the Trustee will authenticate definitive Notes in exchange for temporary Notes.

Holders of temporary Notes will be entitled to all of the benefits of this Indenture.

Section 2.11 *Cancellation*.

The Company at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent will forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee, in accordance with its customary procedures, and no one else will cancel (subject to the Trustee's retention policy) all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and will dispose of such cancelled Notes in its customary manner (subject to the record retention requirement of the Exchange Act). At the request of the company, the Trustee will confirm the cancellation of the Notes delivered to it. The Company may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12 *Defaulted Interest*.

If the Company defaults in a payment of interest on the Notes, it will pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders on a subsequent special record date, in each case at the rate provided in the Notes and in Section 4.01 hereof. The Company will notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment. The Company will fix or cause to be fixed each such special record date and payment date; *provided that* no such special record date may be less than ten (10) days prior to the related payment date for such defaulted interest. At least fifteen (15) days before the special record date, the Company (or, upon the written request of the Company, the Trustee in the name and at the expense of the Company) will mail or cause to be mailed to Holders a notice that states the special record date, the related payment date and the amount of such interest to be paid.

Section 2.13 *Additional Amounts*.

(a) All payments of principal of, premium, if any, and interest on the Notes and all payments under the Note Guarantees will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever ("*Taxes*") nature imposed or levied by or within any jurisdiction in which the Company or any applicable Guarantor is organized or resident for tax purposes (or any political subdivision or taxing authority thereof or therein) or any jurisdiction from or through which payment is made by or on behalf of the Company or any Guarantor (including the jurisdiction of any Paying Agent) (or any political subdivision or taxing authority thereof or therein) (each, as applicable, a "*Relevant Jurisdiction*"), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In such event, the Company or the applicable Guarantor, as the case may be, will make such deduction or withholding, make payment of the amount so withheld to the appropriate governmental authority and will pay such additional amounts ("*Additional Amounts*") as will result in receipt by the Holder of such amounts as would have been received by such holder had no such withholding or deduction been required, *provided that* no Additional Amounts will be payable for or on account of:

(1) any tax, duty, assessment or other governmental charge that would not have been imposed but for:

(A) the existence of any present or former connection between the Holder or beneficial owner of such Note or Note Guarantee, as the case may be, and the Relevant Jurisdiction including, without limitation, such holder or beneficial owner being or having been a citizen or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein, other than merely holding such Note or the receipt of payments thereunder or under the Note Guarantee;

(B) the presentation of such Note (where presentation is required) more than thirty (30) days after the later of the date on which the payment of the principal of, premium, if any, or interest on, such Note became due and payable pursuant to the terms thereof or was made or duly provided for, except to the extent that the holder thereof would have been entitled to such Additional Amounts if it had presented such Note for payment on any date within such 30-day period;

(C) the failure of the holder or beneficial owner to comply with a timely request of the Company or any Guarantor addressed to the holder or beneficial owner, as the case may be, to provide information concerning such holder's or beneficial owner's nationality, residence, identity or connection with any Relevant Jurisdiction, if and to the extent that due and timely compliance with such request would have reduced or eliminated any withholding or deduction as to which Additional Amounts would have otherwise been payable to such holder; or

(D) the presentation of such Note (where presentation is required) for payment in the Relevant Jurisdiction, unless such Note could not have been presented for payment elsewhere;

(2) any estate, inheritance, gift, sale, transfer, excise or personal property or similar tax, assessment or other governmental charge;

(3) any tax, duty, assessment or other governmental charge which is payable other than (i) by deduction or withholding from payments of principal of or interest on the Note or payments under the Note Guarantees, or (ii) by direct payment by the Company or applicable Guarantor in respect of claims made against the Company or the applicable Guarantor;

(4) any tax arising pursuant to Sections 1471 – 1474 of the U.S. Internal Revenue Code, any agreement entered pursuant thereto, any U.S. or non-U.S. law enacted in connection with an intergovernmental agreement related thereto, or any rules, regulations, or administrative guidance of any kind relating to any of the foregoing; or

(5) any combination of taxes, duties, assessments or other governmental charges referred to in the preceding clauses (1), (2), (3) and (4); or

(b) with respect to any payment of the principal of, or premium, if any, or interest on, such Note or any payment under any Note Guarantee to such holder, if the holder is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that such payment would be required to be included in the income under the laws of a Relevant Jurisdiction, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner, or beneficial owner been the holder thereof.

In addition to the foregoing, the Company and the Guarantors will also pay and indemnify the holder of a Note for any present or future stamp, issue, registration, court or documentary taxes, or any other excise or property taxes, charges or similar levies (including penalties, interest and other reasonable expenses related thereto) which are levied by any Relevant Jurisdiction on the execution, delivery, issuance, or registration of any of the Notes, the Indenture, any Note Guarantee or any other document or instrument referred to therein, or the receipt of any payments with respect thereto, or enforcement of, any of the Notes or any Note Guarantee. The Company and the Guarantors will use all reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any taxes so deducted or withheld from each Relevant Jurisdiction imposing such taxes, in such form as provided in the ordinary course by the Relevant Jurisdiction and as is reasonably available to the Company, and will provide such certified copies to the Trustees and the Paying Agent. Such copies shall be made available to the Holders upon request and will be made available at the offices of the Paying Agent. The Company or the Guarantor, as applicable, will attach to each certified copy a certificate stating (x) that the amount of withholding taxes evidenced by the certified copy was paid in connection with payments in respect of the principal amount of Notes then outstanding and (y) the amount of such withholding taxes paid per $1,000 principal amount of the Notes.

(c) Whenever there is mentioned in any context the payment of principal of, and any premium or interest, on any Note or under any Note Guarantee, such mention will be deemed to include payment of Additional Amounts provided for in this Indenture to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Section 2.14 *Forced Sale or Redemption for Non-QIBs*.

(a) The Company has the right to require any Holder of a Note (or beneficial interest therein) that is a U.S. Person and is determined not to have been a QIB at the time of acquisition of such Note or is otherwise determined to be in breach, at the time given, of any of the representations and agreements required to be made pursuant to the transfer restrictions set forth herein, to transfer such Security (or beneficial interest therein) to a transferee acceptable to the Company who is able to and who does make all of the representations and agreements required to be made pursuant to the transfer restrictions set forth herein, or to redeem such Note (or beneficial interest therein) within 30 days of receipt of notice of the Company's election to so redeem such Holder's Notes on the terms set forth in paragraph (b) below. Pending such transfer or redemption, such Holder will be deemed not to be the Holder of such Note for any purpose, including but not limited to receipt of interest and principal payments on such Note, and such Holder will be deemed to have no interest whatsoever in such Note except as otherwise required to sell or redeem its interest therein.

(b) Any such redemption occurring pursuant to paragraph (a) above shall be at a redemption price equal to the lesser of (i) the Person's cost, plus accrued and unpaid interest, if any, to the redemption date and (ii) 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. The Company shall notify the Trustee in writing of any such redemption as soon as practicable.

## ARTICLE 3
## REDEMPTION AND PREPAYMENT

Section 3.01 *Notices to Trustee.*

If the Company elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07 hereof, it must furnish to the Trustee, the Registrars and the Paying Agent, at least 45 days but not more than 60 days before a redemption date, an Officer's Certificate setting forth:

(1) the clause of this Indenture pursuant to which the redemption shall occur;

(2) the redemption date;

(3) the principal amount of Notes to be redeemed; and

(4) the redemption price.

Section 3.02 *Selection of Notes to Be Redeemed or Purchased*.

If fewer than all of the Notes are to be redeemed or purchased at any time, the Trustee, the Paying Agent or the Registrar will select Notes for redemption or purchase (i) in compliance with the requirements of the principal national securities exchange, if any, on which Notes are listed and any applicable depositary procedures, (ii) by lot or such other similar method in accordance with the applicable procedures of the Depositary or any other applicable clearing system (if the Notes are Global Notes), or (iii) if there are no such requirements of such exchange or the Notes are not then listed on a national securities exchange or cleared through the Depositary or any other applicable clearing system, on a *pro rata* basis or by such other method the Trustee deems fair and reasonable. No Notes of a principal amount of US$200,000 or less may be redeemed or purchased in part, and if Notes are redeemed or purchased in part, the remaining outstanding amount must be at least equal to US$200,000 and integral multiples of US$1,000 in excess thereof. None of the Trustee, the Paying Agent or the Registrar will be liable for any selections made under this paragraph.

In the event of partial redemption or purchase by lot, the particular Notes to be redeemed or purchased will be selected, unless otherwise provided herein, not less than 30 nor more than 60 days prior to the redemption or purchase date by the Registrar from the outstanding Notes not previously called for redemption or purchase.

The Registrar will promptly notify the Company in writing of the Notes selected for redemption or purchase and, in the case of any Note selected for partial redemption or purchase, the principal amount thereof to be redeemed or purchased. Notes and portions of Notes selected will be in amounts of US$200,000 or integral multiples of US$1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder, even if not a multiple of US$1,000, shall be redeemed or purchased. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption or purchase also apply to portions of Notes called for redemption or purchase.

Section 3.03 *Notice of Redemption*.

Subject to the provisions of Section 3.09 hereof, at least 30 days but not more than 60 days before a redemption date, the Company will mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date (with prior notice to the Trustee) if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Article 8 or 11 hereof.

The notice will identify the Notes to be redeemed and will state:

(1) the redemption date;

(2) the redemption price;

(3) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the redemption date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note, *provided that* the unredeemed portion has a minimum denomination of US$200,000;

(4) the name and address of the Paying Agent;

(5) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(6) that, unless the Company defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;

(7) the paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed; and

(8) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

At the Company's request, the Trustee will give the notice of redemption in the Company's name and at its expense; *provided*, *however*, that the Company has delivered to the Trustee, at least 45 days prior to the redemption date, an Officer's Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

Section 3.04 *Effect of Notice of Redemption*.

Once notice of redemption is mailed in accordance with Section 3.03 hereof, Notes called for redemption become irrevocably due and payable on the redemption date at the redemption price. A notice of redemption may not be conditional.

Section 3.05 *Deposit of Redemption or Purchase Price*.

No later than 10 a.m. New York time two Business Days prior to the redemption or purchase date, the Company will deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption or purchase price of and accrued interest and Additional Amounts, if any, on all Notes to be redeemed or purchased on that date. The Trustee or the Paying Agent will promptly return to the Company any money deposited with the Trustee or the Paying Agent by the Company in excess of the amounts necessary to pay the redemption or purchase price of, and accrued interest and Additional Amounts, if any, on all Notes to be redeemed or purchased.

If the Company complies with the provisions of the preceding paragraph, on and after the redemption or purchase date, interest will cease to accrue on the Notes or the portions of Notes called for redemption or purchase. If a Note is redeemed or purchased on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption or purchase is not so paid upon surrender for redemption or purchase because of the failure of the Company to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 hereof.

Section 3.06 *Notes Redeemed or Purchased in Part*.

Upon surrender of a Note that is redeemed or purchased in part, the Company will issue and, upon receipt of an Authentication Order, the Trustee will authenticate for the Holder at the expense of the Company a new Note equal in principal amount to the unredeemed or unpurchased portion of the Note surrendered.

Section 3.07 *Optional Redemption*.

(a) At any time prior to November 30, 2018, the Company may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes issued under this Indenture at a redemption price of 107.2500% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the redemption date (subject to the rights of the Holders on the relevant record date to receive interest on the relevant interest payment date), with the net cash proceeds of one or more Equity Offerings; *provided that*:

(1) at least 65% of the aggregate principal amount of Notes originally issued under this Indenture (excluding Notes held by the Company, the Parent Guarantor and their respective Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 45 days of the date of the closing of such Equity Offering.

(b) At any time prior to November 30, 2018, the Company may also redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' prior notice mailed by first-class mail to each Holder's registered address, at a redemption price equal to 100% of the principal amount of Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to, the date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

(c) Except pursuant to the two preceding paragraphs, and the provisions under Section 3.10 and Section 3.11 hereof, the Notes will not be redeemable at the Company's option prior to November 30, 2018.

(d) On or after November 30, 2018, the Company may redeem all or a part of the Notes upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest and Additional Amounts, if any, on the Notes redeemed, to the applicable redemption date, if redeemed during the periods indicated below, subject to the rights of Holders on the relevant record date to receive interest on the relevant interest payment date:

| **Period** | **Redemption Price** |
|---|---|
| Twelve-month period on or after November 30, 2018 | 103.625% |
| Twelve-month period on or after November 30, 2019 | 101.813% |
| Twelve-month period on or after November, 2020 | 100% |
| On November 30, 2021 | 100% |

Unless the Company defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(e) Any redemption pursuant to this Section 3.07 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.08 *Mandatory Redemption*.

The Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, the Company may be required to offer to purchase Notes as described in Section 3.12, Section 4.10 and Section 4.15 hereof. The Company may at any time and from time to time purchase Notes in the open market or otherwise.

Section 3.09 *Offer to Purchase by Application of Excess Proceeds*.

In the event that, pursuant to Section 4.10 hereof, the Company is required to commence an offer to all Holders to purchase Notes (an "*Asset Sale Offer*"), it will follow the procedures specified below.

The Asset Sale Offer shall be made to all Holders and all holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in this Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets. The Asset Sale Offer will remain open for a period of at least 20 Business Days following its commencement and not more than 30 Business Days, except to the extent that a longer period is required by applicable law (the "*Offer Period*"). No later than five Business Days after the termination of the Offer Period (the "*Purchase Date*"), the Company will apply all Excess Proceeds (the "*Offer Amount*") to the purchase of Notes and such other *pari passu* Indebtedness (on a *pro rata* basis, if applicable) or, if less than the Offer Amount has been tendered, all Notes and other Indebtedness tendered in response to the Asset Sale Offer. Payment for any Notes so purchased will be made in the same manner as interest payments are made.

If the Purchase Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest and Additional Amounts, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to Holders who tender Notes pursuant to the Asset Sale Offer.

Upon the commencement of an Asset Sale Offer, the Company will send, by first class mail, a notice to the Trustee and each of the Holders, with a copy to the Trustee. The notice will contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Asset Sale Offer. The notice, which will govern the terms of the Asset Sale Offer, will state:

(1) that the Asset Sale Offer is being made pursuant to this Section 3.09 and Section 4.10 hereof and the length of time the Asset Sale Offer will remain open;

(2) the Offer Amount, the purchase price and the Purchase Date;

(3) that any Note not tendered or accepted for payment will continue to accrue interest;

(4) that, unless the Company defaults in making such payment, any Note accepted for payment pursuant to the Asset Sale Offer will cease to accrue interest after the Purchase Date;

(5) that Holders electing to have a Note purchased pursuant to an Asset Sale Offer may elect to have Notes purchased in integral multiples of US$200,000 and integral multiples of US$1,000 in excess thereof only;

(6) that Holders electing to have Notes purchased pursuant to any Asset Sale Offer will be required to surrender the Note, with the form entitled “Option of Holder to Elect Purchase” attached to the Notes completed, or transfer by book-entry transfer, to the Company, a Depositary, if appointed by the Company, or a Paying Agent at the address specified in the notice at least three days before the Purchase Date;

(7) that Holders will be entitled to withdraw their election if the Company, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(8) that, if the aggregate principal amount of Notes and other *pari passu* Indebtedness surrendered by holders thereof exceeds the Offer Amount, the Company will select the Notes and other *pari passu* Indebtedness to be purchased in accordance with Section 3.02 based on the principal amount of Notes and such other *pari passu* Indebtedness surrendered (with such adjustments as may be deemed appropriate by the Company so that only Notes in denominations of US$200,000, or integral multiples of US$1,000 in excess thereof, will be purchased); and

(9) that Holders whose Notes were purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer), *provided* that the unpurchased portion has a minimum denomination of US$200,000.

On or before the Purchase Date, the Company will, to the extent lawful, accept for payment, on a *pro rata* basis to the extent necessary (but subject to Section 3.02), the Offer Amount of Notes or portions thereof tendered pursuant to the Asset Sale Offer, or if less than the Offer Amount has been tendered, all Notes tendered, and will deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer’s Certificate stating that such Notes or portions thereof were accepted for payment by the Company in accordance with the terms of this Section 3.09. The Company, the Depositary or the Paying Agent, as the case may be, will promptly (but in any case not later than five days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Company for purchase, and the Company will promptly issue a new Note, and the Trustee, upon written request from the Company, will authenticate and mail or deliver (or cause to be transferred by book entry) such new Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered, *provided* that the unpurchased portion has a minimum denomination of US$200,000. Any Note not so accepted shall be promptly mailed or delivered by the Company to the Holder thereof. The Company will publicly announce the results of the Asset Sale Offer on the Purchase Date.

Other than as specifically provided in this Section 3.09, any purchase pursuant to this Section 3.09 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.10 *Redemption for Taxation Reasons*.

The Notes may be redeemed, at the option of the Company, as a whole but not in part, upon giving not less than 30 days' nor more than 60 days' notice to Holders (which notice will be irrevocable), at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest (including any Additional Amounts), if any, to the date fixed by the Company for redemption (the "*Tax Redemption Date*") if, as a result of:

(1) any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of a Relevant Jurisdiction affecting taxation; or

(2) any change in, or amendment to, an official position regarding the application or interpretation of such laws, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction),

which change or amendment becomes effective on or after the date of this Indenture with respect to any payment due or to become due under the Notes, this Indenture or a Note Guarantee, the Company or a Guarantor, as the case may be, is, or on the next Interest Payment Date would be, required to pay Additional Amounts, and such requirement cannot be avoided by the Company or a Guarantor, as the case may be, taking reasonable measures available to it; *provided that* for the avoidance of doubt, changing the jurisdiction of the Company or a Guarantor is not a reasonable measure for the purposes of this Section 3.10; *provided*, *further*, that no such notice of redemption will be given earlier than 90 days prior to the earliest date on which the Company or a Guarantor, as the case may be, would be obligated to pay such Additional Amounts if a payment in respect of the Notes were then due.

Prior to the mailing of any notice of redemption of the Notes pursuant to the foregoing, the Company will deliver to the Trustee:

(1) an Officer's Certificate stating that such change or amendment referred to in the prior paragraph has occurred, and describing the facts related thereto and stating that such requirement cannot be avoided by the Company or such Guarantor, as the case may be, taking reasonable measures available to it; and

(2) an Opinion of Counsel or an opinion of a tax consultant of recognized international standing stating that the requirement to pay such Additional Amounts results from such change or amendment referred to in the prior paragraph.

The Trustee will accept and shall be entitled to rely on such Officer's Certificate and Opinion of Counsel or opinion of tax consultant as sufficient evidence of the satisfaction of the conditions precedent described above, in which event it will be conclusive and binding on the Holders.

Any Notes that are redeemed will be cancelled.

Section 3.11 *Gaming Redemption*.

Each Holder, by accepting a Note, shall be deemed to have agreed that if the Gaming Authority of any jurisdiction in which the Parent Guarantor, Company or any of their respective Affiliates (including Melco Crown Macau) conducts or proposes to conduct gaming requires that a person who is a holder or the beneficial owner of Notes be licensed, qualified or found suitable under applicable Gaming Laws, such holder or beneficial owner, as the case may be, shall apply for a license, qualification or a finding of suitability within the required time period. If such Person fails to apply or become licensed or qualified or is found unsuitable, the Company shall have the right, at its option:

(1) to require such Person to dispose of its Notes or beneficial interest therein within 30 days of receipt of notice of the Company's election or such earlier date as may be requested or prescribed by such Gaming Authority; or

(2) to redeem such Notes, which redemption may be less than 30 days following the notice of redemption if so requested or prescribed by the applicable gaming authority, at a redemption price equal to:

(A) the lesser of:

(1) the Person's cost, plus accrued and unpaid interest, if any, to the earlier of the redemption date or the date of the finding of unsuitability or failure to comply; and

(2)100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the earlier of the redemption date or the date of the finding of unsuitability or failure to comply; or

(B) such other amount as may be required by applicable law or order of the applicable Gaming Authority.

The Company shall notify the Trustee in writing of any such redemption as soon as practicable. Neither the Company nor the Trustee shall be responsible for any costs or expenses any Holder may incur in connection with such Holder's application for a license, qualification or a finding of suitability.

Section 3.12 *Special Put Option.*

In the event that the 2020 Notes are not refinanced or repaid in full by June 1, 2020 in accordance with the terms of this Indenture (and in the case of a refinancing, with refinancing indebtedness with a Weighted Average Life to Maturity no earlier than 90 days after the stated maturity date of the Notes) (a "*Special Put Option Triggering Event*"), each holder of the Notes will have the right to require the Company to repurchase all or any part of such holder's Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of repurchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), except to the extent the Company has previously or concurrently elected to redeem the Notes in full as described under Section 3.07 hereof.

Within ten days following the occurrence of a Special Put Option Triggering Event, except to the extent that the Company has exercised its right to redeem the Notes by delivery of a notice of redemption as described under Section 3.07 hereof the Company shall mail a notice (a "*Special Put Option Offer*") to each holder of the Notes with a copy to the Trustee and the Paying Agent stating:

(a) that a Special Put Option Triggering Event has occurred and that such holder has the right to require the Company to repurchase such holder's Notes at a repurchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest to the date of repurchase (subject to the right of holders of record on a record date to receive interest on the relevant interest payment date);

(b) the repurchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed); and

(c) the instructions determined by the Company, consistent with this covenant, that a holder must follow in order to have its Notes repurchased.

Notes repurchased by the Company pursuant to a Special Put Option Offer will be retired and cancelled at the option of the Company.

The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

On the date of repurchase, the Company will, to the extent lawful:

(a) accept for payment all Notes or portions of Notes properly tendered pursuant to the Special Put Option Offer;

(b) deposit with the Paying Agent an amount equal to the purchase price (plus accrued and unpaid interest) in respect of all Notes or portions of Notes properly tendered; and

(c) deliver or cause to be delivered to the Trustee and Paying Agent an Officer’s Certificate stating the aggregate principal amount of Notes or portions of Notes properly tendered and being purchased by the Company.

## ARTICLE 4
## COVENANTS

Section 4.01 *Payment of Notes*.

The Company will pay or cause to be paid the principal of, premium, if any, and interest and Additional Amounts, if any, on, the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest and Additional Amounts, if any, will be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds as of 10:00 a.m. New York Time two Business Days prior to the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due.

The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, at the rate equal to 1% per annum in excess of the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Additional Amounts (without regard to any applicable grace period) at the same rate to the extent lawful.

Section 4.02 *Maintenance of Office or Agency*.

The Company will maintain in the Borough of Manhattan, the City of New York, an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, Registrar or co-registrar) where Notes may be surrendered for registration of transfer or for exchange and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company fails to maintain any such required office or agency or fails to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee.

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

The Company hereby designates Deutsche Bank Trust Company Americas as one such office or agency of the Company in accordance with Section 2.03 hereof.

Section 4.03 *Reports*.

(a) The Company will provide to the Trustee and the Holders and make available to potential investors:

(1) within 120 days after the end of the Parent Guarantor's fiscal year, annual reports of the Parent Guarantor containing: (a) information with a level of detail that is substantially comparable to the sections in the Offering Memorandum entitled "Selected Consolidated Financial Information", "Business", "Management", "Related Party Transactions" and "Description of Other Material Indebtedness"; (b) the Parent Guarantor's audited consolidated (i) balance sheet as of the end of the two most recent fiscal years and (ii) income statement and statement of cash flow for the two most recent fiscal years, in each case prepared in accordance with U.S. GAAP and including complete footnotes to such financial statements and the report of the independent auditors on the financial statements; (c) an operating and financial review of the two most recent fiscal years for the Parent Guarantor and its Restricted Subsidiaries, including a discussion of (i) the financial condition and results of operations of the Parent Guarantor on a consolidated basis and any material changes between such two fiscal years and (ii) any material developments in the business of the Parent Guarantor and its Restricted Subsidiaries; and (d) *pro forma* income statement and balance sheet information of the Parent Guarantor, together with explanatory footnotes, for any Change of Control or material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal year, unless *pro forma* information has been provided in a previous report pursuant to paragraph (2)(c) below, *provided that* no *pro forma* information shall be required to be provided for any material acquisitions or dispositions relating solely to the Phase II Project;

(2) within 60 days after the end of each day of the first three fiscal quarters in each fiscal year of the Parent Guarantor, quarterly reports containing: (a) the Parent Guarantor's unaudited condensed consolidated (i) balance sheet as of the end of such quarter and (ii) statement of income and cash flow for the quarterly and year to date periods ending on the most recent balance sheet date, and the comparable prior year periods, in each case prepared in accordance with U.S. GAAP; (b) an operating and financial review of such periods for the Parent Guarantor and its Restricted Subsidiaries including a discussion of (i) the financial condition and results of operations of the Parent Guarantor on a consolidated basis and material changes between the current period and the period of the prior year and (ii) any material developments in the business of the Parent Guarantor and its Restricted Subsidiaries; (c) *pro forma* income statement and balance sheet information of the Parent Guarantor, together with explanatory footnotes, for any Change of Control or material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal quarter, *provided that* no pro forma information shall be required to be provided for any material acquisitions or dispositions relating solely to the Phase II Project, and *provided further* that the Company may provide any such *pro forma* information relating to a material acquisition within 75 days following such quarterly report in the form of a report provided pursuant to clause (3) below; and

(3) promptly from time to time after the occurrence of any of the events listed in (a) to (d) of this clause (3) information with respect to (a) any change in the independent accountants of the Parent Guarantor, the Company or any of the Significant Subsidiaries of the Parent Guarantor, (b) any material acquisition or disposition, (c) any material event that the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor announces publicly and (d) any information that the Parent Guarantor or the Company is required to make publicly available under the requirements of the Singapore Exchange Securities Trading Limited or such other exchanges on which the securities of the Parent Guarantor, the Company or their Subsidiaries are then listed.

(b) If the Parent Guarantor has designated any of its Subsidiaries as Unrestricted Subsidiaries and any such Unrestricted Subsidiary or group of Unrestricted Subsidiaries constitute Significant Subsidiaries of the Parent Guarantor, then the annual and quarterly information required by the paragraphs (a)(1) and (a)(2) hereof shall include a reasonably detailed presentation of the financial condition and results of operations of the Parent Guarantor and its Restricted Subsidiaries separate from the financial condition and results of operations of such Unrestricted Subsidiaries of the Parent Guarantor.

(c) In addition, so long as the Notes are "restricted securities" within the meaning of Rule 144(a)(3) of the Securities Act and in any period during which the Company is not subject to Section 13 or 15(d) of the Exchange Act nor exempt therefrom pursuant to Rule 12g3-2(b), the Company shall furnish to the holders of the Notes, securities analysts and prospective investors, upon their request, any information that Rule 144A(d)(4) under the Securities Act would require the Company to provide to such parties.

(d) All financial statement information required under this covenant shall be prepared on a consistent basis in accordance with U.S. GAAP. In addition, all financial statement information and all reports required under this covenant shall be presented in the English language.

(e) Contemporaneously with the provision of each report discussed above, the Company will also post such report on the Company's website.

(f) Delivery of such reports, information and documents to the Trustee shall be for informational purposes only as regards the Trustee and the Trustee's receipt of such reports, information and documents shall not constitute constructive notice of any information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on the Officer's Certificates).

Section 4.04 *Compliance Certificate*.

(a) The Company shall deliver to the Trustee, (x) within 120 days after the end of each fiscal year and (y) within five (5) Business Days of receipt of a written request from the Trustee, an Officer's Certificate stating that a review of the activities of the Company and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Company has kept, observed, performed and fulfilled its obligations under this Indenture, the Intercreditor Agreement and the Security Documents, and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge the Company has kept, observed, performed and fulfilled each and every covenant contained in this Indenture, the Intercreditor Agreement and the Security Documents and is not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture or any Security Document (or, if a Default or Event of Default has occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Company is taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action the Company is taking or proposes to take with respect thereto.

*(b) [Intentionally Omitted].*

(c) So long as any of the Notes are outstanding, the Company will deliver to the Trustee, as soon as possible and in any event within five (5) days after the Company becomes aware of any Default or Event of Default, an Officer's Certificate specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto. The Trustee shall not be deemed to have a duty to monitor compliance by the Company, nor to have knowledge of a Default or an Event of Default (other than a payment default on a scheduled interest payment date) unless a Responsible Officer of the Trustee receives written notice thereof, stating that it is a notice of default and referencing the applicable section of this Indenture.

Section 4.05 *Taxes*.

The Company will pay, and will cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies required to be paid by the Company or such Subsidiaries except such as are contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders.

Section 4.06 *Stay, Extension and Usury Laws*.

The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07 *Limitation on Restricted Payments*.

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's, the Parent Guarantor's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Parent Guarantor or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's, the Parent Guarantor's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Parent Guarantor and other than dividends or distributions payable to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor);

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Parent Guarantor or the Company) any Equity Interests of the Parent Guarantor or the Company or any of their respective direct or indirect parents;

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Indebtedness of the Company or any Guarantor (excluding any intercompany Indebtedness between or among the Parent Guarantor and any of its Restricted Subsidiaries) or the Intercompany Note Proceeds Loans, except a payment of interest or principal at the Stated Maturity thereof; or

(4) make any Restricted Investment,

(all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as "*Restricted Payments*"),

unless, at the time of and after giving effect to such Restricted Payment:

(A) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;

(B) the Parent Guarantor would, at the time of such Restricted Payment and after giving *pro forma* effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to Incur at least US$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a) hereof; and

(C) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Parent Guarantor and its Restricted Subsidiaries since the Issue Date (excluding Restricted Payments permitted by clauses (2) through (12) of Section 4.07(b)) pursuant to both (without duplication) this Indenture and the 2019 Notes Indenture, is less than the sum, without duplication, of:

(i) 75% of the EBITDA of the Parent Guarantor *less* 2.25 times Fixed Charges for the period (taken as one accounting period) from the beginning of the fiscal quarter in which the Notes are issued to the end of the Parent Guarantor's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such EBITDA for such period is a deficit, *minus* 100% of such deficit); *plus*

(ii) 100% of the aggregate net cash proceeds received by the Parent Guarantor since the Issue Date as a contribution to its common equity capital or from the issue or sale of Equity Interests (other than Disqualified Stock) of the Parent Guarantor (in each case, other than in connection with any Excluded Contribution) or from the issue or sale of convertible or exchangeable Disqualified Stock or convertible or exchangeable debt securities of the Parent Guarantor that have been converted into or exchanged for such Equity Interests (other than Equity Interests (or Disqualified Stock or debt securities) sold to a Subsidiary of the Parent Guarantor); *plus*

(iii) to the extent that any Restricted Investment that was made after the Issue Date (x) is reduced as a result of payments of dividends to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor or (y) is sold for cash or otherwise liquidated or repaid for cash, (in the case of sub-clauses (x) and (y)) the lesser of (i) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (ii) the initial amount of such Restricted Investment or (z) is reduced upon the release of a Note Guarantee granted by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor that constituted a Restricted Investment, to the extent that the initial granting of such Note Guarantee reduced the restricted payments capacity under Section 4.07(a)(C); *plus*

(iv) to the extent that any Unrestricted Subsidiary of the Parent Guarantor designated as such after the Issue Date is re-designated as a Restricted Subsidiary after the Issue Date, the lesser of (i) the Fair Market Value of the Parent Guarantor's Restricted Investment in such Subsidiary as of the date of such re-designation or (ii) the Fair Market Value of the net aggregate Investments made by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor in such Unrestricted Subsidiary from the date such entity was originally designated as an Unrestricted Subsidiary through the date of such re-designation; *plus*

(v) 100% of the aggregate amount received from the sale of the stock of any Unrestricted Subsidiary of the Parent Guarantor after the Issue Date or 100% of any dividends received by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor after the Issue Date from an Unrestricted Subsidiary of the Parent Guarantor.

(b) The provisions of Section 4.07(a) hereof will not prohibit:

(1) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of this Indenture;

(2) the making of any Restricted Payment in exchange for, or out of the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Parent Guarantor) of, Equity Interests of the Parent Guarantor (other than Disqualified Stock) or from the substantially concurrent contribution of common equity capital to the Parent Guarantor (in each case, other than in connection with any Excluded Contribution); *provided that* the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from Section 4.07(a)(C)(ii) hereof;

(3) the repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of the Company or any Guarantor with the net cash proceeds from a substantially concurrent Incurrence of Permitted Refinancing Indebtedness;

(4) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution) by a Restricted Subsidiary to the holders of its Equity Interests on a *pro rata* basis;

(5) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor held by any current or former officer, director or employee of the Parent Guarantor or any of its Restricted Subsidiaries pursuant to any equity subscription agreement, stock option agreement, shareholders' agreement or similar agreement; *provided that* the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed US$1.0 million in any twelve-month period;

(6) the repurchase of Equity Interests deemed to occur upon the exercise of stock options to the extent such Equity Interests represent a portion of the exercise price of those stock options;

(7) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor issued on or after the Issue Date in accordance with the Fixed Charge Coverage Ratio test described in Section 4.09(a) hereof;

(8) any Restricted Payment made or deemed to be made by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA;

(9) to the extent constituting Restricted Payments, the payment of Project Costs as permitted pursuant to the Disbursement Agreements;

(10) Restricted Payments that are made with Excluded Contributions;

(11) payments to any parent entity in respect of directors' fees, remuneration and expenses (including director and officer insurance (including premiums therefore)) to the extent relating to the Parent Guarantor and its Subsidiaries, in an aggregate amount not to exceed US$1.0 million per annum;

(12) the making of Restricted Payments, if applicable:

(A) in amounts required for any direct or indirect parent of the Parent Guarantor to pay fees and expenses (including franchise or similar taxes) required to maintain its corporate existence, customary salary, bonus and other benefits payable to, and indemnities provided on behalf of, officers and employees of any direct or indirect parent of the Parent Guarantor and general corporate operating and overhead expenses of any direct or indirect parent of the Parent Guarantor in each case to the extent such fees and expenses are attributable to the ownership or operation of the Parent Guarantor, if applicable, and its Subsidiaries, in an aggregate amount not to exceed US$1.0 million per annum;

(B) in amounts required for any direct or indirect parent of the Parent Guarantor, if applicable, to pay interest and/or principal on Indebtedness the proceeds of which have been contributed to the Parent Guarantor or any of its Restricted Subsidiaries prior to the Issue Date (and excluding for avoidance of doubt the 2020 Notes or any refinancing thereof) and that has been guaranteed by, or is otherwise considered Indebtedness of, the Parent Guarantor Incurred in accordance with Section 4.09; *provided that* the amount of any such proceeds will be excluded from Section 4.07(a)(C)(ii);

(C) in amounts required for any direct or indirect parent of the Parent Guarantor to pay fees and expenses, other than to Affiliates of the Parent Guarantor, related to any unsuccessful equity or debt offering of such parent; and

(D) payments for services under any Revenue Sharing Agreement that would constitute or be deemed to constitute a Restricted Payment;

(13) any Restricted Payment used to fund the Transactions and the payment of fees and expenses incurred in connection with the Transactions or owed by the Parent Guarantor or any direct or indirect parent of the Company, the Parent Guarantor or its Restricted Subsidiaries to Affiliates, and any other payments made, including any such payments made to any direct or indirect parent of the Parent Guarantor to enable it to make payments, in connection with the consummation of the Transactions, whether payable on the Issue Date or thereafter, in each case on terms described in the Offering Memorandum under "Use of Proceeds" and to the extent permitted by Section 4.11;

(14) any Restricted Payments, to the extent required to be made by any Gaming Authority having jurisdiction over the Parent Guarantor or any of its Restricted Subsidiaries or Melco Crown Macau;

(15) cash payments in lieu of the issuance of fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Capital Stock of the Parent Guarantor or any Restricted Subsidiary; *provided*, *however*, that any such cash payment shall not be for the purpose of evading the limitation of this Section 4.07;

(16) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Indebtedness of the Company or any Guarantor pursuant to provisions similar to those described under Section 4.15, *provided that* all Notes tendered by holders of the Notes in connection with a Change of Control Offer have been repurchased, redeemed or acquired for value;

(17) payments or distributions to dissenting stockholders of Capital Stock of the Parent Guarantor pursuant to applicable law in connection with a consolidation, merger or transfer of all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, that complies with Section 5.01; *provided that* as a result of such consolidation, merger or transfer of assets, the Company shall have made a Change of Control Offer (if required by this Indenture) and that all Notes tendered by holders in connection with such Change of Control Offer have been repurchased, redeemed or acquired for value;

(18) other Restricted Payments in an aggregate amount not to exceed US$15.0 million since the Issue Date; and

(19) to the extent that the Company has made and completed a Special Put Option Offer in accordance with the provisions set forth under Section 3.12 the making of any payment on or with respect to the 2020 Notes (including under the Intercompany Note Proceeds Loans) in accordance with the indenture governing the 2020 Notes,

*provided*, *however*, that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (12), (13), (18) and (19) of this Section 4.07(b), no Default shall have occurred and be continuing or would occur as a consequence thereof.

Notwithstanding the foregoing and for the avoidance of doubt, the Parent Guarantor and its Restricted Subsidiaries may (a) make such interest payments required to be made to Studio City Finance under the Intercompany Note Proceeds Loans, (b) agree to any amendment, restatement or replacement of the Intercompany Note Proceeds Loans and the entry into any new intercompany note proceeds loans as necessary for the refinancing of the 2020 Notes in accordance with the terms of this Indenture.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company, the Parent Guarantor or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this Section 4.07 will be determined by the Board of Directors of the Parent Guarantor whose resolution with respect thereto will be delivered to the Trustee as set forth in an Officer's Certificate of the Parent Guarantor. The Parent Guarantor's Board of Directors' determination must be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of international standing (an "*Independent Financial Advisor*") if the Fair Market Value exceeds US$30.0 million.

Section 4.08 *Dividend and Other Payment Restrictions Affecting Subsidiaries*.

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause, permit or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock to the Parent Guarantor or any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Parent Guarantor or any of its Restricted Subsidiaries;

(2) make loans or advances to the Parent Guarantor or any of its Restricted Subsidiaries; or

(3) sell, lease or transfer any of its properties or assets to the Parent Guarantor or any of its Restricted Subsidiaries.

(b) The restrictions in Section 4.08(a) hereof will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements governing Indebtedness or any other agreements in existence on the Issue Date as in effect on the Issue Date and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in those agreements on the Issue Date;

(2) the Credit Facilities Documents (including the Senior Secured Credit Facilities), and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in the Senior Secured Credit Facilities on the original execution date thereof;

(3) the Indenture, the Notes, the Note Guarantees, the Intercreditor Agreement and the Security Documents;

(4) applicable law, rule, regulation or order, or governmental license, permit or concession;

(5) any agreement or instrument governing Indebtedness or Capital Stock of a Person or assets acquired by the Parent Guarantor or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was Incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired (and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements or instruments; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in those agreements or instruments at the time of such acquisition); *provided further*, *that*, in the case of Indebtedness, such Indebtedness was permitted by the terms of this Indenture to be Incurred;

(6) customary non-assignment provisions in contracts and licenses including, without limitation, with respect to any intellectual property, entered into in the ordinary course of business;

(7) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in Section 4.08(a)(3);

(8) any agreement for the sale or other disposition of Equity Interests or property or assets of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending the sale or other disposition;

(9) Permitted Refinancing Indebtedness; *provided that* the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(10) Liens permitted to be incurred under the provisions of Section 4.12 hereof that limit the right of the debtor to dispose of the assets subject to such Liens;

(11) provisions limiting dividends or the disposition or distribution of assets, property or Equity Interests in joint venture or operating agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements, merger agreements and other similar agreements entered into with the approval of the Parent Guarantor's Board of Directors, which limitation is applicable only to the assets, property or Equity Interests that are the subject of such agreements;

(12) restrictions on cash or other deposits or net worth imposed by customers or suppliers under contracts entered into in the ordinary course of business; and

(13) any agreement or instrument with respect to any Unrestricted Subsidiary or the property or assets of such Unrestricted Subsidiary that is designated as a Restricted Subsidiary in accordance with the terms of this Indenture at the time of such designation and not incurred in contemplation of such designation, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Subsidiary or its subsidiaries or the property or assets of such Subsidiary or its subsidiaries, and any extensions, refinancing, renewals, supplements or amendments or replacements thereof; *provided that* the encumbrances and restrictions in any such extension, refinancing, renewal, supplement, amendment or replacement, taken as a whole, are no more restrictive in any material respect than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed, supplemented, amended or replaced.

Section 4.09 *Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock.*

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, Incur any Indebtedness (including Acquired Indebtedness) and the Parent Guarantor will not issue any shares of Disqualified Stock and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to issue any shares of Preferred Stock; *provided*, *however*, that the Parent Guarantor may Incur Indebtedness (including Acquired Indebtedness) or issue Disqualified Stock, and the Company or any Subsidiary Guarantor may Incur Indebtedness (including Acquired Indebtedness) or issue Preferred Stock, if the Fixed Charge Coverage Ratio of the Parent Guarantor for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is Incurred or such Disqualified Stock or Preferred Stock is issued, as the case may be, would have been at least 2.25 to 1.00 determined on a *pro forma* basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been Incurred, or the Disqualified Stock or Preferred Stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period.

(b) The provisions of Section 4.09(a) hereof do not apply to the following (collectively, "*Permitted Debt*"):

(1) the Incurrence by the Company and the Guarantors of Indebtedness under Credit Facilities up to an aggregate principal amount of (i)(x) US$35.0 million plus, (y) US$100.0 million incurred in respect of the Phase II Project *less* (ii) in the case of clause (i)(y) the aggregate amount of all Net Proceeds of Asset Sales applied since the Issue Date to repay any term Indebtedness Incurred pursuant to this clause (1)(i)(y) or to repay any revolving credit indebtedness Incurred under this clause (1)(i)(y) and effect a corresponding commitment reduction thereunder pursuant to Section 4.10 hereof;

(2) the Incurrence of Indebtedness represented by the Notes (other than Additional Notes), the Note Guarantees and (b) the 2019 Notes (other than Additional 2019 Notes) and the 2019 Notes Guarantees, and, to the extent those obligations would represent Indebtedness, the Security Documents;

(3) Indebtedness existing on the Issue Date (other than Indebtedness described in clauses (1) and (2));

(4) Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, Incurred for the purpose of financing all or any part of the purchase price or cost of design, construction, installation or improvement of property, plant or other assets (including through the acquisition of Capital Stock of any person that owns property, plant or other assets which will, upon acquisition, become a Restricted Subsidiary) used in the business of the Parent Guarantor or any of its Restricted Subsidiaries, in an aggregate principal amount, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (4) and, without duplication, clause 4.09(b)(4) of the 2019 Notes Indenture, not to exceed the greater of (x) US$50.0 million and (y) 2.0% of Total Assets at any time outstanding;

(5) the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness or Indebtedness owed by the Parent Guarantor or any of its Restricted Subsidiaries under the Intercompany Note Proceeds Loans; *provided* that the Parent Guarantor or any of its Restricted Subsidiaries may agree to such amendment of the terms of the Intercompany Note Proceeds Loans as necessary for the refinancing the 2020 Notes so long as (a) the Indebtedness incurred to refinance the 2020 Notes and the Intercompany Note Proceeds Loans, as amended, each has a Weighted Average Life to Maturity no earlier than 90 days after the stated maturity date of the Notes, and (b) as a result of such amendment, the terms of the Intercompany Note Proceeds Loans are not materially more disadvantageous to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the Intercompany Note Proceeds Loans existing on the Issue Date (other than with respect to economic terms of the Indebtedness to which such Intercompany Note Proceeds Loan relates)) that was permitted by this Indenture to be Incurred under the first paragraph of this covenant or clauses (2), (3), (4), (5) or (15) of this Section 4.09(b);

(6) (a) Obligations in respect of workers' compensation claims, self-insurance obligations, bankers' acceptances, performance, bid, appeal and surety bonds and completion or performance guarantees (including the guarantee of any land grant) provided by the Company or any Restricted Subsidiary in connection with the Property or in the ordinary course of business and (b) Indebtedness constituting reimbursement obligations with respect to letters of credit or trade or bank guarantees (including for land grants) issued in the ordinary course of business to the extent that such letters of credit, trade or bank guarantees (including for land grants) are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than thirty (30) days following receipt of a demand for reimbursement;

(7) the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Parent Guarantor or any of its Restricted Subsidiaries; *provided*, *however*, that:

(A) if the Company or any Guarantor is the obligor on such Indebtedness and the payee is not the Company or a Guarantor, such Indebtedness must be expressly subordinated to the prior payment in full in cash of all Obligations then due with respect to the Notes, in the case of the Company, or the Note Guarantee, in the case of a Guarantor; and

(B) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor and (ii) any sale or other transfer of any such Indebtedness to a Person that is not the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor, will be deemed, in each case, to constitute an Incurrence of such Indebtedness by the Parent Guarantor or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (7);

(8) shares of Preferred Stock of a Restricted Subsidiary issued to the Parent Guarantor or another Restricted Subsidiary of the Parent Guarantor; *provided that*

(A) any subsequent issuance or transfer of Equity Interests that results in any such Preferred Stock being held by a Person other than the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor; and

(B) any sale or other transfer of any such Preferred Stock to a Person that is not the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor, will be deemed, in each case, to constitute an issuance of such Preferred Stock by such Restricted Subsidiary that was not permitted by this clause (8).

(9) the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Hedging Obligations in the ordinary course of business and not for speculative purposes;

(10) the guarantee by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor of Indebtedness of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor that was permitted to be Incurred by another provision of this Section 4.09; *provided that* if the Indebtedness being guaranteed is subordinated to or *pari passu* with the Notes, then the guarantee shall be subordinated or *pari passu*, as applicable, to the same extent as the Indebtedness guaranteed;

(11) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is extinguished within five (5) Business Days of its Incurrence;

(12) to the extent constituting Indebtedness, agreements to pay service fees to professionals (including architects, engineers, contractors and designers) in furtherance of and/or in connection with the Property or agreements to pay fees and expenses or other amounts pursuant to the Services and Right to Use Agreement or the MSA or otherwise arising under the Services and Right to Use Agreement or the MSA in the ordinary course of business (*provided*, *that* no such agreements shall give rise to Indebtedness for borrowed money);

(13) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, or from guarantees or letters of credit, surety bonds, or performance bonds securing any obligation of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor pursuant to such agreements, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or Capital Stock of a Restricted Subsidiary, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition; *provided*, *that* the maximum aggregate liability in respect of all such Indebtedness shall at no time exceed the gross proceeds actually received in connection with such disposition;

(14) Obligations in respect of Shareholder Subordinated Debt;

(15) any guarantees made solely in connection with (and limited in scope to) the giving of a Lien of the type specified in clause (22) of "Permitted Liens" to secure Indebtedness of an Unrestricted Subsidiary, the only recourse of which to the Parent Guarantor and its Restricted Subsidiaries is to the Equity Interests subject to the Liens; and

(16) the Incurrence by the Company or the Guarantors of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (16) and, without duplication, clause 4.09(b)(16) of the 2019 Notes Indenture, not to exceed US$30.0 million.

The Parent Guarantor and the Company will not Incur, and the Parent Guarantor will not permit any Subsidiary Guarantor to Incur, any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Parent Guarantor, the Company or such Subsidiary Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the Notes and the applicable Note Guarantee on substantially identical terms; *provided, however*, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Parent Guarantor, the Company or any Subsidiary Guarantor solely by virtue of being unsecured or by virtue of being secured on a first or junior Lien basis.

For purposes of determining compliance with this Section 4.09, in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (16) above, or is entitled to be Incurred pursuant to the first paragraph of this covenant, the Parent Guarantor and the Company will be permitted to classify such item of Indebtedness on the date of its Incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this Section 4.09. Indebtedness incurred under the Senior Secured Credit Facilities will be deemed to have been incurred in reliance on the exception provided by clause (1)(x) of the definition of Permitted Debt and may not be reclassified. The accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of Preferred Stock as Indebtedness due to a change in accounting principles, and the payment of dividends on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock will not be deemed to be an Incurrence of Indebtedness or an issuance of Disqualified Stock for purposes of this Section 4.09; provided, in each such case, that the amount of any such accrual, accretion or payment is included in Fixed Charges of the Parent Guarantor as accrued. Notwithstanding any other provision of this Section 4.09, the maximum amount of Indebtedness that the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor may Incur pursuant to this Section 4.09 shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

Further, for purposes of determining compliance with this covenant, to the extent the Parent Guarantor or any of its Restricted Subsidiaries (including the Company) guarantees Indebtedness of a direct or indirect parent entity to the extent otherwise permitted by this covenant, the on-loan by such direct or indirect parent entity to the Parent Guarantor or any of its Restricted Subsidiaries of all or a portion of the principal amount of such Indebtedness will not be double counted.

The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

(A) the Fair Market Value of such assets at the date of determination; and

(B) the face amount of the Indebtedness of the other Person.

Section 4.10 *Asset Sales*.

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale (other than an Event of Loss), unless:

(1) the Company, the Parent Guarantor or the Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) at least 75% of the consideration received in the Asset Sale by the Company, the Parent Guarantor or such Restricted Subsidiary is in the form of cash. For purposes of this provision, each of the following will be deemed to be cash:

(A) any liabilities, as shown on the Parent Guarantor's most recent consolidated balance sheet, of the Parent Guarantor or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Note Guarantee) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Parent Guarantor or such Restricted Subsidiary from further liability;

(B) any securities, notes or other Obligations received by the Parent Guarantor or any such Restricted Subsidiary from such transferee that are, within 30 days of the receipt thereof, converted by the Parent Guarantor or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion; and

(C) any stock or assets of the kind referred to in Section 4.10(b)(2) or Section 4.10(b)(4).

(b) Within 360 days after the receipt of any Net Proceeds from an Asset Sale (including an Event of Loss), the Company, the Parent Guarantor or the applicable Restricted Subsidiary, as the case may be may apply such Net Proceeds:

(1) to repay (a) Indebtedness Incurred under Section 4.09(b)(1) and Indebtedness that is secured under clause (25) of the definition of "Permitted Liens", (b) other Indebtedness of the Company or a Guarantor secured by property and assets that do not constitute Collateral that is the subject of such Asset Sale, and, in each case, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto, (c) Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor or (d) the Notes or the 2019 Notes pursuant to the redemption provisions of this Indenture or the 2019 Notes Indenture, as applicable;

(2) to acquire all or substantially all of the assets of another Permitted Business, or any Capital Stock of, a Person undertaking another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary of the Parent Guarantor (*provided that* (a) such acquisition funded with any proceeds from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to acquire such assets or Capital Stock is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss, and (b) if such acquisition is not consummated within the period set forth in clause (a), the Net Proceeds not so applied will be deemed to be Excess Proceeds);

(3) to make a capital expenditure (*provided that* any such capital expenditure funded with any proceeds from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to make such capital expenditure is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss); or

(4) to acquire other assets that are not classified as current assets under GAAP and that are used or useful in a Permitted Business (*provided that* (a) such acquisition funded from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to acquire such assets is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss, and (b) if such acquisition is not consummated within the period set forth in clause (a), the Net Proceeds not so applied will be deemed to be Excess Proceeds);

or enter into a binding commitment regarding clauses (2), (3) or (4) above (in addition to the binding commitments expressly referenced in those clauses), *provided that* such binding commitment shall be treated as a permitted application of Net Proceeds from the date of such commitment until the earlier of (x) the date on which such acquisition or expenditure is consummated and (y) the 180th day following the expiration of the aforementioned 360-day period. To the extent such acquisition or expenditure is not consummated on or before such 180th day and the Company, the Parent Guarantor or such Restricted Subsidiary shall not have applied such Net Proceeds pursuant to clauses (2), (3) or (4) above on or before such 180th day, such commitment shall be deemed not to have been a permitted application of Net Proceeds, and such Net Proceeds will constitute Excess Proceeds.

(c) Pending the final application of any Net Proceeds, the Company may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by this Indenture.

(d) Any Net Proceeds from Asset Sales that are not applied or invested as provided in the second paragraph of this Section 4.10 will constitute "Excess Proceeds." When the aggregate amount of Excess Proceeds exceeds US$5.0 million, within ten (10) days thereof, the Company shall make an Asset Sale Offer to all Holders and all holders of other Indebtedness that is *pari passu* with the Notes and secured by the Collateral containing provisions similar to those set forth in this Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets to purchase the maximum principal amount of Notes and such other *pari passu* Indebtedness that may be purchased out of the Excess Proceeds. The offer price in any Asset Sale Offer will be equal to 100% of the principal amount plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use those Excess Proceeds for any purpose not otherwise prohibited by this Indenture. If the aggregate principal amount of Notes and other *pari passu* Indebtedness tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds, the Company will purchase all tendered Notes and such other *pari passu* Indebtedness on a *pro rata* basis unless otherwise required under Section 3.02. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

(e) The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations to the extent such laws or regulations are applicable in connection with the repurchase of the Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of Section 3.09 hereof or this Section 4.10, the Company will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under Section 3.09 hereof or this Section 4.10 by virtue thereof.

Section 4.11 *Transactions with Affiliates*.

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Parent Guarantor or the Company (each, an "*Affiliate Transaction*"), unless:

(1) the Affiliate Transaction is on terms that are no less favorable to the Company, the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company, the Parent Guarantor or such Restricted Subsidiary with a Person that is not an Affiliate of the Parent Guarantor or the Company; and

(2) the Parent Guarantor delivers to the Trustee:

(A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$30.0 million, a resolution of the Board of Directors of the Parent Guarantor set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with this Section 4.11(a) and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Parent Guarantor or, if the Board of Directors of the Parent Guarantor has no disinterested directors, approved in good faith by a majority of the members (or in the case of a single member, the sole member) of the Board of Directors of the Parent Guarantor; and

(B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$45.0 million, an opinion as to the fairness to the Parent Guarantor or such Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of international standing, or other recognized independent expert of national standing with experience appraising the terms and conditions of the type of transaction or series of related transactions.

(b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 4.11(a) hereof:

(1) any employment agreement, employee benefit plan (including compensation, retirement, disability, severance and other similar plan), officer or director indemnification, stock option or incentive plan or agreement, employee equity subscription agreement or any similar arrangement entered into by the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business and payments pursuant thereto;

(2) transactions between or among the Company, the Parent Guarantor and/or its Restricted Subsidiaries;

(3) transactions with a Person (other than an Unrestricted Subsidiary) that is an Affiliate of the Parent Guarantor or the Company solely because the Parent Guarantor or the Company, as the case may be, owns directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of reasonable officers' and directors' fees and reimbursement of expenses (including the provision of indemnity to officers and directors) to Persons who are not otherwise Affiliates of the Parent Guarantor or the Company;

(5) any issuance of Equity Interests (other than Disqualified Stock) of the Parent Guarantor to Affiliates of the Parent Guarantor or contribution to the common equity capital of the Parent Guarantor;

(6) Restricted Payments (including any payments made under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA) that do not violate Section 4.07 hereof;

(7) any agreement or arrangement existing on the Issue Date, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals (so long as any such agreement or arrangement together with all such amendments, modifications, supplements, extensions, replacements, terminations and renewals, taken as a whole, is not materially more disadvantageous to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the original agreement or arrangement as in effect on the Issue Date, unless any such amendments, modifications, supplements, extensions, replacements, terminations or renewals are imposed by any Gaming Authority or any other public authority having jurisdiction over Melco Crown Macau, the Parent Guarantor or any of its Restricted Subsidiaries, including, but not limited to, the government of the Macau SAR);

(8) loans or advances to employees in the ordinary course of business not to exceed US$1.0 million in the aggregate at any one time outstanding;

(9) the payment of Project Costs and the reimbursement of Affiliates of the Parent Guarantor or the Company or a Restricted Subsidiary, in each case, as permitted pursuant to the Disbursement Agreements as in effect as of the Issue Date and any amendments thereto (so long as such agreement together with all amendments thereto, taken as a whole, is not more disadvantageous in any material respect to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the original agreement as in effect on the Issue Date);

(10) (a) transactions or arrangements under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof (so long as the Services and Right to Use Agreement and the Reinvestment Agreement, taken as a whole, or the MSA, respectively, together with all such amendments, modifications, supplements, extensions, replacements, terminations and renewals, taken as a whole, is not materially more disadvantageous to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the Services and Right to Use Agreement and the Reinvestment Agreement, taken as a whole, or the MSA, respectively, as in effect on the Issue Date or, as determined in good faith by the Board of Directors of the Parent Guarantor, would not materially and adversely affect the Company's ability to make payments of principal of and interest on the Notes) and (b) other than with respect to transactions or arrangements subject to clause (a) above, transactions or arrangements with customers, clients, suppliers or sellers of goods or services in the ordinary course of business, on terms that are fair to the Parent Guarantor or any of its Restricted Subsidiaries, as applicable, or are no less favorable than those that might reasonably have been obtained in a comparable transaction at such time on an arms-length basis from a Person that is not an Affiliate of the Parent Guarantor or the Company, in the case of each of (a) and (b), unless any such amendments, modifications, supplements, extensions, replacements, terminations or renewals are imposed by any Gaming Authority or any other public authority having jurisdiction over Melco Crown Macau, the Parent Guarantor or any of its Restricted Subsidiaries, including, but not limited to, the government of the Macau SAR;

(11) the execution of the Transactions, and the payment of all fees and expenses relating to the Transactions described in the Offering Memorandum;

(12) transactions or arrangements to be entered into in connection with the Property in the ordinary course of business (including, for the avoidance of doubt, transactions or arrangements necessary to conduct a Permitted Business) including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof; *provided* that such transactions or arrangements must comply with clauses 4.11(a)(1) and (a)(2)(A) hereof;

(13) execution, delivery and performance of any tax sharing agreement or the formation and maintenance of any consolidated group for tax, accounting or cash pooling or management purposes; and

(14) provision by, between, among, to or from Persons who may be deemed Affiliates of group administrative, treasury, legal, accounting and similar services.

Section 4.12 *Liens*.

The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind securing Indebtedness on any asset now owned or hereafter acquired or any proceeds, income or profits therefrom or assign or convey any right to receive income therefrom, except Permitted Liens, or, if such Lien is not a Permitted Lien, unless the Notes and the Note Guarantees are secured on a *pari passu* basis with the obligations so secured until such time as such obligations are no longer secured by a Lien.

Section 4.13 *Business Activities*.

The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, engage in any business other than Permitted Business, except to such extent as would not be material to the Parent Guarantor and its Restricted Subsidiaries (taken as a whole).

Section 4.14 *Corporate Existence*.

Subject to Article 5 hereof, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect:

(1) its corporate existence, and the corporate, partnership or other existence of each of its Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Subsidiary; and

(2) the rights (charter and statutory), licenses and franchises of the Company and its Subsidiaries; *provided*, *however*, that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Subsidiaries, if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders.

Section 4.15 *Offer to Repurchase upon Change of Control*.

(a) Upon the occurrence of a Change of Control, each Holder will have the right to require the Company to repurchase all or any part of such Holder's Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the date of repurchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), except to the extent the Company has previously or concurrently elected to redeem the Notes in full pursuant to Section 3.07 hereof. Within ten (10) days following any Change of Control, except to the extent that the Company has exercised its right to redeem the Notes by delivery of a notice of redemption pursuant to Section 3.03 hereof, the Company shall mail a notice (a "*Change of Control Offer*") to each Holder with a copy to the Trustee stating:

(1) that a Change of Control has occurred and that such Holder has the right to require the Company to repurchase such Holder's Notes at a repurchase price in cash equal to

101% of the principal amount thereof, plus accrued and unpaid interest to the date of repurchase (subject to the right of holders of record on a record date to receive interest on the relevant interest payment date (the "*Change of Control Payment*"));

(2) the circumstances and relevant facts and financial information regarding such Change of Control;

(3) the repurchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed) (the "Change of Control Payment Date");

(4) that any Note not tendered will continue to accrue interest;

(5) that, unless the Company defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest after the Change of Control Payment Date;

(6) the Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Paying Agent at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(7) the Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Notes purchased, and

(8) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, *provided* that the unpurchased portion has a minimum denomination of US$200,000.

(b) On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(3) deliver or cause to be delivered to the Paying Agent the Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions of Notes properly tendered and being purchased by the Company.

The Paying Agent will promptly mail (but in any case not later than five (5) days after the Change of Control Payment Date) to each Holder properly tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any, *provided* that the unpurchased portion has a minimum denomination of US$200,000. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(c) Notwithstanding anything to the contrary in this Section 4.15, the Company will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 4.15 hereof and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption has been given pursuant to Section 3.03 hereof, unless and until there is a default in payment of the applicable redemption price.

(d) A Change of Control Offer may be made in advance of a Change of Control, and conditioned upon such Change of Control, if a definitive agreement is in place for the Change of Control at the time of making of the Change of Control Offer.

(e) Notes repurchased by the Company pursuant to a Change of Control Offer will be retired and cancelled at the option of the Company. Notes purchased by a third party pursuant to the preceding paragraph will have the status of Notes issued and outstanding.

(f) The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of the Notes pursuant to this Section 4.15. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this Section 4.15, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 4.15 by virtue of such compliance.

Section 4.16 *Payments for Consents*.

The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture, the Notes, the Note Guarantees, the Security Documents or the Intercreditor Agreement unless such consideration is (1) offered to be paid; and (2) is paid to all Holders that consent, waive or agree to amend within the time frame and on the terms set forth in the solicitation documents relating to such consent, waiver or agreement.

Notwithstanding the foregoing, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes in connection with an exchange offer, the Company and any of the Restricted Subsidiaries may exclude (a) in connection with an exchange offer, holders or beneficial owners of the Notes that are not “qualified institutional buyers” as defined in Rule 144A under the Securities Act, and (b) in connection with any consent, waiver or amendment, holders or beneficial owners of the Notes in any jurisdiction where the inclusion of such holders or beneficial owners would require the Company or any of its Restricted Subsidiaries to (i) file a registration statement, prospectus or similar document or subject the Company or any of its Restricted Subsidiaries to ongoing periodic reporting or similar requirements under any securities laws (including but not limited to, the United States federal securities laws and the laws of the European Union or its member states), (ii) qualify as a foreign corporation or other entity as a dealer in securities in such jurisdiction if it is not otherwise required to so qualify, (iii) generally consent to service of process in any such jurisdiction or (iv) subject the Company or any of its Restricted Subsidiaries to taxation in any such jurisdiction if it is not otherwise so subject, or the solicitation of such consent, waiver or amendment from, or the granting of such consent or waiver, or the approval of such amendment by, holders or beneficial owners in such jurisdiction would be unlawful, in each case as determined by the Company in its sole discretion.

Section 4.17 *Future Guarantors*.

(a) If the Parent Guarantor or any of its Restricted Subsidiaries acquires or creates another Subsidiary after the Issue Date, then the Parent Guarantor shall cause such newly acquired or created Subsidiary to become a Guarantor (in the event that such Subsidiary provides a guarantee of any other Indebtedness of the Company or a Guarantor of the type specified under clauses (1) or (2) of the definition of "Indebtedness"), at which time such Subsidiary shall:

(1) execute a supplemental indenture in the form attached as Exhibit D hereto pursuant to which such Subsidiary shall unconditionally guarantee, on a senior basis, all of the Company's Obligations under this Indenture and the Notes on the terms set forth in this Indenture;

(2) execute and deliver to the Security Agent and/or the Intercreditor Agent (as applicable) such amendments or supplements to the Security Documents necessary in order to grant to the Security Agent, for the benefit of the Trustee and the holders of the Notes, a perfected security interest (subject to Permitted Liens and to the extent permitted under applicable law) in the Collateral owned by such Subsidiary Guarantor required to be pledged pursuant to the Security Documents;

(3) take such further action and execute and deliver such other documents as otherwise may be reasonably requested by the Trustee, the Security Agent or the Intercreditor Agent to give effect to the foregoing; and

(4) deliver to the Trustee, the Security Agent and the Intercreditor Agent an Opinion of Counsel that (i) such supplemental indenture and any other documents required to be delivered have been duly authorized, executed and delivered by such Subsidiary and constitute legal, valid, binding and enforceable Obligations of such Subsidiary and (ii) the Security Documents to which such Subsidiary is a party create a valid perfected Lien on the Collateral covered thereby to the extent permitted under applicable law.

(b) Notwithstanding the foregoing, any Guarantee of the Notes created pursuant to the provisions described in paragraph (a) above may provide by its terms that it will be automatically and unconditionally released and discharged upon:

(1) (with respect to any Guarantee created after the date of this Indenture) the release by the holders of the Company's, the Parent Guarantor's or the Subsidiary Guarantor's Debt described in paragraph (a) above, of their guarantee by such Restricted Subsidiary (including any deemed release upon payment in full of all obligations under such Debt other than as a result of payment under such guarantee), at a time when:

(A) no other Indebtedness of either Company, the Parent Guarantor or any Subsidiary Guarantor has been guaranteed by such Restricted Subsidiary; or

(B) the holders of all such other Indebtedness that is guaranteed by such Restricted Subsidiary also release their guarantee by such Restricted Subsidiary (including any deemed release upon payment in full of all obligations under such Debt other than as a result of payment under such guarantee); or

(2) the release of the Guarantees on the terms and conditions and in the circumstances described in Section 11.08 hereof.

(c) Each additional Note Guarantee will be limited as necessary to recognize certain defences generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defences affecting the rights of creditors generally) or other considerations under applicable law. Notwithstanding Section 4.17(a), the Parent Guarantor shall not be obligated to cause such Restricted Subsidiary to Guarantee the Notes to the extent that such Guarantee by such Restricted Subsidiary would reasonably be expected to give rise to or result in (i) any liability for the officers, directors or shareholders of such Restricted Subsidiary or (ii) any significant cost, expense, liability or obligation (including with respect of any Taxes, but excluding any reasonable guarantee or similar fee payable to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor) other than reasonable out of pocket expenses.

Section 4.18 *Designation of Restricted and Unrestricted Subsidiaries.*

The Board of Directors of the Parent Guarantor may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default; *provided that* in no event will the business currently operated by the Company, Studio City Developments Limited, Studio City Entertainment Limited or Studio City Hotels Limited be transferred to or held by an Unrestricted Subsidiary. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Parent Guarantor and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under Section 4.07 hereof or under one or more clauses of the definition of Permitted Investments, as determined by the Parent Guarantor. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors of the Parent Guarantor may re-designate any Unrestricted Subsidiary to be a Restricted Subsidiary if that re-designation would not cause a Default.

Any designation of a Subsidiary of the Parent Guarantor as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a certified copy of a resolution of the Board of Directors of the Parent Guarantor giving effect to such designation and an Officer's Certificate of the Parent Guarantor certifying that such designation complied with the preceding conditions and was permitted by Section 4.07 hereof. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of this Indenture and any Indebtedness of such Subsidiary will be deemed to be Incurred by a Restricted Subsidiary of the Parent Guarantor as of such date and, if such Indebtedness is not permitted to be Incurred as of such date under Section 4.09 hereof, Parent Guarantor and the Company will be in Default of such covenant. The Board of Directors of the Parent Guarantor may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Parent Guarantor; *provided that* such designation will be deemed to be an Incurrence of Indebtedness by a Restricted Subsidiary of the Parent Guarantor of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under Section 4.09 hereof, calculated on a *pro forma* basis as if such designation had occurred at the beginning of the reference period; and (2) no Default or Event of Default would be in existence following such designation. On such designation, the Parent Guarantor shall deliver an Officer's Certificate of the Parent Guarantor to the Trustee regarding such designation and certifying that such designation complies with the preceding conditions and the relevant covenants under this Indenture.

Section 4.19 *Listing*.

The Company will use its commercially reasonable efforts to list and maintain the listing and quotation of the Notes on the Official List of the Singapore Exchange Securities Trading Limited or another comparable exchange.

Section 4.20 *Limitations on Use of Proceeds*.

The Parent Guarantor and the Company will not, and the Parent Guarantor will not cause or permit any of its Restricted Subsidiaries to, use the net proceeds from the sale of the Notes, in any amount, for any purpose other than as set forth under the caption "Use of Proceeds" in the Offering Memorandum.

Section 4.21 *Impairment of Security Interest*.

(a) Subject to clauses (b) and (c) below, the Parent Guarantor and the Company will not, and the Parent Guarantor will not cause or permit any of its Restricted Subsidiaries to, take or knowingly omit to take, any action which action or omission would have the result of materially impairing the security interest over any of the assets comprising the Collateral (it being understood that the incurrence of Liens on the Collateral permitted by the last paragraph of the definition of Permitted Liens shall under no circumstances be deemed to materially impair the security interest with respect to the Collateral), for the benefit of the Trustee, the Security Agent, the Intercreditor Agent and the holders of Notes (including the priority thereof).

(b) At the request of the Parent Guarantor and without the consent of the holders of the Notes, the Trustee may from time to time (subject to receipt of the documents described in Section 7.02(b)) direct the Security Agent and/or the Intercreditor Agent (as applicable) (and acting on such direction the Security Agent and/or the Intercreditor Agent may, to the extent authorized and permitted by the Intercreditor Agreement), enter into one or more amendments to the Security Documents to: (i) cure any ambiguity, omission, defect or inconsistency therein; (ii) provide for any Permitted Liens; (iii) add to the Collateral or (iv) make any other change thereto that does not adversely affect the holders of the Notes in any material respect; *provided*, *however*, that no Security Document may be amended, extended, renewed, restated, supplemented or otherwise modified or replaced, unless contemporaneously with such amendment, extension, renewal, restatement, supplement, modification or replacement, the Parent Guarantor delivers to the Trustee, any of:

(1) a solvency opinion, in form satisfactory to the Trustee, from an Independent Financial Advisor confirming the solvency of the Parent Guarantor and its Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement;

(2) a certificate from the Board of Directors or chief financial officer of the Parent Guarantor (acting in good faith), substantially in the form attached hereto as Exhibit F to this Indenture, confirming the solvency of the Person granting such Lien after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement; or

(3) an opinion of counsel, in form satisfactory to the Trustee confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement, the Lien or Liens securing the applicable Notes created under the Security Documents as so amended, extended, renewed, restated, supplemented, modified or replaced remain valid and perfected Liens not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such Lien or Liens were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification, replacement or release and retaking.

(c) Nothing in this Section 4.21 will restrict and clause (b) above will not apply to (x) any release, amendment, extension, renewal, restatement, supplement, modification or replacement of any security interests in compliance with the provisions set out in Section 10.06 or (y) any Permitted Land Concession Amendment.

(d) In the event that the Parent Guarantor complies with this Section 4.21, the Trustee and/or the Security Agent and/or the Intercreditor Agent, as applicable, shall (to the extent authorized and permitted under the Intercreditor Agreement and subject to customary protections and indemnifications) consent to such amendment, extension, renewal, restatement, supplement, modification, replacement or release with no need for instructions from the Holders; *provided* such amendments do not impose any personal obligations on the Trustee and/or the Security Agent and/or the Intercreditor Agent or adversely affect the rights, duties, liabilities or immunities of the Trustee under this Indenture or the Intercreditor Agreement.

Section 4.22 *Suspension of Covenants*.

(a) The following covenants (the "*Suspended Covenants*") will not apply during any period during which the Notes have an Investment Grade Status (a "*Suspension Period*"): Section 4.07, Section 4.08, Section 4.09, Section 4.10, Section 4.11, with respect to the Parent Guarantor and the Company Section 5.01(a)(3), Section 4.17 and Section 4.21. Additionally, during any Suspension Period, neither the Parent Guarantor nor the Company will be permitted to designate any Restricted Subsidiary as an Unrestricted Subsidiary.

(b) In the event that the Parent Guarantor and its Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the foregoing, and on any subsequent date (the "*Reversion Date*") the Notes cease to have Investment Grade Status, then the Suspended Covenants will apply with respect to events occurring following the Reversion Date (unless and until the Notes subsequently attain an Investment Grade Status, in which case the Suspended Covenants will again be suspended for such time that the Notes maintain an Investment Grade Status); *provided*, *however*, that no Default or Event of Default will be deemed to exist under the Indenture with respect to the Suspended Covenants, and none of the Parent Guarantor, the Company or any of their respective Subsidiaries will bear any liability for any actions taken or events occurring during a Suspension Period and before any related Reversion Date, or any actions taken at any time pursuant to any contractual obligation or binding commitment arising prior to such Reversion Date, regardless of whether those actions or events would have been permitted if the applicable Suspended Covenant had remained in effect during such period. The Company shall notify the Trustee should the Notes achieve Investment Grade Status, *provided* that such notification shall not be a condition for the suspension of the covenants set forth above to be effective. The Trustee shall be under no obligation to notify the holders of the Notes that the Notes have achieved Investment Grade Status.

(c) On each Reversion Date, all Indebtedness Incurred during the Suspension Period prior to such Reversion Date will be deemed to be Indebtedness existing on the Issue Date. For purposes of calculating the amount available to be made as Restricted Payments under Section 4.07(a)(C) on or after the Reversion Date, calculations under such covenant shall be made as though such covenant had been in effect during the entire period of time after the Issue Date (including the Suspension Period). Restricted Payments made during the Suspension Period not otherwise permitted pursuant to any of clauses (2) through (6) or (18) under Section 4.07(b) will reduce the amount available to be made as Restricted Payments under Section 4.07(a)(C); provided, that the amount available to be made as Restricted Payments on the Reversion Date shall not be reduced to below zero solely as a result of such Restricted Payments. In addition, for purposes of the other Suspended Covenants, all agreements entered into and all actions taken during the Suspension Period, including, without limitation, the Incurrence of Indebtedness shall be deemed to have been taken or to have existed prior to the Issue Date.

## ARTICLE 5
## SUCCESSORS

Section 5.01 *Merger, Consolidation, or Sale of Assets*.

(a) *The Parent Guarantor and the Company*. Neither the Parent Guarantor nor the Company will, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Parent Guarantor or the Company survives); or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person unless:

(1) either:

(A) if the transaction or series of transactions is a consolidation of the Parent Guarantor or the Company with or a merger of the Parent Guarantor or the Company with or into any other Person, the Parent Guarantor or the Company, as the case may be, shall be the surviving entity of such merger or consolidation; or

(B) the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor or the Company) or to which such sale, assignment, transfer, conveyance or other disposition has been made shall be a corporation organized and existing under the laws of the British Virgin Islands, Cayman Islands, Hong Kong, Macau, Singapore, United States, any state of the United States or the District of Columbia, and such Person shall expressly assume all the Obligations of the Parent Guarantor or the Company, as the case may be, under the Notes, the Note Guarantees, this Indenture and the Security Documents and the Intercreditor Agreement pursuant to supplemental indentures or other documents or agreements reasonably satisfactory to the Trustee, the Security Agent and the Intercreditor Agent, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions and take such other actions as may be required by applicable law to perfect or continue the perfection of the Lien created under the Security Documents on the Collateral owned by or transferred to the surviving Person;

(2) immediately after such transaction, no Default or Event of Default exists; and

(3) the Parent Guarantor or the Company or, if applicable, the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor or the Company), or to which such sale, assignment, transfer, conveyance or other disposition has been made, would, on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period, be permitted to Incur at least US$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a) hereof.

(b) *The Subsidiary Guarantors*. No Subsidiary Guarantor will, and the Parent Guarantor will not permit any Subsidiary Guarantor to, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not such Subsidiary Guarantor survives); or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of such Subsidiary Guarantor in one or more related transactions, to another Person, unless:

(1) either:

(A) if the transaction or series of transactions is a consolidation of such Subsidiary Guarantor with or a merger of such Subsidiary Guarantor with or into any other Person, such Subsidiary Guarantor shall be the surviving entity of such consolidation or merger; or

(B) the Person formed by or surviving any such consolidation or merger (if other than such Subsidiary Guarantor) or to which such sale, assignment, transfer, conveyance or other disposition has been made shall be a corporation organized and existing under the laws of the British Virgin Islands, Cayman Islands, Hong Kong, Macau, Singapore, United States, any state of the United States or the District of Columbia, and such Person shall expressly assume all the Obligations of such Subsidiary Guarantor under its Note Guarantee, this Indenture, the Security Documents and the Intercreditor Agreement pursuant to supplemental indentures or other documents or agreements reasonably satisfactory to the Trustee and the Security Agent and the Intercreditor Agent, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions and take such other actions as may be required by applicable law to perfect or continue the perfection of the Lien created under the Security Documents on the Collateral owned by or transferred to the surviving Person; and

(2) immediately after such transaction, no Default or Event of Default exists;

*provided*, *however*, that the provisions of this Section 5.01(b) shall not apply if such Subsidiary Guarantor is released from its Note Guarantee as a result of such consolidation, merger, sale or other disposition pursuant to Section 11.08 hereof.

(c) This Section 5.01 will not apply to:

(1) a merger of the Company or a Guarantor, as the case may be, with an Affiliate solely for the purpose of reincorporating the Company or a Subsidiary Guarantor, as the case may be, in another jurisdiction; or

(2) any consolidation or merger, or any sale, assignment, transfer, conveyance, or other disposition of assets between or among the Company and the Guarantors or between or among the Guarantors.

Upon consummation of any consolidation or merger, or any sale, assignment, transfer, conveyance, or other disposition of assets by a Subsidiary Guarantor with or into the Company or another Guarantor in accordance with this Section 5.01 which results in a Subsidiary Guarantor distributing all of its assets (other than *de minimis* assets required by law to maintain its corporate existence) to the Company or another Guarantor, such transferring Subsidiary Guarantor may be wound up pursuant to a solvent liquidation or solvent reorganization, provided it shall have no third party recourse Indebtedness or be the obligor under any intercompany Indebtedness.

Section 5.02 *Successor Corporation Substituted*.

Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the properties or assets of the Company in a transaction that is subject to, and that complies with the provisions of, Section 5.01 hereof, the successor Person formed by such consolidation or into or with which the Company is merged or to which such sale,
assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition, the provisions of this Indenture referring to the "Company" shall refer instead to the successor Person and not to the Company), and may exercise every right and power of the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein; *provided*, *however*, that the predecessor Company shall not be relieved from the obligation to pay the principal of and interest on the Notes except in the case of a sale of all of the Company's assets in a transaction that is subject to, and that complies with the provisions of, Section 5.01 hereof.

## ARTICLE 6
## DEFAULTS AND REMEDIES

Section 6.01 *Events of Default*.

(a) Each of the following is an event of default (an "*Event of Default*"):

(1) default for 30 days in the payment when due of interest or Additional Amounts, if any, on the Notes;

(2) default in the payment when due (at maturity, upon redemption, upon required repurchase, or otherwise) of the principal of, or premium, if any, on the Notes;

(3) failure by the Parent Guarantor or any of its Restricted Subsidiaries to comply with its obligations under the provisions of Sections 3.09, 3.12, 4.10, 4.15 or 5.01 hereof;

(4) failure by the Parent Guarantor or any of its Restricted Subsidiaries for 60 days after notice to the Company by the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class to comply with any of the other agreements in this Indenture, the Security Documents or the Intercreditor Agreement;

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Parent Guarantor or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Parent Guarantor or any of its Restricted Subsidiaries), whether such Indebtedness or Guarantee now exists, or is created after the date of this Indenture, if that default:

(A) is caused by a failure to pay principal of, or interest or premium, if any, on, such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "*Payment Default*"); or

(B) results in the acceleration of such Indebtedness prior to its express maturity,

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates US$15.0 million or more at any time outstanding;

(6) failure by the Parent Guarantor or any of its Restricted Subsidiaries to pay final judgments entered by a court or courts of competent jurisdiction (other than any judgment as to which a reputable third party insurer has accepted full responsibility and coverage) aggregating in excess of US$15.0 million, which judgments are not paid, discharged or stayed for a period of 60 days;

(7) the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary pursuant to or within the meaning of Bankruptcy Law:

(A) commences a voluntary case or is the subject of a petition by a creditor to have it declared bankrupt,

(B) consents to the entry of an order for relief against it in an involuntary case,

(C) consents to the appointment of a custodian of it or for all or substantially all of its property,

(D) makes a general assignment for the benefit of its creditors, or

(E) generally is not paying its debts as they become due;

(8) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary in an involuntary case;

(B) appoints a custodian of the Company or of any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary or for all or substantially all of the property of the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary; or

(C) orders the liquidation of the Company or of any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary;

(9) the repudiation by the Company or any Guarantor of any of their Obligations under the Security Documents, or except as permitted by this Indenture and the Intercreditor Agreement, any of the Security Documents or the Intercreditor Agreement ceasing to be in full force and effect for any reason, being declared fully or partially void in judicial, regulatory or administrative proceeding or becoming enforceable against the Company or any Guarantor for any reason;

(10) except as permitted by this Indenture, (a) any Note Guarantee being held in any judicial proceeding in a competent jurisdiction to be unenforceable or invalid or ceases for any reason to be in full force and effect, or (b) any Person acting on behalf of any Guarantor, denying or disaffirming its Obligations under its Note Guarantee;

(11) the termination or rescission of any Gaming License or the Macau government takes any formal measure to do so;

Section 6.02 *Acceleration*.

In the case of an Event of Default specified in Section 6.01(a)(7) or 6.01(a)(8) hereof, with respect to the Company, the Parent Guarantor, any Restricted Subsidiary of the Parent Guarantor that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Parent Guarantor that, taken together, would constitute a Significant Subsidiary, all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes may declare all the Notes to be due and payable immediately.

Upon any such declaration, the Notes shall become due and payable immediately.

The Holders of a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may, on behalf of all of the Holders, rescind an acceleration and its consequences, if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal, interest, premium or Additional Amounts, if any, that has become due solely because of the acceleration) have been cured or waived.

Section 6.03 *Other Remedies*.

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal, premium and Additional Amounts, if any, and interest on the Notes or to enforce the performance of any provision of the Notes, this Indenture or the Security Documents.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

Section 6.04 *Waiver of Past Defaults*.

Holders of not less than a majority in aggregate principal amount of the then outstanding Notes by notice to the Trustee may on behalf of the Holders of all of the Notes waive an existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Default in the payment of the principal of, premium, Additional Amounts, if any, or interest on, the Notes (including in connection with an offer to purchase); *provided*, *however*, that the Holders of a majority in aggregate principal amount of the then outstanding Notes may rescind an acceleration and its consequences, including any related payment default that resulted from such acceleration. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05 *Control by Majority*.

Holders of a majority in aggregate principal amount of the then outstanding Notes may direct, in writing, the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on it. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture that the Trustee determines may be unduly prejudicial to the rights of other Holders or that may involve the Trustee in personal liability.

Section 6.06 *Limitation on Suits*.

(a) Subject to the provisions of this Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under this Indenture at the request or direction of any Holders unless such Holders have offered to the Trustee reasonable indemnity and/or security to its satisfaction against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium, if any, or interest or Additional Amounts, if any, when due, no Holder may pursue any remedy with respect to this Indenture or the Notes unless:

(1) such Holder has previously given the Trustee written notice that an Event of Default is continuing;

(2) Holders of at least 25% in aggregate principal amount of the then outstanding Notes have made a written request to the Trustee to pursue the remedy;

(3) such Holders have offered the Trustee security and/or indemnity to its satisfaction against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security and/or indemnity to its satisfaction; and

(5) during such 60-day period, Holders of a majority in aggregate principal amount of the then outstanding Notes have not given the Trustee a written direction inconsistent with such request.

(b) A Holder may not use this Indenture to prejudice the rights of another Holder or to obtain a preference or priority over another Holder.

Section 6.07 *Rights of Holders to Receive Payment*.

Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of principal, premium, Additional Amounts, if any, and interest on the Notes, on or after the respective due dates expressed in the Note (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder; *provided that* a Holder shall not have the right to institute any such suit for the enforcement of payment if and to the extent that the institution or prosecution thereof or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the Lien of this Indenture upon any property subject to such Lien.

Section 6.08 *Collection Suit by Trustee*.

If an Event of Default specified in Section 6.01(a)(1) or (a)(2) hereof occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal of, premium, Additional Amounts, if any, and interest remaining unpaid on, the Notes and interest on overdue principal and premium, if any and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

Section 6.09 *Trustee May File Proofs of Claim*.

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders allowed in any judicial proceedings relative to the Company (or any other obligor upon the Notes), its creditors or its property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.08 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.08 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10 *Priorities*.

Subject to the terms of the Intercreditor Agreement, if the Trustee collects any money pursuant to this Article 6, it shall pay out the money in the following order:

*First*: to the Trustee, the Agents, and their respective agents and attorneys for amounts due under Section 7.08 hereof, including payment of all compensation, expenses and liabilities incurred, and all advances made, by the Trustee or any Agent, and the costs and expenses of collection;

*Second*: to Holders for amounts due and unpaid on the Notes for principal, premium, Additional Amounts, if any, and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, Additional Amounts, if any, and interest, respectively; and

*Third*: to the Company or to such party as a court of competent jurisdiction shall direct.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 6.10.

Section 6.11 *Undertaking for Costs*.

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys’ fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07 hereof, or a suit by Holders of more than 10% in aggregate principal amount of the then outstanding Notes.

## ARTICLE 7
## TRUSTEE

Section 7.01 *Duties of Trustee*.

(a) If an Event of Default has occurred and is continuing, the Trustee will exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the duties of the Trustee will be determined solely by the express provisions of this Indenture and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of willful misconduct on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee will examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture.

(3) other than with respect to a payment default, the Trustee shall not be charged with knowledge of any Default or Event of Default unless written notice has been delivered to a Responsible Officer at the Corporate Trust Office of the Trustee referencing the applicable provision of this Indenture.

(c) The Trustee may not be relieved from liabilities for its own grossly negligent action, its own grossly negligent failure to act, or its own willful misconduct, except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

(2) the Trustee will not be liable for any error of judgment made in good faith by a Responsible Officer; and

(3) the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), and (c) of this Section 7.01.

(e) No provision of this Indenture or the Intercreditor Agreement will require the Trustee, to expend or risk its own funds or incur any liability.

(f) The Trustee will not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

Section 7.02 *Rights of Trustee*.

(a) The Trustee may conclusively rely upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate or an Opinion of Counsel or both. The Trustee will not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel. The Trustee may engage and consult with professional advisors and counsel selected by it at the reasonable expense of the Company, and the Trustee may rely conclusively upon advice of such professional advisors and counsel or any Opinion of Counsel will be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon by the Trustee and any of its directors, officers, employees or agents duly appointed.

(c) The Trustee may act through its attorneys and agents and will not be responsible for the misconduct or negligence of any agent appointed with due care. The Trustee shall have no duty to monitor the performance of such agents.

(d) The Trustee will not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture and the Intercreditor Agreement. The Trustee shall not be required to take action at the direction of the Company or Holders which conflicts with the requirements of this Indenture and the Intercreditor Agreement or for which it is not indemnified to its satisfaction, or which involves undue risk or would be contrary to applicable law or regulation.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company will be sufficient if signed by an Officer or a director of the Company.

(f) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture or the Intercreditor Agreement at the request or direction of any of the Holders unless such Holders have offered to the Trustee indemnity and/or security satisfactory to it in its sole discretion against the losses, liabilities and expenses that might be incurred by it in compliance with such request or direction.

(g) In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

(h) The recitals contained herein and in the Notes are made by the Company and not by the Trustee, and the Trustee, does not assume any responsibility for the correctness thereof. The Trustee makes no representation as to the validity or sufficiency of this Indenture, the Notes, the Intercreditor Agreement or Security Documents.

(i) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records, and premises of the Company, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation.

(j) In no event shall the Trustee be responsible or liable for special, indirect, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(k) The rights, privileges, indemnity, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder and each agent, custodian and other Person employed to act hereunder and shall be incorporated by reference and made a part of the Security Documents and the Intercreditor Agreement;

(l) The Trustee may request that the Company deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture;

(m) In the event that the Trustee and Agents shall be uncertain as to their respective duties or rights hereunder or shall receive instructions, claims or demands from the Company, which in their opinion, conflict with any of the provisions of this Indenture, they shall be entitled to refrain from taking action until directed in writing by a final order or judgment of a court of competent jurisdiction; and

(n) So long as any of the Notes remains outstanding, the Company shall provide the Agents with a sufficient number of copies of this Indenture and each of the documents sent to the Trustee or which are required to be made available by stock exchange regulations or stated in the Offering Memorandum relating to the Notes, to be available and, subject to being provided with such copies, each of the Agents will procure that such copies shall be available at its specified office during normal office hours for examination by the Holders and that copies thereof will be furnished to the Holders upon written request at their own expense.

(o) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer’s Certificate and/or an Opinion of Counsel;

(p) in the event the Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of Holders, each representing less than a majority in aggregate principal amount of the Notes then outstanding, pursuant to the provisions of this Indenture, the Trustee, in its sole discretion, may determine what action, if any, will be taken and shall not incur any liability for its failure to act until such inconsistency or conflict is, in its reasonable opinion, resolved;

(q) the Trustee may, before commencing (or at any time during the continuance of) any act, action or proceeding, require the Holders at whose instance it is acting to deposit with the Trustee the Notes held by them, for which Notes the Trustee to which such Notes are deposited shall issue receipts to such Holders;

(r) notwithstanding any other provision of this Indenture, the Trustee and the Paying Agent shall be entitled to make a deduction or withholding from any payment which they make under this Indenture for or on account of any present or future taxes, duties or charges if and to the extent so required by applicable law, in which event the Trustee or the Paying Agent, as applicable, shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so withheld or deducted;

(s) the Trustee shall (except as expressly otherwise provided herein) as regards all the trusts, powers, authorities and discretions vested in it by this Indenture or by applicable law, have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and, absent any wilful misconduct, gross negligence or fraud on the part of the Trustee the Trustee shall not be responsible for any loss, damage, cost, claim or any other liability or inconvenience that may result from the exercise or non-exercise thereof;

(t) unless otherwise specifically provided in this Indenture, any demand, request, direction or notice of the Company mentioned herein shall be sufficiently evidenced if in writing and signed by an Officer of the Company and any resolution of the Board of Directors shall be sufficiently evidenced by a board resolution;

(u) the Trustee shall have no duty to inquire as to the performance of the covenants of the Parent Guarantor or its Restricted Subsidiaries. Delivery of reports, information and documents to the Trustee under Section 4.03 hereof shall be for informational purposes only as regards the Trustee and the Trustee's receipt of such reports, information and documents shall not constitute constructive notice of any information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates);

(v) the Trustee shall not have any obligation or duty to monitor, determine or inquire as to compliance, and shall not be responsible or liable for compliance with restrictions on transfer, exchange, redemption, purchase or repurchase, as applicable, of minimum denominations imposed under this Indenture or under applicable law or regulation with respect to any transfer, exchange, redemption, purchase or repurchase, as applicable, of any interest in any Notes;

(w) the Trustee is not required to give any bond or surety with respect to the performance of its duty or the exercise of its power under this Indenture or the Notes;

(x) no provision of this Indenture shall require the Trustee to do anything which, in its opinion, may be illegal or contrary to applicable law or regulation;

(y) the Trustee may assume without inquiry in the absence of actual knowledge that the Company and the Parent Guarantor are duly complying with their obligations contained in this Indenture required to be performed and observed by them, and that no Default or Event of Default or other event which would require repayment of the Notes has occurred;

(z) At any time that the security granted pursuant to the Security Documents has become enforceable and the Holders have given a direction to the Trustee to enforce such Collateral, the Trustee is not required to give any direction to the Security Agent with respect thereto unless it has been indemnified and/or secured in accordance with Section 7.01(e) hereof, if requested. In any event, in connection with any enforcement of such security, the Trustee is not responsible for:

(A) any failure of the Security Agent to enforce such security within a reasonable time or at all;

(B) any failure of the Security Agent to pay over the proceeds of enforcement of the Collateral;

(C) any failure of the Security Agent to realize such security for the best price obtainable;

(D) monitoring the activities of the Security Agent in relation to such enforcement;

(E) taking any enforcement action itself in relation to such security;

(F) agreeing to any proposed course of action by the Security Agent which could result in the Trustee incurring any liability for its own account; or

(G) paying any fees, costs or expenses of the Security Agent; and

(aa) the permissive right of the Trustee to take the actions permitted by this Indenture and the Intercreditor Agreement shall not be construed as an obligation or duty to do so.

Section 7.03 *Limitation on Duties of Trustee in Respect of Collateral; Indemnification*.

(a) Beyond the exercise of reasonable care in the custody thereof, the Trustee, shall have no duty as to any Collateral in its possession or control or in the possession or control of any agent or bailee or any income thereon or as to preservation of rights against prior parties or any other rights pertaining thereto and the Trustee shall not be responsible for filing any financing or continuation statements or recording any documents or instruments in any public office at any time or times or otherwise perfecting or maintaining the perfection of any security interest in the Collateral. The Trustee shall be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords other collateral and shall not be liable or responsible for any loss or diminution in the value of any of the Collateral, by reason of the act or omission of any carrier, forwarding agency or other agent or bailee selected by the Trustee in good faith.

(b) The Trustee shall not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority of enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, except to the extent such action or omission constitutes gross negligence, bad faith or willful misconduct on the part of the Trustee for the validity or sufficiency of the Collateral or any agreement or assignment contained therein, for the validity of the title of the Company to the Collateral, for insuring the Collateral or otherwise as to the maintenance of the Collateral. The Trustee shall have no duty to ascertain or inquire as to the performance or observance of any of the terms of this Indenture, the Intercreditor Agreement or the Security Documents, by the Company or the Guarantors.

Section 7.04 *Individual Rights of Trustee*.

(a) The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company or any Affiliate of the Company with the same rights it would have if it were not Trustee. The Trustee is also subject to Section 7.11 hereof.

(b) If the Trustee becomes a creditor of the Company or a Guarantor, this Indenture limits its right to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; however, if it acquires actual knowledge that it has any conflicting interest it must eliminate such conflict within 90 days or resign.

Section 7.05 *Trustee's Disclaimer*.

The Trustee will not be responsible for and makes no representation as to the validity or adequacy of this Indenture, the Intercreditor Agreement, the Security Documents or the Notes, it shall not be accountable for the Company's use of the proceeds from the Notes or any money paid to the Company or upon the Company's direction under any provision of this Indenture or the Intercreditor Agreement, it will not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it will not be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture or the Intercreditor Agreement other than the certificate of authentication. The Trustee shall not be deemed to be required to calculate any Fixed Charges, Treasury Rates, Additional Amounts, any make-whole amount, any Fixed Charge Coverage Ratio or other coverage ratio, or otherwise.

Section 7.06 *Notice of Defaults*.

If a Default or Event of Default occurs and is continuing and if it is known to the Trustee, the Trustee will mail to Holders a notice of the Default or Event of Default within ninety (90) days after it occurs. Except in the case of a Default or Event of Default in payment of principal of, premium, Additional Amounts, if any, or interest on, any Note, the Trustee shall not be deemed to have such actual knowledge and may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders.

Section 7.07 *[Intentionally Omitted.]*

Section 7.08 *Compensation and Indemnity*.

(a) The Company will pay to the Trustee from time to time reasonable compensation for its acceptance of this Indenture and services hereunder pursuant to a written fee agreement executed or as otherwise agreed by the Trustee and the Company. The Trustee's compensation will not be limited by any law on compensation of a trustee of an express trust. The Company will reimburse the Trustee promptly upon request for all reasonable disbursements, advances and expenses properly incurred or made by it in addition to the compensation for its services. Such expenses will include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

(b) The Company and the Guarantors will indemnify the Trustee and its officers, directors, employees and agents against any and all losses, liabilities or expenses (including the fees and expenses of counsel) incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture and the Intercreditor Agreement, including the costs and expenses of enforcing this Indenture against the Company and the Guarantors (including this Section 7.08) and defending itself against any claim (whether asserted by the Company, the Guarantors, any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent any such loss, liability or expense may be attributable solely to its gross negligence, willful misconduct or fraud by a court of competent jurisdiction in a final non-appealable order. The Trustee will notify the Company promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Company will not relieve the Company or any of the Guarantors of their obligations hereunder. The Company or such Guarantor will defend the claim and the Trustee will cooperate in the defense. The Trustee may have separate counsel and the Company will pay the reasonable fees and expenses of such counsel. Neither the Company nor any Guarantor need to pay for any settlement made without its consent, which consent will not be unreasonably withheld.

(c) The obligations of the Company and the Guarantors under this Section 7.08 will survive the satisfaction and discharge of this Indenture, and the resignation or removal of the Trustee and/or any Agent.

(d) To secure the Company's and the Guarantors' payment obligations in this Section 7.08, the Trustee will have a Lien prior to the Notes on all money or property held or collected by the Trustee, in its capacity as Trustee, except that held in trust to pay principal and interest on particular Notes. Such Lien will survive the satisfaction and discharge of this Indenture.

(e) When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(a)(7) or Section 6.01(a)(8) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

Section 7.09 *Replacement of Trustee*.

(a) A resignation or removal of the Trustee and appointment of a successor Trustee will become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.09.

(b) The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Company. The Holders of a majority in aggregate principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Company in writing. The Company may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.11 hereof;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

(c) If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company will promptly appoint a successor Trustee. Within one (1) year after the successor Trustee takes office, the holders of a majority in aggregate principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

(d) If a successor Trustee does not take office within sixty (60) days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company, or the holders of at least 10% in aggregate principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee at the sole expense of the Company.

(e) If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.11 hereof, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(f) A successor Trustee will deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon, the resignation or removal of the retiring Trustee will become effective, and the successor Trustee will have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee will mail a notice of its succession to Holders. The retiring Trustee will promptly transfer all property held by it as Trustee to the successor Trustee; *provided* all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.08 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.09, the Company's obligations under Section 7.08 hereof will continue for the benefit of the retiring Trustee.

Section 7.10 *Successor Trustee by Merger, etc.*

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act will be the successor Trustee.

Section 7.11 *Eligibility; Disqualification.*

There shall at all times be a Trustee hereunder that is entitled to carry out the activities of a trustee under the laws of England and Wales, or Hong Kong, or is a corporation organized or doing business under the laws of the United States of America or any state thereof or the District of Columbia that is authorized under such laws to exercise corporate trustee power, that is subject to supervision or examination by the relevant authorities in such jurisdiction and that is a corporation which is generally recognized as a corporation which customarily performs such corporate trustee roles and provides such corporate trustee services in transactions similar in nature to the offering of the Notes. No obligor under the Notes or Person directly controlling, controlled by, or under common control with such obligor shall serve as trustee under the Notes.

Section 7.12 *Appointment of Co-Trustee*.

(a) Notwithstanding any other provisions of this Indenture, at any time, for the purpose of meeting any legal requirement of any jurisdiction or otherwise, the Trustee shall have the power and may execute and deliver all instruments necessary to appoint one or more Persons to act as a co-trustee or co-trustees, or separate trustees, of all or any part of this Indenture, and to vest in such
Person or Persons, in such capacity and for the benefit of the Holders, such powers, duties, obligations, rights and trusts as the Trustee may consider necessary or desirable. No co-trustee or separate trustee hereunder shall be required to meet the terms of eligibility as a successor trustee under Section 7.09 and no notice to the Holders of the appointment of any co-trustee or separate trustee shall be required.

(b) Every separate trustee and co-trustee shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:

(1) All rights, powers, duties and obligations conferred or imposed upon the Trustee shall be conferred or imposed upon and exercised or performed by the Trustee and such separate trustee or co-trustee jointly (it being understood that such separate trustee or co-trustee is not authorized to act separately without the Trustee joining in such act), except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations shall be exercised and performed singly by such separate trustee or co-trustee, but solely at the direction of the Trustee.

(2) No trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder; and

(3) The Trustee may at any time accept the resignation of or remove any separate trustee or co-trustee.

(c) Any notice, request or other writing given to the Trustee shall be deemed to have been given to each of the then separate trustees and co-trustees, as effectively as if given to each of them. Every instrument appointing any separate trustee or co-trustee shall refer to this Indenture and the conditions of this Section 7.12. Each separate trustee and co-trustee, upon its acceptance of the trusts conferred, shall be vested with the estates or property specified in its instrument of appointment, either jointly with the Trustee or separately, as may be provided therein, subject to all the provisions of this Indenture, specifically including every provision of this Indenture relating to the conduct of, affecting the liability of, or affording protection or rights (including the rights to compensation, reimbursement and indemnification hereunder) to, the Trustee. Every such instrument shall be filed with the Trustee.

(d) Any separate trustee or co-trustee may at any time constitute the Trustee its agent or attorney-in-fact with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of this Indenture on its behalf and in its name. If any separate trustee or co-trustee shall die, become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies, and trusts shall vest in and be exercised by the Trustee, to the extent permitted by law, without the appointment of a new or successor trustee.

Section 7.13 *Resignation of Agents*.

Any Agent may resign and be discharged from its duties under this Indenture at any time by giving thirty (30) days' prior written notice of such resignation to the Trustee and the Company. The Trustee or the Company may remove any Agent at any time by giving thirty (30) days' prior written notice to such Agent. Upon such notice, a successor Agent shall be appointed by the Company, who shall provide written notice of such to the Trustee. Such successor Agent shall become the Agent hereunder upon the resignation or removal date specified in such notice. If the Company is unable to replace the resigning Agent within thirty (30) days after such notice, the Agent shall deliver any funds then held hereunder in its possession to the Trustee or (i) such Agent may appoint as its successor Agent, any reputable and experienced financial institution acceptable to the Trustee or (ii) apply to a court of competent jurisdiction for the appointment of a successor Agent or for other appropriate relief. The costs and expenses (including its counsels' fees and expenses) incurred by the Agent in connection with such proceeding shall be paid by the Company. Upon receipt of the identity of the successor Agent, the Agent shall deliver any funds then held hereunder to the successor Agent, less the Agent's fees, costs and expenses or other obligations owed to the Agent. Upon its resignation and delivery of any funds, the Agent shall be discharged of and from any and all further obligations arising in connection with this Indenture, but shall continue to enjoy the benefit of Section 7.08.

Section 7.14 *Agents General Provisions*.

(a) The rights, powers, duties and obligations and actions of each Agent under this Indenture are several and not joint or joint and several.

(b) the Company and the Agents acknowledge and agree that in the event of a Default or Event of Default, the Trustee may, by notice in writing to the Company and the Agents, require that the Agents act as agents of, and take instructions exclusively from, the Trustee. Until they have received such written notice from the Trustee, the Agents shall act solely as agents of the Company and need have no concern for the interests of the Holders.

(c) In the event that instructions given to any Agent are not reasonably clear, then such Agent shall be entitled to seek clarification from the Company or other party entitled to give the Agents instructions under this Indenture. If an Agent has sought clarification in accordance with this Section 7.14(c), then such Agent shall be entitled to take no action until such clarification is provided, and shall not incur any liability for not taking any action pending receipt of such clarification.

(d) The Agents shall only have such duties as expressly set out in this Indenture.

(e) The Company shall provide the Agents with a certified list of authorized signatories.

Section 7.15 *Rights of Trustee in Other Roles*.

All rights, powers and indemnities contained in this Article 7 shall apply to the Trustee in its other roles hereunder (including, for the avoidance of doubt, in relation to the Security Documents and the Intercreditor Agreement) and to the Agents.

## ARTICLE 8
## LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01 *Option to Effect Legal Defeasance or Covenant Defeasance*.

The Company may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an Officer's Certificate, elect to have either Section 8.02 or 8.03 hereof be applied to all outstanding Notes upon compliance with the conditions set forth below in this Article 8.

Section 8.02 *Legal Defeasance and Discharge*.

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.02, the Company and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed to have been discharged from their Obligations with respect to all outstanding Notes (including the Note Guarantees) on the date the conditions set forth below are satisfied (hereinafter, "*Legal Defeasance*"). For this purpose, Legal Defeasance means that the Company and the Guarantors will be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes (including the Note Guarantees), which will thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 hereof and the other Sections of this Indenture referred to in clauses (1) and (2) below, and to have satisfied all their other obligations under such Notes, the Note Guarantees and this Indenture (and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following provisions which will survive until otherwise terminated or discharged hereunder:

(1) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, or interest or premium and Additional Amounts, if any, on, such Notes when such payments are due from the trust referred to in Section 8.04 hereof;

(2) the Company's Obligations with respect to such Notes under Article 2 and Section 4.02 hereof;

(3) the rights, powers, trusts, duties and immunities of the Trustee, the Security Agent, the Intercreditor Agent, the Paying Agent, the Registrar and the Transfer Agent hereunder and the Company's and the Guarantors' Obligations in connection therewith; and

(4) this Article 8.

Subject to compliance with this Article 8, the Company may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03 hereof.

Section 8.03 *Covenant Defeasance*.

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, the Company and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from each of their obligations under the covenants contained in Sections 4.07, 4.08, 4.09, 4.10, 4.11, 4.12, 4.13, 4.15, 4.16, 4.17, 4.18, 4.19 and 4.21 hereof and Section 5.01(a)(3) hereof with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 hereof are satisfied (hereinafter, "*Covenant Defeasance*"), and the Notes will thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes will not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes and Note Guarantees, the Company and the Guarantors may omit to comply with and will have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01 hereof, but, except as specified above, the remainder of this Indenture and such Notes and Note Guarantees will be unaffected thereby. In addition, upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, Sections 6.01(a)(3) through 6.01(a)(5) hereof will not constitute Events of Default.

Section 8.04 *Conditions to Legal or Covenant Defeasance*.

In order to exercise either Legal Defeasance or Covenant Defeasance under either Section 8.02 or 8.03 hereof:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, cash in U.S. dollars, non-callable U.S. Government Obligations, or a combination of cash in U.S. dollars and non-callable U.S. Government Obligations, in amounts as will be sufficient, in the opinion of an internationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, or interest and premium, and Additional Amounts, if any, on, the outstanding Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the
Company must specify whether the Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of an election under Section 8.02 hereof, the Company must deliver to the Trustee an Opinion of Counsel confirming that:

(A) the Company has received from, or there has been published by, the U.S. Internal Revenue Service a ruling; or

(B) since the date of this Indenture, there has been a change in the applicable U.S. federal income tax law,

in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the holders of the outstanding Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of such Legal Defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of an election under Section 8.03 hereof, the Company must deliver to the Trustee an Opinion of Counsel confirming that the holders of the outstanding Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of such Covenant Defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound;

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture) to which the Parent Guarantor, the Company or any of their respective Subsidiaries is a party or by which the Parent Guarantor, the Company or any of their Subsidiaries is bound;

(6) the Company must deliver to the Trustee an Officer’s Certificate of the Company stating that the deposit was not made by the Company with the intent of preferring the Holders over the other creditors of the Company with the intent of defeating, hindering, delaying or defrauding any creditors of the Company or others; and

(7) the Company must deliver to the Trustee an Officer’s Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

(8) The Trustee shall be entitled to its usual fees and, in addition, any fees and expenses incurred or charged by the Trustee and its counsel in connection with defeasance, satisfaction and discharge, and investment or custody services provided hereunder.

Section 8.05 *Deposited Money and U.S. Government Obligations to be Held in Trust; Other Miscellaneous Provisions*.

Subject to Section 8.06 hereof, all money and non-callable U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the “*Trustee*”) pursuant to Section 8.04 hereof in respect of the outstanding Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may determine, to the holders of such Notes of all sums due and to become due thereon in respect of principal, premium, and Additional Amounts, if any, and interest, but such money need not be segregated from other funds except to the extent required by law.

The Company will pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable U.S. Government Obligations deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the holders of the outstanding Notes.

Notwithstanding anything in this Article 8 to the contrary, the Trustee will deliver or pay to the Company from time to time upon the request of the Company any money or non-callable U.S. Government Obligations held by it as provided in Section 8.04 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(1) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06 *Repayment to Company*.

Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, premium or Additional Amounts, if any, or interest on, any Note and remaining unclaimed for two (2) years after such principal, premium, or Additional Amounts, if any, or interest has become due and payable shall be paid to the Company on its request or (if then held by the Company) will be discharged from such trust; and the holder of such Note will thereafter be permitted to look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, will thereupon cease; *provided*, *however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which will not be less than thirty (30) days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 8.07 *Reinstatement*.

If the Trustee or Paying Agent is unable to apply any U.S. dollars or non-callable U.S. Government Obligations in accordance with Section 8.02 or 8.03 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's and the Guarantors' obligations under this Indenture and the Notes and the Note Guarantees will be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.02 or 8.03 hereof, as the case may be; *provided*, *however*, that, if the Company makes any payment of principal of, premium or Additional Amounts, if any, or interest on, any Note following the reinstatement of its obligations, the Company will be subrogated to the rights of the holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

## ARTICLE 9
## AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01 *Without Consent of Holders of Notes*.

Notwithstanding Section 9.02 of this Indenture, the Company, the Guarantors, the Trustee, each Agent, the Security Agent and/or the Intercreditor Agent, as the case may be, may amend or supplement this Indenture, the Notes, the Note Guarantees, the Security Documents and/or the Intercreditor Agreement without the consent of any Holder:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(3) to provide for the assumption of the Company's or a Guarantor's Obligations under the Notes or the Note Guarantees in the case of a merger or consolidation or sale of all or substantially all of the Company's or such Guarantor's assets, as applicable;

(4) to make any change that would provide any additional rights or benefits to the Holders or that does not adversely affect the legal rights under this Indenture of any such Holder;

(5) to conform the text of the Notes, this Indenture, the Note Guarantees, the Security Documents or the Intercreditor Agreement to any provision of the "Description of Notes" section of the Offering Memorandum, to the extent that such provision in that "Description of Notes" section of the Offering Memorandum was intended to be a verbatim recitation of a provision of the Notes, this Indenture, the Note Guarantees, the Security Documents or the Intercreditor Agreement, which intent shall be evidenced by an Officer's Certificate of the Company to that effect;

(6) to provide for the issuance of Additional Notes in accordance with the limitations set forth in this Indenture as of the date of this Indenture;

(7) to make, complete or confirm any grant of Collateral permitted or required by this Indenture, the Security Documents or the Intercreditor Agreement; or

(8) to allow any Guarantor to execute a supplemental indenture and/or a Note Guarantee with respect to the Notes or to release any Guarantor from its Note Guarantee in accordance with the terms of this Indenture.

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon receipt by the Trustee of the documents described in Section 7.02 hereof, the Trustee, each Agent, the Security Agent (at the direction of the Trustee, subject to receipt of the documents described in Section 7.02(b)) and/or the Intercreditor Agent, (at the direction of the Trustee, subject to receipt of the documents described in Section 7.02(b)), as the case may be, will join with the Company and the Guarantors in the execution of any amended or supplemental indenture authorized or permitted by the terms of this Indenture and the Intercreditor Agreement and to make any further appropriate agreements and stipulations that may be therein contained, but neither the Trustee, the Security Agent, the Intercreditor Agent nor any Agent will be obligated to (although they may at their discretion) enter into such amended or supplemental indenture that affects their own rights, duties or immunities under this Indenture, the Intercreditor Agreement or otherwise.

Section 9.02 *With Consent of Holders of Notes.*

Except as provided below in this Section 9.02, the Company, the Trustee, each Agent, the Security Agent and/or the Intercreditor Agent, as the case may be, may amend or supplement this Indenture (including, without limitation, Section 3.09, 4.10 and 4.15 hereof) and the Notes, and the Company, the Guarantors, the Trustee and/or the Intercreditor Agent and/or the Security Agent, after they have acceded to this Indenture, as the case may be, may amend or supplement the Note Guarantees, the Security Documents and the Intercreditor Agreement with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes), and, subject to Section 6.04 and 6.07 hereof, any existing Default or Event of Default (other than a Default or Event of Default in the payment of the principal of, premium or Additional Amounts, if any, or interest on, the Notes, except a payment default resulting from an acceleration that has been rescinded) or compliance with any provision of this Indenture, the Notes, the Note Guarantees, the Security Documents or the Intercreditor Agreement may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes).

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon the filing with the Trustee of evidence satisfactory to the Trustee of the consent of the holders of Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 7.02, 9.06, 13.04 and 13.05 hereof, the Trustee, each Agent, the Security Agent (at the direction of the Trustee, subject to receipt of the documents described in Section 7.02(b)) and/or the Intercreditor Agent (at the direction of the Trustee, subject to receipt of the documents described in Section 7.02(b)), as the case may be, will join with the Company and the Guarantors in the execution of such amended or supplemental indenture authorized or permitted by the terms of this Indenture and the Intercreditor Agreement unless such amended or supplemental indenture directly affects the Trustee's, any Agent's, the Security Agent's or the Intercreditor Agent's or own rights, duties or immunities under this Indenture or the Intercreditor Agreement, as applicable, or otherwise, in which case the Trustee, each Agent, the Security Agent and/or the Intercreditor Agent (as the case may be) may in their discretion, but will not be obligated to, enter into such amended or supplemental indenture.

It is not be necessary for the consent of the Holders under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver, but it is sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Company will mail to the Holders of Notes affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Company to mail such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver. Subject to Sections 6.04 and 6.07 hereof, the Holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class may waive compliance in a particular instance by the Company with any provision of this Indenture or the Notes. However, without the consent of each Holder (including the Additional Notes) affected, an amendment, supplement or waiver under this Section 9.02 may not (with respect to any Notes (including the Additional Notes) held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of, premium, if any, or change the fixed maturity of any Note or alter the provisions with respect to the redemption of the Notes (except as provided above with respect to Sections 3.09, 4.10 and 4.15 hereof);

(3) reduce the rate of or change the time for payment of interest, including default interest, on any Note;

(4) waive a Default or Event of Default in the payment of principal of, or interest, premium or Additional Amounts, if any, on, the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any Note payable in money other than that stated in the Notes;

(6) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of, or interest, premium or Additional Amounts, if any, on, the Notes;

(7) waive a redemption payment with respect to any Note (other than a payment required by Sections 3.09, 4.10 or 4.15 hereof);

(8) release any Guarantor from any of its Obligations under its Note Guarantee or this Indenture, except in accordance with the terms of this Indenture;

(9) release the Collateral from the Liens securing the Notes or making any changes to the priority of the Liens under the Security Documents or the Intercreditor Agreement that would adversely affect the Holders, except in accordance with the terms of this Indenture, the applicable Security Documents or the Intercreditor Agreement; or

(10) make any change in the preceding amendment and waiver provisions.

For the avoidance of doubt, no amendment to or deletion of, or actions taken in compliance with, the covenants described under Article 4 shall be deemed to impair or affect any rights of Holders to receive payment of principal of, or premium, if any, or interest on, the Notes.

Section 9.03 *Supplemental Indenture*.

Every amendment or supplement to this Indenture or the Notes will be set forth in an amended or supplemental indenture.

Section 9.04 *Revocation and Effect of Consents*.

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder is a continuing consent by such Holder and every subsequent holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder or subsequent holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

Section 9.05 *Notation on or Exchange of Notes*.

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Company in exchange for all Notes may issue and the Trustee shall, upon receipt of an Authentication Order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

Section 9.06 *Trustee, Security Agent and Intercreditor Agent to Sign Amendments, etc.*

The Trustee, the Security Agent and/or the Intercreditor Agent, as the case may be, will sign any amended or supplemental indenture authorized pursuant to this Article 9 if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee, and/or the Security Agent and/or the Intercreditor Agent. The Company may not sign an amended or supplemental indenture until the Board of Directors of the Company approves it. In executing any amended or supplemental indenture, the Trustee, the Security Agent and/or the Intercreditor Agent will be entitled to receive security and/or indemnity to their reasonable satisfaction. The Trustee (subject to Section 7.01 hereof) will be fully protected in relying upon, in addition to the documents required by Section 13.04 hereof, an Officer's Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this Indenture, that the supplemental indenture is legal, valid, binding and enforceable against the Company in accordance with its terms and such other matters as the Trustee may request. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

## ARTICLE 10
## COLLATERAL AND SECURITY

Section 10.01 *Pledge of Collateral*.

The due and punctual payment of the principal of, and premium, interest and Additional Amounts, if any, on the Notes when and as the same shall be due and payable, whether on an interest payment date, at maturity, by acceleration, repurchase, redemption or otherwise, and interest on the overdue principal of and interest and Additional Amounts (to the extent permitted by law), if any, on the Notes and performance of all other obligations of the Company to the Holders of Notes or the Trustee, the Security Agent, the Intercreditor Agent and the Agents under this Indenture and the Notes according to the terms hereunder or thereunder, are secured as provided in the Security Documents, subject to the terms of the Intercreditor Agreement. Each Holder of Notes, by its acceptance thereof, consents and agrees to the terms of the Security Documents and the Intercreditor Agreement in effect or may be amended from time to time in accordance with its terms and authorizes and directs the Security Agent to enter into the Security Documents and the Intercreditor Agreement and to perform its obligations and exercise its rights thereunder in accordance therewith. The Company will deliver to the Trustee copies of all documents delivered to the Security Agent pursuant to the Security Documents and the Intercreditor Agreement, and the Company will, and the Company will cause each of its Restricted Subsidiaries to, do or cause to be done all such acts and things as may be required, to assure and confirm to the Trustee that the Security Agent holds, for the benefit of the Holders and the Trustee, duly created, enforceable and perfected Liens as contemplated hereby and by the Security Documents and the Intercreditor Agreement, so as to render the same available for the security and benefit of this Indenture and of the Notes secured hereby, according to the intent and purposes herein expressed. The Company will take, and will cause its Restricted Subsidiaries to take, upon request of the Trustee or Security Agent, any and all actions reasonably required to cause the Security Documents to create and maintain, as security for the Obligations of the Company hereunder, in respect of the Collateral, valid and enforceable perfected first priority Liens on all such Collateral, superior to and prior to the rights of all third parties and subject to no Liens other than the Permitted Liens. Certain provisions with respect to enforcement of security interests are set out in each of the Security Documents and the Intercreditor Agreement.

Section 10.02 *Security Agent and Intercreditor Agent*.

(a) On or about the Issue Date, the Security Agent and the Intercreditor Agent shall enter into a supplemental indenture substantially in the form attached hereto as Exhibit E pursuant to which it shall accede to this Indenture as Security Agent or Intercreditor Agent hereunder.

(b) Appointment of the Security Agent and the Intercreditor Agent and any resignation or replacement of the Security Agent or the Intercreditor Agent shall be made in accordance with the terms of the Intercreditor Agreement.

(c) The Security Agent agrees that it will hold the security interests in Collateral created under any Security Documents to which it is a party as contemplated by this Indenture and in accordance with the Intercreditor Agreement, and any and all proceeds thereof, for the benefit of, among others, itself, the Trustee and the Holders, without limiting the Security Agent’s rights including under Section 10.04, to act in preservation of the security interest in the Collateral. The Security Agent will take action or refrain from taking action in connection therewith only as directed by the Intercreditor Agent or the Trustee, in each case pursuant to the terms of this Indenture and the Intercreditor Agreement.

Section 10.03 *Release of Collateral and Certain Matters with Respect to Collateral*.

(a) Collateral may be released from the Liens and security interests created by the Security Documents at any time or from time to time in accordance with the provisions of the Security Documents, the Intercreditor Agreement and Section 10.06 of this Indenture. In connection therewith, and subject to the terms and conditions of the relevant Security Documents and the Intercreditor Agreement, upon the request of the Company pursuant to an Officer's Certificate certifying that all conditions precedent hereunder have been met, the Security Agent shall, at the expense of the Company, and the direction of the Trustee (subject to receipt of the documents described in Section 7.02(b)), execute, deliver or acknowledge any necessary or proper instruments of termination, satisfaction or release to evidence the release of any Collateral permitted to be released pursuant to this Indenture, the Intercreditor Agreement or the Security Documents. The Company hereby agrees that following the release of the Liens over the Note Interest Accrual Account in accordance with the provisions of the Security Documents, the Intercreditor Agreement and Section 10.06 of this Indenture, the Company shall, as soon as practicable, close the Note Interest Accrual Account, or pledge such account to the Security Agent for the benefit of the Secured Parties, it being understood that so long as such account remains open, in no event shall security interest be created over such account for the benefit of any Person other than the Secured Parties.

(b) The Intercreditor Agreement sets out the rights of the Company or the Guarantors upon the occurrence and during the continuance of a Default or Event of Default.

Section 10.04 *Authorization of Actions to Be Taken by the Trustee and the Security Agent and the Intercreditor Agent*.

(a) Subject to the provisions of Section 6.05, 7.01 and 7.02 and the terms of the Security Documents and the Intercreditor Agreement, the Trustee may (acting on the instruction of Holders holding at least 25% of the aggregate principal amount of the Notes), take all actions it deems necessary or appropriate, or direct, on behalf of the Holders, the Security Agent and/or the Intercreditor Agent to take all actions it deems necessary or appropriate, in order to:

(1) enforce any of the terms of the Security Documents or the Intercreditor Agreement; and

(2) collect and receive any and all amounts payable in respect of the Obligations of the Company hereunder.

(b) The Trustee will have power to institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Collateral by any acts that may be unlawful or in violation of the Security Documents, the Intercreditor Agreement or this Indenture, and such suits and proceedings as the Trustee may deem expedient to preserve or protect its interests and the interests of the Holders of Notes in the Collateral (including power to institute and maintain suits or proceedings to restrain the enforcement of or compliance with any legislative or other governmental enactment, rule or order that may be otherwise invalid if the enforcement of, or compliance with, such enactment, rule or order would impair the security interest hereunder or be prejudicial to the interests of the Holders of Notes or of the Trustee).

(c) With respect to any action authorized to be taken by the Security Agent or the Intercreditor Agent under this Indenture, the Security Agent or the Intercreditor Agent, as the case may be, may act (or refrain from acting) on the instruction of the Trustee unless the provision requiring such action expressly requires otherwise, to the extent such action or non-action is authorized and permitted under the Intercreditor Agreement and subject to Section 14.02(d).

Section 10.05 *Authorization of Receipt of Funds by the Trustee under the Security Documents*.

The Trustee is authorized to receive any funds for the benefit of the Holders of Notes distributed under the Security Documents and the Intercreditor Agreement, and to make further distributions of such funds to the Holders of Notes according to the provisions of this Indenture and the Intercreditor Agreement.

Section 10.06 *Termination of Security Interest*.

Subject to the terms of the Intercreditor Agreement, the Trustee shall, at the request and expense of the Company upon having provided the Trustee an Officer's Certificate (which shall certify, among other things, that all action under the relevant Security Document(s) with respect to the release of the security thereunder has been taken and the release of the Collateral complies with the terms of the relevant Security Document(s)) and Opinion of Counsel certifying compliance with this Section 10.06, execute and deliver a certificate to the Security Agent and the Intercreditor Agent releasing the relevant Collateral or other appropriate instrument evidencing such release (in the form provided by the Company):

(a) upon the full and final payment and performance of all Obligations of the Company under the Indenture and the Notes;

(b) upon the Legal Defeasance or satisfaction and discharge of the Notes as provided in Section 8.02 and Article 12 hereof;

(c) upon certain dispositions of the Collateral in compliance with either of the covenants entitled Section 4.10 or 5.01 (and in the latter instance, if such covenant authorizes such release);

(d) in the case of a Guarantor that is released from its Note Guarantee, pursuant to the terms of this Indenture, the Intercreditor Agreement;

(e) in connection with certain enforcement actions taken by the creditors under certain of the Company's and the Guarantors' secured Indebtedness (including the Notes and the Senior Secured Credit Facilities) in accordance with the Intercreditor Agreement; or

(f) as described under Article 9 hereof.

Section 10.07 *Note Interest Accrual Account*.

(a) The Company shall, as soon as practicable and in any event prior to December 30, 2016: (i) establish the Note Interest Accrual Account; (ii) effect the pledge of the Note Interest Accrual Account for the benefit of holders of the Notes; and (iii) substantially concurrently with such pledge, cause the delivery of customary opinion of counsel to the Trustee, in relation to such pledges, in form and substance satisfactory to the Trustee.

(b) Following the Issue Date, the Company will, on the 30th of each month (or the last day of February), deposit an amount that is not less than one-sixth of the aggregate amount of interest due on the Notes on the next interest payment date into the Note Interest Accrual Account so that at such interest payment date, the amount standing to the credit of the Note Interest Accrual Account is at least equal to the amount of interest due on the Notes on such interest payment date (and such aggregate amount will be applied in making such payment). The Security Agent will have a perfected security interest in the Note Interest Accrual Account and all dividends, instruments, cash and Cash Equivalents and other property, as applicable, on deposit in such account on an exclusive basis for the benefit of the Trustee and the holders of the Notes. The Security Agent will not have a Lien on the Note Interest Accrual Account and the cash and Cash Equivalents on deposit in such account for the benefit of the 2019 Notes Trustee, the holders of the 2019 Notes or the Senior Credit Facilities Finance Parties.

Section 10.08 *Further Actions*.

(a) The Company shall use its best efforts to take, or cause to be taken, all appropriate action, and to do or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the security over the Collateral as contemplated by the Security Documents and the Intercreditor Agreement, including, without limitation, (i) cooperating in the preparation of any required filings under the Security Documents and the Intercreditor Agreement, (ii) using best efforts to make all required filings, notifications, releases and applications and to obtain licenses, permits, consents, approvals, authorizations, qualifications and orders of governmental authorities and parties to contracts with the Company as are necessary for the grants of security contemplated by this Indenture, the Intercreditor Agreement and the Security Documents and to fulfill the conditions of the Security Documents including, without limitation, delivery of title deeds and all other documents of title relating to the Collateral secured by the Security Documents in the manner as provided for therein and in the Intercreditor Agreement, (iii) taking any and all action to perfect the security over the Collateral as contemplated by this Indenture, the Intercreditor Agreement and the Security Documents, (iv) cooperating in all respects with each other in connection with any investigation or other inquiry, including any proceeding initiated by any Person, in connection with the granting of security over the Collateral, (v) keeping the Trustee, the Security Agent and the Intercreditor Agent informed in all material respects of any material communication received by the Company from, or given by them to, any governmental authority or any other Person regarding any matters contemplated by the Security Documents and the Intercreditor Agreement or with respect to the Collateral, and (vi) permitting the Trustee, the Security Agent and the Intercreditor Agent to review any material communication given by the Company to any such governmental authority or any other Person.

(b) The Company will deliver to the Trustee, as soon as possible and in any event within thirty (30) days after the Issue Date, a copy of a shareholder resolution stamped by the Registrar of Corporate Affairs in the British Virgin Islands which amends the Memorandum of Association of each of the SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited and Studio City Holdings Four Limited. Each of the shareholder resolutions will evidence the (i) amendment of the current definition of "Senior Facilities Agreement" in clause 1.1 (Definitions and Interpretation) in the Memorandum of Association of the relevant company with a definition of "Senior Facilities Agreement" that will reflect the HK$10,855,880,000 Senior Term Loan and Revolving Facilities Agreement dated January 28, 2013 and made between, inter alia, Studio City Company Limited as the borrower, Deutsche Bank AG, Hong Kong Branch as agent, and other parties thereto (as from time to time amended, novated, supplemented, extended, replaced or restated, including without limitation as amended and restated by an amendment and restatement agreement dated November 23, 2016 entered into by, among others, Studio City Investments Limited as parent, Studio City Company Limited as borrower, Deutsche Bank AG, Hong Kong Branch as retiring agent, Bank of China Limited, Macau Branch as acceding agent and Industrial and Commercial Bank of China (Macau) Limited as security agent), and (ii) authorization and instruction of the registered agent of each of the companies described in this clause (b) of Section 10.08 to file the notice of amendment in respect of the amendment to the Memorandum of Association of each of such companies with the Registrar of Corporate Affairs in the British Virgin Islands.

Notwithstanding any other provision of this Indenture, none of the Trustee, the Security Agent or the Intercreditor Agent has any responsibility for the validity, perfection, priority or enforceability of any lien, Collateral, Security Documents or other security interest.

## ARTICLE 11
## NOTE GUARANTEES

Section 11.01 *Guarantee*.

(a) Each Guarantor hereby jointly and severally, irrevocably and unconditionally guarantees to each Holder and to the Trustee, successors and assigns (1) the full and punctual payment when due, whether at Stated Maturity, by acceleration, by redemption or otherwise, of all obligations of the Company under this Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of, interest, premium or Additional Amounts, if any, on the Notes and all other monetary obligations of the Company under this Indenture and the Notes and (2) the full and punctual performance within applicable grace periods of all other obligations of the Company whether for fees, expenses, indemnification or otherwise under this Indenture and the Notes (all the foregoing being hereinafter collectively called the "*Guaranteed Obligations*"). Each Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from each such Guarantor, and that each such Guarantor shall remain bound under this Article 11 notwithstanding any extension or renewal of any Guaranteed Obligation.

(b) Each Guarantor waives presentation to, demand of payment from and protest to the Company of any of the Guaranteed Obligations and also waives notice of protest for nonpayment. Each Guarantor waives notice of any default under the Notes or the Guaranteed Obligations. The obligations of each Guarantor hereunder shall not be affected by (1) the failure of any Holder or the Trustee to assert any claim or demand or to enforce any right or remedy against the Company or any other Person under this Indenture, the Notes or any other agreement or otherwise; (2) any extension or renewal of any thereof; (3) any rescission, waiver, amendment or modification of any of the terms or provisions of this Indenture, the Notes or any other agreement; (4) the release of any security held by any Holder or the Trustee for the Guaranteed Obligations or any of them; (5) the failure of any Holder or the Trustee to exercise any right or remedy against any other guarantor of the Guaranteed Obligations; or (6) any change in the ownership of such Subsidiary.

(c) Each Guarantor hereby waives any right to which it may be entitled to have its obligations hereunder divided among the Guarantors, such that such Guarantor's obligations would be less than the full amount claimed. Each Guarantor hereby waives any right to which it may be entitled to have the assets of the Company first be used and depleted as payment of the Company's or such Guarantor's obligations hereunder prior to any amounts being claimed from or paid by such Guarantor hereunder. Each Guarantor hereby waives any right to which it may be entitled to require that the Company be sued prior to an action being initiated against such Guarantor.

(d) Each Guarantor further agrees that its Note Guarantee herein constitutes a guarantee of payment, performance and compliance when due (and not a guarantee of collection) and waives any right to require that any resort be had by any Holder or the Trustee to any security held for payment of the Guaranteed Obligations.

(e) Except as expressly set forth in Sections 8.02, 11.02 and 11.08, the obligations of each Guarantor hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense of setoff, counterclaim, recoupment or termination whatsoever or by reason of the invalidity, illegality or unenforceability of the Guaranteed Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of each Guarantor herein shall not be discharged or impaired or otherwise affected by the failure of any Holder or the Trustee to assert any claim or demand or to enforce any remedy under this Indenture, the Notes or any other agreement, by any waiver or modification of any thereof, by any default, failure or delay, willful or otherwise, in the performance of the obligations, or by any other act or thing or omission or delay to do any other act or thing which may or might in any manner or to any extent vary the risk of any Guarantor or would otherwise operate as a discharge of any Guarantor as a matter of law or equity.

(f) Except as expressly set forth in Sections 8.02, 11.02 and 11.08, each Guarantor agrees that its Note Guarantee shall remain in full force and effect until payment in full of all the Guaranteed Obligations. Each Guarantor further agrees that its Note Guarantee herein shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of principal of or interest on any Guaranteed Obligation is rescinded or must otherwise be restored by any Holder or the Trustee upon the bankruptcy or reorganization of the Company or otherwise.

(g) In furtherance of the foregoing and not in limitation of any other right which any Holder or the Trustee has at law or in equity against any Guarantor by virtue hereof, upon the failure of the Company to pay the principal of or interest on any Guaranteed Obligation when and as the same shall become due, whether at maturity, by acceleration, by redemption or otherwise, or to perform or comply with any other Guaranteed Obligation, each Guarantor hereby promises to and shall, upon receipt of written demand by the Trustee, forthwith pay, or cause to be paid, in cash, to the Holders or the Trustee an amount equal to the sum of (1) the unpaid principal amount of such Guaranteed Obligations, (2) accrued and unpaid interest on such Guaranteed Obligations (but only to the extent not prohibited by law) and (3) all other monetary obligations of the Company to the Holders and the Trustee.

(h) Each Guarantor further agrees that, as between it, on the one hand, and the Holders and the Trustee, on the other hand, (1) the maturity of the Guaranteed Obligations guaranteed hereby may be accelerated as provided in Article 6 for the purposes of any Note Guarantee herein, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the Guaranteed Obligations guaranteed hereby, and (2) in the event of any declaration of acceleration of such Guaranteed Obligations as provided in Article 6, such Guaranteed Obligations (whether or not due and payable) shall forthwith become due and payable by such Guarantor for the purposes of Section 11.01.

(i) Each Guarantor also agrees to pay any and all costs and expenses (including attorneys' fees and expenses) incurred by the Trustee in enforcing any rights under Section 11.01.

(j) Upon request of the Trustee, each Guarantor shall execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purpose of this Indenture.

Section 11.02 *Limitation on Liability*.

Any term or provision of this Indenture to the contrary notwithstanding, the maximum aggregate amount of the Guaranteed Obligations guaranteed hereunder by any Guarantor shall not exceed the maximum amount that can be hereby guaranteed by the applicable Guarantor without rendering the Note Guarantee, as it relates to such Guarantor, voidable under applicable law relating to ultra vires, fraudulent conveyance, fraudulent transfer, corporate benefit, financial assistance or similar laws affecting the rights of creditors generally or other considerations under applicable law.

Section 11.03 *Successors and Assigns*.

This Article 11 shall be binding upon each Guarantor and its successors and assigns and shall inure to the benefit of the successors and assigns of the Trustee and the Holders and, in the event of any transfer or assignment of rights by any Holder or the Trustee, the rights and privileges conferred upon that party in this Indenture and in the Notes shall automatically extend to and be vested in such transferee or assignee, all subject to the terms and conditions of this Indenture.

Section 11.04 *No Waiver*.

Neither a failure nor a delay on the part of either the Trustee or the Holders in exercising any right, power or privilege under this Article 11 shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of any right, power or privilege. The rights, remedies and benefits of the Trustee and the Holders herein expressly specified are cumulative and not exclusive of any other rights, remedies or benefits which either may have under this Article 11 at law, in equity, by statute or otherwise.

Section 11.05 *Modification*.

No modification, amendment or waiver of any provision of this Article 11, nor the consent to any departure by any Guarantor therefrom, shall in any event be effective unless the same shall be in writing and signed by the Trustee, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on any Guarantor in any case shall entitle such Guarantor to any other or further notice or demand in the same, similar or other circumstances.

Section 11.06 *Execution of Supplemental Indenture for Future Guarantors*.

Each Restricted Subsidiary which is required to become a Guarantor pursuant to Section 4.17 shall promptly execute and deliver to the Trustee a supplemental indenture pursuant to which such Subsidiary shall become a Guarantor under this Article 11 and shall guarantee the Guaranteed Obligations. Concurrently with the execution and delivery of such supplemental indenture, the Company shall deliver to the Trustee an Opinion of Counsel and an Officer's Certificate to the effect that such supplemental indenture has been duly authorized, executed and delivered by such Restricted Subsidiary and that, subject to the application of bankruptcy, insolvency, moratorium, fraudulent conveyance or transfer and other similar laws relating to creditors' rights generally and to the principles of equity, whether considered in a proceeding at law or in equity, the Note Guarantee of such Guarantor is a legal, valid and binding obligation of such Guarantor, enforceable against such Guarantor in accordance with its terms and or to such other matters as the Trustee may reasonably request.

Section 11.07 *Non-Impairment*.

The failure to endorse a Note Guarantee on any Note shall not affect or impair the validity thereof.

Section 11.08 *Release of Guarantees*.

(a) Subject to paragraphs (b), (c) and (d), each Note Guarantee, once it becomes due, is a continuing guarantee and shall (i) remain in full force and effect until payment in full of all the Guaranteed Obligations, (ii) be binding upon each Guarantor and its successors and (iii) inure to the benefit of, and be enforceable by, the Trustee, the Holders and their successors, transferees and assigns.

(b) The Note Guarantee of the Parent Guarantor will be automatically and unconditionally released and discharged:

(1) if the Parent Guarantor is not the surviving entity in a sale of all or substantially all of the properties and assets of the Parent Guarantor in a transaction that complies with the provisions described under Section 5.01(a) (including, without limitation, compliance with the requirement that the surviving entity expressly assume, by a supplemental indenture, the Parent Guarantor's obligations under this Indenture, the applicable Notes, the Intercreditor Agreement and the Security Documents);

(2) upon legal defeasance or satisfaction and discharge of this Indenture as provided in Article 8 and Article 12 hereof.

(3) upon payment in full of the principal of, premium, if any, and accrued and unpaid interest on, the applicable Notes and all other Obligations that are then due and payable thereunder;

(4) in connection with certain enforcement actions taken by the creditors under certain of our secured Indebtedness (including the Notes and the Senior Secured Credit Facilities) in accordance with the Intercreditor Agreement; or

(5) as described under Article 9 hereof.

(c) The Note Guarantee of a Subsidiary Guarantor with respect to the Notes will be automatically and unconditionally released and discharged:

(1) in connection with any sale or other disposition of all or substantially all of the assets of that Subsidiary Guarantor (including by way of merger or, consolidation) to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor, if the sale or other disposition does not violate Sections 3.09 or 4.15 hereof;

(2) in connection with any sale or other disposition of the Capital Stock of that Subsidiary Guarantor to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor, if the sale or other disposition does not violate Sections 3.09 or 4.15 hereof and such Subsidiary Guarantor ceases to be a Restricted Subsidiary of the Parent Guarantor as a result of such sale or other disposition;

(3) if the Parent Guarantor designates any Restricted Subsidiary that is a Subsidiary Guarantor to be an Unrestricted Subsidiary in accordance with Section 4.18 hereof;

(4) upon Legal Defeasance or satisfaction and discharge of the Indenture as provided by Article 8 and 12 of this Indenture;

(5) upon payment in full of the principal of, premium, if any, and accrued and unpaid interest on, the Notes and all other Obligations that are then due and payable thereunder;

(6) upon the merger or consolidation of any Subsidiary Guarantor with and into the Company, the Parent Guarantor or a Wholly-Owned Subsidiary Guarantor (or a Wholly- Owned Restricted Subsidiary that becomes a Subsidiary Guarantor concurrently with the transaction) that is the surviving Person in such merger or consolidation, or upon the liquidation of such Subsidiary Guarantor following the transfer of all or substantially all of its assets to the Company, the Parent Guarantor or a Wholly-Owned Subsidiary Guarantor (or a Wholly-Owned Restricted Subsidiary that becomes a Subsidiary Guarantor concurrently with the transaction);

(7) in connection with certain enforcement actions taken by the creditors under certain of our secured Indebtedness (including the Notes and the Senior Secured Credit Facilities) in accordance with the Intercreditor Agreement; or

(8) as described under Article 9 hereof.

(d) Each Holder hereby authorizes the Trustee to take all actions to effectuate any release in accordance with the provisions of this Section 11.08, subject to customary and reasonably satisfactory protections and indemnifications provided by the Company to the Trustee.

## ARTICLE 12
## SATISFACTION AND DISCHARGE

Section 12.01 *Satisfaction and Discharge*.

This Indenture will be discharged and will cease to be of further effect as to all Notes issued hereunder, when:

(1) either:

(A) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust and thereafter repaid to the Company, have been delivered to the Trustee for cancellation; or

(B) all Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one (1) year and the Company has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable U.S. Government Obligations, or a combination of cash in U.S. dollars and non-callable U.S. Government Obligations, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes not delivered to the Trustee for cancellation for principal, premium and Additional Amounts, if any, and accrued interest to the date of maturity or redemption;

(2) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound;

(3) the Company or any Guarantor has paid or caused to be paid all sums payable by it under this Indenture; and

(4) the Company has delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at maturity or on the redemption date, as the case may be.

In addition, the Company must deliver an Officer's Certificate of the Company and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to sub clause (b) of clause (1) of this Section 12.01, the provisions of Sections 12.02 and 8.06 hereof will survive.

Section 12.02 *Application of Trust Money*.

Subject to the provisions of Section 8.06 hereof, all money deposited with the Trustee pursuant to Section 12.01 hereof shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium and Additional Amounts, if any) and interest for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any cash in U.S. dollars or non-callable U.S. Government Obligations in accordance with Section 12.01 hereof by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 12.01 hereof; *provided that* if the Company has made any payment of principal of, premium or Additional Amounts, if any, or interest on, any Notes because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Notes to receive such payment from the cash in U.S. dollars or non-callable U.S. Government Obligations held by the Trustee or Paying Agent.

## ARTICLE 13
## MISCELLANEOUS

Section 13.01 *[Intentionally Omitted]*.

Section 13.02 *Notices*.

Any notice or communication by the Company or the Trustee to the others is duly given if in writing, in the English language, and delivered in Person or by first class mail (registered or certified, return receipt requested), facsimile transmission or overnight air courier guaranteeing next day delivery, to the others' address:

If to the Company, the Parent Guarantor, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, SCP Holdings Limited, SCIP Holdings Limited, SCP One Limited and/or SCP Two Limited:

Jayla Place, Wickhams Cay I
Road Town, Tortola
British Virgin Islands

With a copy to:
Studio City (HK) Limited
36th Floor, The Centrium
60 Wyndham Street
Central, Hong Kong
Facsimile No.: +852 2537 3618
Attention: Company Secretary

If to Studio City Services Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and/or Studio City Developments Limited:
Rua de Évora, nos 199-207
Edifício Flower City
1° andar, A1, Taipa
Macau

With a copy to:
Studio City (HK) Limited
36th Floor, The Centrium
60 Wyndham Street
Central, Hong Kong
Facsimile No.: +852 2537 3618
Attention: Company Secretary

With a copy to: Ashurst Hong Kong
11/F Jardine House
1 Connaught Place
Central, Hong Kong
Facsimile No.: +852 2868 0898
Attention: Anna-Marie Slot

If to the Trustee, the Paying Agent, Registrar and Transfer Agent:
Deutsche Bank Trust Company Americas
60 Wall Street, 16th Floor
MS NYC60-1630
New York, NY 10005
United States

Facsimile No.: (732) 578-4635
Attention: Corporates Team – Studio City

With a copy to:
Deutsche Bank National Trust Company
for Deutsche Bank Trust Company Americas
100 Plaza One – 6th Floor
MS JCY03-0699
Jersey City, NJ 07311-3901
United States
Attention: Corporates Team – Studio City
Facsimile: (732) 578-4635

If to the Intercreditor Agent:
DB Trustees (Hong Kong) Limited
52/F, International Commerce Centre
1 Austin Road West, Kowloon
HONG KONG
Attn: The Directors
Facsimile: (852) 2203 7320
Email:loanagency.hkcsg@list.db.com

If to the Security Agent:
For loan administration matters:
Address: 18/F, ICBC Tower, Macau Landmark
555 Avenida da Amizade
Macau
Attention: Linda Chan / Selene Ren / Stephanie Guo
Telephone: +853 8398 2452 / 8398 2499 / 8398 2503
Fax: +853 2858 4496

For credit matters:
Address: 11/F, ICBC Tower, Macau Landmark
555 Avenida da Amizade
Macau
Attention: Alex Li / Eric Chan
Telephone: +853 8398 7313 / 8398 2118
Fax: +853 8398 2160

The Company, any Guarantor, the Trustee, the Security Agent, the Intercreditor Agent and any Agent, by notice to the others, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders) will be deemed to have been duly given: at the time delivered by hand, if personally delivered; five (5) Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if transmitted by facsimile; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery.

Any notice or communication to a Holder will be mailed by first class mail, certified or registered, return receipt requested, or by overnight air courier guaranteeing next day delivery to its address shown on the register kept by the Registrar. Failure to mail a notice or communication to a Holder or any defect in it will not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Company mails a notice or communication to Holders, it will mail a copy to the Trustee and each Agent at the same time.

Section 13.03 *Communication by Holders of Notes with Other Holders of Notes*.

Holders may communicate with other Holders with respect to their rights under this Indenture or the Notes.

Section 13.04 *Certificate and Opinion as to Conditions Precedent*.

Upon any request or application by the Company to the Trustee to take any action under this Indenture, the Company shall furnish to the Trustee:

(1) an Officer's Certificate in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.05 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and

(2) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.05 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied.

Section 13.05 *Statements Required in Certificate or Opinion*.

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture must include:

(1) a statement that the Person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(4) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

Section 13.06 *Rules by Trustee and Agents*.

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 13.07 *No Personal Liability of Directors, Officers, Employees and Stockholders*.

No past, present or future director, officer, employee, incorporator or stockholder of the Company or any Guarantor, as such, will have any liability for any obligations of the Company or the Guarantors under the Notes, this Indenture, the Security Documents, the Intercreditor Agreement or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

Section 13.08 *Governing Law*.

THE LAWS OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES AND THE NOTE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section 13.09 *No Adverse Interpretation of Other Agreements*.

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Company or its Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 13.10 *Successors*.

All agreements of the Company in this Indenture and the Notes will bind its successors. All agreements of the Trustee, the Security Agent, the Intercreditor Agent and each Agent in this Indenture will bind their respective successors. All agreements of each Guarantor in this Indenture will bind their respective successors, except as otherwise provided in Section 11.05 hereof.

Section 13.11 *Severability*.

In case any provision in this Indenture or in the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 13.12 *Counterpart Originals*.

The parties may sign any number of copies of this Indenture. Each signed copy will be an original, but all of them together represent the same agreement.

Section 13.13 *Table of Contents, Headings, etc.*

The Table of Contents, Cross-Reference Table and Headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and will in no way modify or restrict any of the terms or provisions hereof.

Section 13.14 *Patriot Act*.

In order to comply with the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including, without limitation, those relating to the funding of terrorist activities and money laundering, including Section 326 of the USA Patriot Act of the United States ("Applicable Law"), the Trustee, the Security Agent, the Intercreditor Agent, and Agents are required to obtain, verify, record and update certain information relating to individuals and entities which maintain a business relationship with the Trustee, the Security Agent, the Intercreditor Agent and Agents. Accordingly, each of the parties agree to provide to the Trustee, the Security Agent, the Intercreditor Agent and Agents, upon their request from time to time such identifying information and documentation as may be available for such party in order to enable the Trustee, the Security Agent, the Intercreditor Agent and Agents to comply with Applicable Law.

Section 13.15 *Submission to Jurisdiction; Waiver of Jury Trial*.

THE COMPANY AND EACH GUARANTOR HEREBY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK IN ANY SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THE COMPANY AND EACH GUARANTOR IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTE GUARANTEES, THE NOTES AND ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY IN FEDERAL AND STATE COURTS IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK AND IRREVOCABLY AND UNCONDITIONALLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH SUIT OR PROCEEDING IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE TRUSTEE OR ANY HOLDER OF THE NOTES TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST THE COMPANY IN ANY OTHER JURISDICTION. THE COMPANY AND EACH GUARANTOR IRREVOCABLY APPOINTS LAW DEBENTURE CORPORATE SERVICES INC., 4TH FLOOR, 400 MADISON AVENUE, NEW YORK, NEW YORK, 10017, AS ITS AUTHORIZED AGENT IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK UPON WHICH PROCESS MAY BE SERVED IN ANY SUCH SUIT OR PROCEEDING, AND AGREES THAT SERVICE OF PROCESS UPON SUCH AGENT, AND WRITTEN NOTICE OF SAID SERVICE TO THE COMPANY BY THE PERSON SERVING THE SAME TO THE ADDRESS PROVIDED IN SECTION 13.02, SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON THE COMPANY OR ANY GUARANTOR, AS THE CASE MAY BE, IN ANY SUCH SUIT OR PROCEEDING. THE COMPANY AND EACH GUARANTOR FURTHER AGREES TO TAKE ANY AND ALL ACTION AS MAY BE NECESSARY TO MAINTAIN SUCH DESIGNATION AND APPOINTMENT OF SUCH AGENT IN FULL FORCE AND EFFECT FOR SO LONG AS THE NOTES ARE OUTSTANDING FROM THE DATE OF THIS INDENTURE.

EACH PARTY HERETO HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS INDENTURE, THE NOTES, THE NOTE GUARANTEES, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION 13.15 HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS SHALL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, SUPPLEMENTS OR MODIFICATIONS TO (OR ASSIGNMENTS OF) THIS INDENTURE. IN THE EVENT OF LITIGATION, THIS INDENTURE MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL (WITHOUT A JURY) BY THE COURT.

## ARTICLE 14
## INTERCREDITOR ARRANGEMENTS

Section 14.01 *Intercreditor Agreement*.

The Indenture is entered into with the benefit of, and subject to the terms of, the Intercreditor Agreement and each Holder, by accepting a Note, shall be deemed to have agreed to, and accepted the terms and conditions of, the Intercreditor Agreement. The rights and benefits of the Holders, the Trustee, the Security Agent and the Intercreditor Agent (on their own behalf and on behalf of the Holders (as applicable)) are subject to the terms of the Intercreditor Agreement. To the extent any provision of the Intercreditor Agreement conflicts with the express provisions of this Indenture, the provisions of the Intercreditor Agreement shall govern and be controlling.

Section 14.02 *Additional Intercreditor Agreement*.

(a) At the request of the Company, at the time of, or prior to, the Incurrence of any Indebtedness that is permitted to share the Collateral or that is otherwise permitted to be incurred under this Indenture, the Company, the relevant Guarantors, the Trustee, the Security Agent and the Intercreditor Agent will (without the consent of Holders), to the extent authorized and permitted under the Intercreditor Agreement, enter into an Additional Intercreditor Agreement; *provided* that such Additional Intercreditor Agreement will not impose any personal obligations on the Trustee, the Security Agent or the Intercreditor Agent or adversely affect the rights, duties, liabilities or immunities of the Trustee, the Security Agent or the Intercreditor Agent under the Indenture or the Intercreditor Agreement.

(b) At the written direction of the Company and without the consent of the Holders, the Trustee, the Security Agent and the Intercreditor Agent, to the extent authorized and permitted under the Intercreditor Agreement, shall upon the written direction of the Company from time to time enter into one or more Additional Intercreditor Agreements to: (1) cure any ambiguity, omission, defect or inconsistency therein; (2) increase the amount of Indebtedness permitted to be incurred or issued under this Indenture of the types covered thereby that may be incurred by the Company or any Guarantors that is subject thereto (including the addition of provisions relating to new Indebtedness); (3) add Guarantors thereto; (4) further secure the Notes (including any Additional Notes); or (5) make any other such change thereto that does not adversely affect the rights of holders of the Notes in any material respect; *provided* that such Additional Intercreditor Agreement will not impose any personal obligations on the Trustee, the Security Agent or the Intercreditor Agent or adversely affect the rights, duties, liabilities or immunities of the Trustee, the Security Agent or the Intercreditor Agent under the Indenture or the Intercreditor Agreement.

(c) Each Holder, by accepting a Note, will be deemed to have agreed to and accepted the terms and conditions of each Intercreditor Agreement and Additional Intercreditor Agreement, to have authorized the Trustee, Intercreditor Agent and the Security Agent to become a party to any such Intercreditor Agreement, and Additional Intercreditor Agreement, and any amendment referred to in Section 9 and the Trustee, the Intercreditor Agent or the Security Agent will not be required to seek the consent of any Holders to perform their respective obligations under and in accordance with this Article 14.

(d) For the avoidance of doubt, the Intercreditor Agent will, subject to being indemnified or secured in accordance with this Indenture, take action or refrain from taking action in connection with this Indenture only as directed by the Trustee and subject to the Intercreditor Agreement.

[Signatures on following page]

SIGNATURES

Dated as of November 30, 2016

STUDIO CITY COMPANY LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY INVESTMENTS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOLDINGS TWO LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOLDINGS THREE LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

*[Signature Page – Indenture]*

STUDIO CITY HOLDINGS FOUR LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY ENTERTAINMENT LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY SERVICES LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOTELS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCP HOLDINGS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCIP HOLDINGS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOSPITALITY AND SERVICES LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCP ONE LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCP TWO LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY DEVELOPMENTS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

*[Signature Page – Indenture]*

STUDIO CITY RETAIL SERVICES LIMITED

By: /s/ Timothy Green Nauss

Name: Timothy Green Nauss

Title: Authorized Representative

*[Signature Page – Indenture]*

DEUTSCHE BANK TRUST COMPANY AMERICAS,
as Trustee
By: Deutsche Bank National Trust Company

By: /s/ ROBERT S.PESCHLER
Name: ROBERT S.PESCHLER
Title: VICE PRESIDENT

By: /s/ Annie Jaghatspanyan
Name: Annie Jaghatspanyan
Title: Vice President

DEUTSCHE BANK TRUST COMPANY AMERICAS,
as Paying Agent, Registrar and Transfer Agent
By: Deutsche Bank National Trust Company

By: /s/ ROBERT S.PESCHLER
Name: ROBERT S.PESCHLER
Title: VICE PRESIDENT

By: /s/ Annie Jaghatspanyan
Name: Annie Jaghatspanyan
Title: Vice President

*(Signature Page to the Indenture)*

EXHIBIT A

[Face of Note]

[*Insert the Global Note Legend, if applicable pursuant to the provisions of the Indenture*]

[*Insert the Private Placement Legend, if applicable pursuant to the provisions of the Indenture*]

**CUSIP:**
**ISIN:**
**COMMON CODE:**

7.250% Senior Secured Notes due 2021

No. ____ ___________

STUDIO CITY COMPANY LIMITED

Promises to pay to Cede & Co. or its registered assigns, the principal sum of __________ [*NUMBER IN WORDS*] on November 30, 2021.

Interest Payment Dates: May 30 and November 30

Record Dates: May 15 and November 15

Dated: ________________, 20__

IN WITNESS WHEREOF, the Company has caused this Note to be signed manually or by facsimile by the duly authorized officers referred to below.

Dated: ___________, 20__

STUDIO CITY COMPANY LIMITED, as Company

By: ________________________________________

Name:

Title:

**Certificate of Authentication**

This is one of the Notes referred to in the within-mentioned Indenture.

Dated: __________, 20__

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Authentication Agent for the Trustee

By: Deutsche Bank National Trust Company

By: ____________________________________________
Name:
Title:

[Back of Note]
STUDIO CITY COMPANY LIMITED
7.250% Senior Secured Notes due 2021

Capitalized terms used herein have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

(1) *INTEREST*. Studio City Company Limited, a BVI business company with limited liability incorporated under the laws of the British Virgin Islands (the "*Company*"), promises to pay interest on the principal amount of this Note at 7.250% per annum from __________, 20__ until maturity. The Company will pay interest and Additional Amounts, if any, semi-annually in arrears on May 30 and November 30 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each, an "*Interest Payment Date*"). Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; *provided that* if there is no existing Default in the payment of interest, and if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; *provided further* that the first Interest Payment Date shall be __________, 20__. The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, at the rate equal to 1% per annum in excess of the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Additional Amounts (without regard to any applicable grace period) at the same rate to the extent lawful. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

(2) *METHOD OF PAYMENT*. The Company will pay interest on the Notes (except defaulted interest) and Additional Amounts, if any, to the Persons who are registered Holders of Notes at the close of business on the May 15 or November 15 next preceding the Interest Payment Date, even if such Notes are canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes will be payable as to principal, premium, and Additional Amounts, if any, and interest at the office or agency of the Company maintained for such purpose within or without the City and State of New York, or, at the option of the Company, payment of interest and Additional Amounts, if any, may be made by check mailed to the Holders at their addresses set forth in the register of Holders; *provided that* payment by wire transfer of immediately available funds will be required with respect to principal of and interest, premium and Additional Amounts, if any, on, all Global Notes and all other Notes, the Holders of which will have provided wire transfer instructions to the Company or the Paying Agent, and shall so notify the Trustee and each Paying Agent thereof. Such payment will be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

(3) *PAYING AGENT AND REGISTRAR*. Initially, Deutsche Bank Trust Company Americas will act as Paying Agent, Registrar and Transfer Agent. The Company may change any Paying Agent, Transfer Agent or Registrar without notice to any Holder. The Parent Guarantor or any of its Subsidiaries may act in any such capacity.

(4) *INDENTURE, SECURITY DOCUMENTS AND INTERCREDITOR AGREEMENT*. The Company issued the Notes under an Indenture dated as of November 30, 2016 (the "*Indenture*") among the Company, each Guarantor, the Trustee, the Paying Agent, the Registrar and other persons from time to time party thereto. The terms of the Notes include those stated in the Indenture. The Notes are subject to all such terms, and Holders are referred to the Indenture for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are secured pursuant to the terms of the Indenture and the Security Documents referred to in the Indenture and subject to the terms of the Intercreditor Agreement referred to in the Indenture. The Indenture does not limit the aggregate principal amount of Notes that may be issued thereunder.

(5) *OPTIONAL REDEMPTION*.

(a) Except as set forth in subparagraphs (b), (c) and (d) of this Paragraph (5), the Company will not have the option to redeem the Notes prior to November 30, 2018. On or after November 30, 2018, the Company may redeem all or a part of the Notes upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest and Additional Amounts, if any, on the Notes redeemed to the applicable redemption date, if redeemed during the twelve-month period beginning on December 1 of the years indicated below, subject to the rights of Holders on the relevant record date to receive interest on the relevant interest payment date:

| Period | Redemption Price |
|---|---|
| Twelve-month period on or after November 30, 2018 | 103.625% |
| Twelve-month period on or after November 30, 2019 | 101.813% |
| Twelve-month period on or after November, 2020 | 100% |
| On November 30, 2021 | 100% |

Unless the Company defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(b) Notwithstanding the provisions of subparagraph (a) of this Paragraph (5), at any time prior to November 30, 2018, the Company may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes issued under the Indenture at a redemption price equal to 107.2500% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the redemption date (subject to the rights of the Holders on the relevant record date to receive interest on the relevant interest payment date), with the net cash proceeds of one or more Equity Offerings; *provided that* at least 65% in aggregate principal amount of the Notes originally issued under the Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption and that such redemption occurs within 45 days of the date of the closing of such Equity Offering.

(c) At any time prior to November 30, 2018, the Company may also redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' prior notice mailed by first-class mail to each Holder's registered address, at a redemption price equal to 100% of the principal amount of Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to the date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

(d) The Notes may also be redeemed in the circumstances described in Section 3.10 and 3.11 of the Indenture.

(6) *MANDATORY REDEMPTION.* The Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

(7) *REPURCHASE AT THE OPTION OF HOLDER.* The Notes may be subject to a Change of Control Offer, Special Put Option or an Asset Sale Offer, as further described in Sections 3.09, 3.12, 4.10 and 4.15 of the Indenture.

(8) *NOTICE OF REDEMPTION*. Notice of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction or discharge of the Indenture. Notes in denominations larger than US$200,000 may be redeemed in part but only in integral multiples of US$1,000 provided that the unredeemed part has a minimum denomination of US$200,000, unless all of the Notes held by a Holder are to be redeemed.

(9) *DENOMINATIONS, TRANSFER, EXCHANGE*. The Notes are in registered form without coupons in denominations of US$200,000 and integral multiples of US$1,000 in excess thereof. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar, the Transfer Agent and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a record date and the corresponding Interest Payment Date.

(10) *PERSONS DEEMED OWNERS*. The registered Holder may be treated as its owner for all purposes.

(11) *AMENDMENT, SUPPLEMENT AND WAIVER*. The Indenture, the Notes, the Note Guarantees, the Security Documents or the Intercreditor Agreement may be amended as set forth in the Indenture.

(12) *DEFAULTS AND REMEDIES*. The events listed in Section 6.01 of the Indenture shall constitute "*Events of Default*" for the purpose of this Note.

(13) *TRUSTEE DEALINGS WITH COMPANY*. The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

(14) *NO RECOURSE AGAINST OTHERS*. A director, officer, employee, incorporator or stockholder of the Company, as such, will not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes.

(15) *AUTHENTICATION*. This Note will not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

(16) *ABBREVIATIONS*. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(17) *CUSIP NUMBERS*. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes, and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption, and reliance may be placed only on the other identification numbers placed thereon.

(18) *GOVERNING LAW*. THE LAWS OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THE INDENTURE AND THIS NOTE WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to:

Studio City Company Limited
Jayla Place, Wickhams Cay I
Road Town, Tortola
British Virgin Islands
Attention: Company Secretary

With a copy to:
Studio City (HK) Limited
36th Floor, The Centrium
60 Wyndham Street
Central, Hong Kong
Facsimile No.: +852 2537 3618
Attention: Company Secretary

ASSIGNMENT FORM

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to:

______________________________________________ (Insert assignee's legal name)

______________________________________________

(Insert assignee's soc. sec. or tax I.D. no.)

______________________________________________

______________________________________________

______________________________________________

______________________________________________

(Print or type assignee's name, address and zip code)

and irrevocably appoint______________________________________ to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: __________

Your Signature: ______________________________

(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: ________________

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

*OPTION OF HOLDER TO ELECT PURCHASE*

If you want to elect to have this Note purchased by the Company pursuant to Section 3.12, 4.10 or 4.15 of the Indenture, check the appropriate box below:

☐ Section 3.12 ☐ Section 4.10 ☐ Section 4.15

If you want to elect to have only part of the Note purchased by the Company pursuant to Section 3.12, Section 4.10 or Section 4.15 of the Indenture, state the amount you elect to have purchased:

US$__________

Date: __________

Your Signature: ______________________________
(Sign exactly as your name appears on the face of this Note)

Tax Identification No.:

______________________________

Signature Guarantee*: ______________________________

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

| Date of Exchange | Amount of decrease in Principal Amount of this Global Note | Amount of increase in Principal Amount of this Global Note | Principal Amount of this Global Note following such decrease (or increase) | Signature of authorized officer of Trustee or Custodian |
| --- | --- | --- | --- | --- |

EXHIBIT B

**FORM OF CERTIFICATE OF TRANSFER**

[*Company address block*]

[*Registrar address block*]

Re: 7.250% Senior Secured Notes due 2021 of Studio City Company Limited

Reference is hereby made to the Indenture, dated as of November 30, 2016 (the "*Indenture*"), among Studio City Company Limited, as issuer (the "*Company*"), each Guarantor and Deutsche Bank Trust Company Americas, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_______________, (the "*Transferor*") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of US$___________ in such Note[s] or interests (the "*Transfer*"), to ___________________________ (the "*Transferee*"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. ☐ **<u>Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a Restricted Definitive Note pursuant to Rule 144A</u>**. The Transfer is being effected pursuant to and in accordance with Rule 144A under the Securities Act of 1933, as amended (the "*Securities Act*"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

2. ☐ **<u>Check if Transferee will take delivery of a beneficial interest in the Regulation S Global Note or a Restricted Definitive Note pursuant to Regulation S</u>**. The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the Restricted Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

3. ☐ **Check and complete if Transferee will take delivery of a beneficial interest in a Restricted Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S**. The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) ☐ such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;

or

(b) ☐ such Transfer is being effected to the Company or a subsidiary thereof;

or

(c) ☐ such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act.

4. ☐ Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note.

(a) ☐ **Check if Transfer is pursuant to Rule 144**. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(b) ☐ **Check if Transfer is Pursuant to Regulation S**. (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(c) ☐ **Check if Transfer is Pursuant to Other Exemption**. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

____________________________________

[Insert Name of Transferor]

By: ____________________________________

Name:

Title:

Dated: _______________

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP ___________), or

(ii) ☐ Regulation S Global Note (CUSIP ___________); or

(b) ☐ a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP ___________), or

(ii) ☐ Regulation S Global Note (CUSIP ___________), or

(iii) ☒ Unrestricted Global Note (CUSIP ___________); or

(b) ☐ a Restricted Definitive Note; or

(c) ☐ an Unrestricted Definitive Note,

in accordance with the terms of the Indenture.

EXHIBIT C

**FORM OF CERTIFICATE OF EXCHANGE**

[*Company address block*]

[*Registrar address block*]

Re: 7.250% Senior Secured Notes due 2021 of Studio City Company Limited

(CUSIP___________ )

Reference is hereby made to the Indenture, dated as of November 30, 2016 (the "*Indenture*"), among Studio City Company Limited, as issuer (the "*Company*"), each Guarantor and Deutsche Bank Trust Company Americas, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____________________, (the "*Owner*") owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of US$___________ in such Note[s] or interests (the "*Exchange*"). In connection with the Exchange, the Owner hereby certifies that:

1. **Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to beneficial interest in an Unrestricted Global Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the Securities Act of 1933, as amended (the "*Securities Act*"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Unrestricted Definitive Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in an Unrestricted Global Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) ☐ **Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. **Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Restricted Definitive Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture and the Securities Act.

(b) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in a Restricted Global Note**. In connection with the Exchange of the Owner's Restricted Definitive Note for a beneficial interest in the [CHECK ONE] 144A Global Note, Regulation S Global Note with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

______________________________
[Insert Name of Transferor]

By: __________________________
Name:
Title:

Dated: ________________________

EXHIBIT D

**FORM OF SUPPLEMENTAL INDENTURE**

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*") dated as of ________, among [name of New Guarantor[s]] (the "*New Guarantor*"), Studio City Company Limited, a BVI business company with limited liability incorporated under the laws of British Virgin Islands (the "*Company*") and Deutsche Bank Trust Company Americas, as Trustee (in such role, the "*Trustee*").

WITNESSETH:

WHEREAS the Company, the Trustee and each of the parties described above are parties to an Indenture, dated as of November 30, 2016, as amended (as amended, supplemented, waived or otherwise modified, the "*Indenture*"), providing for the issuance of the Company's 7.250% Senior Secured Notes due 2021;

WHEREAS, pursuant to Section 9.03 of the Indenture, each New Guarantor is required to execute a supplemental Indenture;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the New Guarantor, the Company, the Trustee and the other parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee. Pursuant to, and subject to the provisions of, Article 11 of the Indenture, [each][the] New Guarantor (which term includes each other New Guarantor that hereinafter guarantees the Notes pursuant to the terms of the Indenture) hereby unconditionally and irrevocably guarantees, jointly and severally with each other New Guarantor and all Guarantors, to each Holder and to the Trustee and their successors and assigns to the extent set forth in the Indenture and subject to the provisions thereof (a) the full and punctual payment when due, whether at Stated Maturity, by acceleration, by redemption or otherwise, of all obligations of the Company under the Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of, or interest, premium, if any, on, the Notes and all other monetary obligations of the Company under the Indenture and the Notes and (b) the full and punctual performance within applicable grace periods of all other obligations of the Company whether for fees, expenses, indemnification or otherwise under the Indenture and the Notes (all the foregoing being hereinafter collectively called the "Guaranteed Obligations"). [Each][The] New Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from such New Guarantor and that such New Guarantor[s] will remain bound under Article 11 of the Indenture, notwithstanding any extension or renewal of any Guaranteed Obligation.

The Guaranteed Obligations of [each][the] New Guarantor to the Holders of Notes and to the Trustee pursuant to the Indenture as supplemented hereby, are expressly set forth in Article 11 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee.

[*Relevant limitations imposed by local law analogous to Section 11.02 of the Indenture to be inserted, if and as applicable*].

3. Ratification of Indenture: Supplemental Indentures Part of Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and each Holder, by accepting the Notes whether heretofore or hereafter authenticated and delivered (a) agrees to and shall be bound by such provisions, (b) authorizes and directs the Trustee, on behalf of such Holder, to take such action as may be necessary or appropriate to effectuate the subordination as provided in the Indenture and (c) appoints the Trustee attorney-in-fact of such Holder for such purpose; *provided*, *however*, that [the][each] New Guarantor and each Guarantor shall be released from all its obligations with respect to this Guarantee in accordance with the terms of the Indenture, including Section 11.08 of the Indenture and upon any defeasance of the Notes in accordance with Article 8 of the Indenture.

4. Governing Law. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

5. Trustee Makes No Representation. The Trustee makes no representation as to the validity or sufficiency of this Supplemental Indenture. The recitals of fact contained herein shall be treated as statements of the other parties hereto and not the Trustee.

6. Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

7. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

[NAME OF NEW GUARANTOR], as New Guarantor,

By: ______________________________
Name:
Title:

STUDIO CITY COMPANY LIMITED, as Company

By: ______________________________
Name:
Title:

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Trustee

By: Deutsche Bank National Trust Company

By: ______________________________
Name:
Title:

EXHIBIT E

**FORM OF SUPPLEMENTAL INDENTURE FOR SECURITY AGENT AND INTERCREDITOR AGENT**

This SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of November 30, 2016, is made by Studio City Company Limited (the "*Company*"), Industrial and Commercial Bank of China (Macau) Limited, as the Security Agent (the "*Security Agent*"), DB Trustees (Hong Kong) Limited, as the Intercreditor Agent (the "*Intercreditor Agent*") and Deutsche Bank Trust Company Americas, as the Trustee ("*Trustee*"), under the Indenture referred to below.

WHEREAS, the Company has heretofore executed and delivered one or more global notes (each a "*Global Note*"), dated as of November 30 2016 providing for the issuance of an initial aggregate principal amount of US$850,000,000 of 7.250% Senior Secured Notes due 2021, pursuant to the terms of the Indenture dated as November 30, 2016 among the Company, the Parent Guarantor and the Trustee, among others (the "*Indenture*").

WHEREAS, the Indenture provides that under certain circumstances each of the Security Agent and the Intercreditor Agent shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Security Agent shall accede to the Indenture, as security agent, and the Intercreditor Agent shall accede to the Indenture, as intercreditor agent.

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

1. CAPITALIZED TERMS. Capitalized terms used in this Supplemental Indenture and not otherwise defined in this Supplemental Indenture shall have the meanings ascribed to them in the Indenture.

2. AGREEMENT TO ACCEDE. Each of the Security Agent and the Intercreditor Agent hereby agrees to accede, as security agent and intercreditor agent, respectively, to the Indenture on the terms and conditions set forth in this Supplemental Indenture and the Indenture. In particular connection with such accession, each of the Security Agent and the Intercreditor Agent agrees (a) to be bound by all of the covenants, stipulations, promises and agreements set forth in the Indenture that are applicable to the Security Agent or the Intercreditor Agent, as applicable and (b) to perform in accordance with its terms of the Indenture, all the terms of the Indenture required to be performed by the Security Agent or the Intercreditor Agent, as applicable.

3. NEW YORK LAW TO GOVERN. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

4. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

5. EFFECT OF HEADINGS. The section headings herein are for convenience only and shall not affect the construction hereof.

6. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity of sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Company.

7. RATIFICATION OF INDENTURE; ACCESSION AGREEMENT PART OF INDENTURE. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder heretofore or hereafter authenticated and delivered shall be bound hereby.

8. SUCCESSORS. All covenants and agreements in this Supplemental Indenture by the parties hereto shall bind their successors.

(*Signature page to follow*)

IN WITNESS WHEREOF, the parties have caused this Supplemental Indenture to the Indenture be duly executed and attested, as of the date first above written.

STUDIO CITY COMPANY LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY INVESTMENTS LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY HOLDINGS TWO LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY HOLDINGS THREE LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY HOLDINGS FOUR LIMITED

By: ______________________________
Name:
Title:

STUDIO CITY ENTERTAINMENT LIMITED

By: ____________________________
Name:
Title:

STUDIO CITY SERVICES LIMITED

By: ____________________________
Name:
Title:

STUDIO CITY HOTELS LIMITED

By: ____________________________
Name:
Title:

SCP HOLDINGS LIMITED

By: ____________________________
Name:
Title:

SCIP HOLDINGS LIMITED

By: ____________________________
Name:
Title:

STUDIO CITY HOSPITALITY AND SERVICES LIMITED

By: ______________________________

Name:

Title:

SCP ONE LIMITED

By: ______________________________

Name:

Title:

SCP TWO LIMITED

By: ______________________________

Name:

Title:

STUDIO CITY DEVELOPMENTS LIMITED

By: ______________________________

Name:

Title:

STUDIO CITY RETAIL SERVICES LIMITED

By: ______________________________

Name:

Title:

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED, as Security Agent,

By: ________________________________
Name:
Title:

DB TRUSTEES (HONG KONG) LIMITED, as Intercreditor Agent

By: ________________________________
Name:
Title:

STUDIO CITY COMPANY LIMITED, as Company

By: ________________________________
Name:
Title:

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Trustee

By: Deutsche Bank National Trust Company

By: ________________________________
Name:
Title:

By: ________________________________
Name:
Title:

EXHIBIT F

**FORM OF SOLVENCY CERTIFICATE**

Reference is hereby made to the Indenture, dated as of November 30, 2016, (as amended and supplemented by the applicable Supplemental Indenture and as may be further amended or supplemented from time to time, the "Indenture"), entered between, among others, Studio City Company Limited, as the issuer, Studio City Investments Limited (the "Parent Guarantor") and Deutsche Bank Trust Company Americas, as Trustee, Paying Agent, Transfer Agent and Registrar. Capitalized terms used but not defined herein shall have the meaning given to such terms in the Indenture.

[I][We], [___________ ], [Property Chief Financial Officer][the members of the Board of Directors] of the Parent Guarantor, solely in [my][our] capacity as [Property Chief Financial Officer][the members of the Board of Directors] of the Parent Guarantor and not in an individual capacity, do hereby confirm pursuant to Section 4.21(b)(2) of the Indenture, ___________(the "Grantor") will be Solvent after giving effect to the transaction related to the [amendment, extension, renewal, restatement, supplement, modification, release or replacement] of the [Security Document]. As used in this paragraph, the term "Solvent" means (i) either (a) the present fair market value (or present fair saleable value) of the assets of the Grantor is not less than the total amount required to pay the liabilities of the Grantor on its total existing debts and liabilities (including contingent liabilities that would need to be reflected as liabilities on the balance sheet pursuant to applicable accounting rules) as they become absolute and matured each as calculated in accordance applicable accounting rules relating to the Grantor, or (b) the value of the assets of the Parent Guarantor and its Subsidiaries (on a consolidated basis) is not less than the liabilities of the Parent Guarantor and its Subsidiaries (on a consolidated basis); and (ii) the Grantor is able to realize upon its assets and pay its debts and other liabilities, contingent obligations and commitments as they mature and become due in the normal course of business.

*[Signature Page Follows]*

By: ______________________________

Name:

Title: [Property Chief Financial Officer][The members of the Board of Directors] of the Parent Guarantor

EXHIBIT G

## SECURITY DOCUMENTS

### Part A Offshore Confirmatory Security

1. A composite deed of confirmatory security to be entered into (among others) by Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited and SCP Holdings Limited with respect to the following share charges, all dated 26 November 2013 (each as amended, novated, supplemented, extended, replaced or restated from time to time):

   (a) the charge over all present and future shares of Studio City Company Limited held by Studio City Investments Limited, granted by Studio City Investments Limited;

   (b) the charge over all present and future shares of Studio City Holdings Two Limited held by Studio City Company Limited, granted by Studio City Company Limited;

   (c) the charge over all present and future shares in Studio City Holdings Three Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited;

   (d) the charge over all present and future shares in Studio City Holdings Four Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited;

   (e) the charge over all present and future shares in SCP Holdings Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited;

   (f) the charge over all present and future shares in SCIP Holdings Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited;

   (g) the charge over all present and future shares in SCP One Limited held by SCP Holdings Limited, granted by SCP Holdings Limited; and

   (h) the charge over all present and future shares in SCP Two Limited held by SCP Holdings Limited, granted by SCP Holdings Limited;

2. A deed of confirmatory security to be entered into (among others) by Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited, with respect to the debenture dated 26 November 2013 entered into between, among others, Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited and the Security Agent.

3. A deed of confirmatory security to be entered into (among others) by Studio City Holdings Five Limited with respect to the debenture dated 18 September 2015 entered into between, among others, Studio City Holdings Five Limited and the Security Agent.

4. A composite deed of confirmatory security to be entered into (among others) by Studio City Company Limited, Studio City Investments Limited, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited with respect to the following charges over accounts, all dated 26 November 2013 (each as amended, novated, supplemented, extended, replaced or restated from time to time):

   (a) the charge over certain accounts of Studio City Company Limited held in the Hong Kong SAR, granted by Studio City Company Limited;

   (b) the charge over certain accounts of Studio City Investments Limited held in the Hong Kong SAR, granted by Studio City Investments Limited;

   (c) the charge over certain accounts of Studio City Developments Limited held in the Hong Kong SAR, granted by Studio City Developments Limited;

   (d) the charge over certain accounts of Studio City Entertainment Limited held in the Hong Kong SAR, granted by Studio City Entertainment Limited;

   (e) the charge over certain accounts of Studio City Hotels Limited held in the Hong Kong SAR, granted by Studio City Hotels Limited;

   (f) the charge over certain accounts of Studio City Services Limited held in the Hong Kong SAR, granted by Studio City Services Limited;

   (g) the charge over certain accounts of Studio City Hospitality and Services Limited held in the Hong Kong SAR, granted by Studio City Hospitality and Services Limited;

   (h) the charge over certain accounts of Studio City Retail Services Limited held in the Hong Kong SAR, granted by Studio City Retail Services Limited; and

   (i) the charge over certain accounts of SCIP Holdings Limited held in the Hong Kong SAR, granted by SCIP Holdings Limited.

**Part B**

**Confirmations and amendments for Onshore Security**

1. A composite confirmation to be entered into (among others) by Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Holdings Five Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited, SCIP Holdings Limited and Melco Crown (Macau) Limited with respect to the following Macau law security documents:

   (a) the power of attorney granted by Studio City Developments Limited dated 26 November 2013 supplementing the mortgage over its rights under the Amended Land Concession;

   (b) the promissory note issued by Studio City Company Limited dated 26 November 2013 and endorsed by Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCP One Limited, SCP Two Limited, Studio City Developments Limited, Studio City Retail Services Limited and SCIP Holdings Limited (the “**Livrança**”);

(c) the covering letter dated 26 November 2013 in relation to the Livrança from Studio City Company Limited and acknowledged by Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCP One Limited, SCP Two Limited, Studio City Developments Limited, Studio City Retail Services Limited and SCIP Holdings Limited;

(d) the assignment of the Services and Right to Use Agreement granted by Studio City Entertainment Limited dated 26 November 2013;

(e) the assignment of the Reimbursement Agreement granted by Studio City Entertainment Limited dated 26 November 2013;

(f) the direct agreement in relation to (i) the Services and Right to Use Agreement; and (ii) the Reimbursement Agreement, granted by Studio City Company Limited, Studio City Entertainment Limited, Studio City Developments Limited, Studio City Hotels Limited, Melco Crown (Macau) Limited and Studio City Holdings Five Limited dated 26 November 2013;

(g) the pledge over all present and future shares of Studio City Entertainment Limited held by Studio City Holdings Three Limited and Studio City Holdings Four Limited granted by Studio City Holdings Three Limited and Studio City Holdings Four Limited dated 26 November 2013;

(h) the power of attorney granted by Studio City Holdings Three Limited dated 18 September 2015 regarding all its present and future shares in Studio City Entertainment Limited;

(i) the power of attorney granted by Studio City Holdings Four Limited dated 18 September 2015 regarding all its present and future shares in Studio City Entertainment Limited;

(j) the pledge over the share in Studio City Entertainment Limited held by Studio City Holdings Five Limited granted by Studio City Holdings Five Limited dated 18 September 2015;

(k) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Entertainment Limited;

(l) the pledge over all present and future shares in Studio City Hotels Limited held by Studio City Holdings Three Limited and Studio City Holdings Four Limited, granted by Studio City Holdings Three Limited and Studio City Holdings Four Limited dated 26 November 2013;

(m) the power of attorney granted by Studio City Holdings Three Limited dated 18 September 2015 regarding all its present and future shares in Studio City Hotels Limited;

(n) the power of attorney granted by Studio City Holdings Four Limited dated 18 September 2015 regarding all its present and future shares in Studio City Hotels Limited;

(o) the pledge over the share in Studio City Hotels Limited held by Studio City Holdings Five Limited, granted by Studio City Holdings Five Limited dated 18 September 2015;

(p) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Hotels Limited;

(q) the pledge over all present and future shares in Studio City Developments Limited held by SCP Holdings Limited, SCP One Limited and SCP Two Limited, granted by SCP Holdings Limited, SCP One Limited and SCP Two Limited dated 26 November 2013;

(r) the power of attorney granted by SCP Holdings Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited;

(s) the power of attorney granted by SCP One Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited;

(t) the power of attorney granted by SCP Two Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited;

(u) the pledge over the share in Studio City Developments Limited held by Studio City Holdings Five Limited, granted by Studio City Holdings Five Limited dated 18 September 2015;

(v) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Developments Limited;

(w) the pledge over all present and future shares in Studio City Retail Services Limited held by Studio City Services Limited and Studio City Hospitality and Services Limited, granted by Studio City Services Limited and Studio City Hospitality and Services Limited dated 26 November 2013;

(x) the pledge over all present and future shares in Studio City Hospitality and Services Limited held by Studio City Services Limited, granted by Studio City Services Limited dated 26 November 2013;

(y) the pledge over all present and future shares of Studio City Services Limited held by Studio City Company Limited and Studio City Holdings Two Limited, granted by Studio City Company Limited and Studio City Holdings Two Limited dated 26 November 2013;

(z) the pledge over accounts granted by Melco Crown (Macau) Limited and Studio City Entertainment Limited, over (i) accounts of Melco Crown (Macau) Limited in respect of the Service and Right to Use Agreement and (ii) the Trust Account (as defined in the Service and Right to Use Agreement) dated 26 November 2013;

(aa) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 to terminate certain preference right agreements pursuant to which Studio City Holdings Five Limited was given preference in the acquisition of certain shares and the assignment of the interest in the Amended Land Concession;

(bb) the floating charge over substantially all assets of Studio City Developments Limited, granted by Studio City Developments Limited dated 26 November 2013;

(cc) the floating charge over substantially all assets of Studio City Entertainment Limited, granted by Studio City Entertainment Limited dated 26 November 2013;

(dd) the floating charge over substantially all assets of Studio City Services Limited, granted by Studio City Services Limited dated 26 November 2013;

(ee) the floating charge over substantially all assets of Studio City Hospitality and Services Limited, granted by Studio City Hospitality and Services Limited dated 26 November 2013;

(ff) the floating charge over substantially all assets of Studio City Hotels Limited, granted by Studio City Hotels Limited dated 26 November 2013; and

(gg) the floating charge over substantially all assets of Studio City Retail Services Limited, granted by Studio City Retail Services Limited dated 26 November 2013.

2. A confirmation to be entered into (among others) by Studio City Developments Limited with respect to the mortgage granted by Studio City Developments Limited over its rights under the Amended Land Concession dated 26 November 2013.

3. A composite amendment and confirmation to be entered into (among others) by Studio City Company Limited, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited with respect to the following pledges over onshore accounts:

(a) the pledge over certain onshore accounts of Studio City Company Limited held in the Macau SAR, granted by Studio City Company Limited dated 26 November 2013;

(b) the pledge over certain onshore accounts of Studio City Developments Limited held in the Macau SAR, granted by Studio City Developments Limited dated 26 November 2013;

(c) the pledge over certain onshore accounts of Studio City Entertainment Limited held in the Macau SAR, granted by Studio City Entertainment Limited dated 26 November 2013;

(d) the pledge over certain onshore accounts of Studio City Hotels Limited held in the Macau SAR, granted by Studio City Hotels Limited dated 26 November 2013;

(e) the pledge over certain onshore accounts of Studio City Services Limited held in the Macau SAR, granted by Studio City Services Limited dated 26 November 2013;

(f) the pledge over certain onshore accounts of Studio City Hospitality and Services Limited held in the Macau SAR, granted by Studio City Hospitality and Services Limited dated 26 November 2013;

(g) the pledge over certain onshore accounts of Studio City Retail Services Limited held in the Macau SAR, granted by Studio City Retail Services Limited dated 26 November 2013; and

(h) the pledge over certain onshore accounts of SCIP Holdings Limited held in the Macau SAR, granted by SCIP Holdings Limited dated 26 November 2013.

4. A composite amendment and confirmation to be entered into (among others) by Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and Studio City Developments Limited with respect to the following assignments of leases and right of use agreements:

(a) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Developments Limited;

(b) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Entertainment Limited;

(c) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Hotels Limited;

(d) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Services Limited;

(e) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Hospitality and Services Limited; and

(f) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Retail Services Limited.

**Exhibit 4.13**

**EXECUTION VERSION**

SUPPLEMENTAL INDENTURE

This SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of November 30, 2016, is made by Studio City Company Limited (the "*Company*"), Industrial and Commercial Bank of China (Macau) Limited, as the Security Agent (the "*Security Agent*"), DB Trustees (Hong Kong) Limited, as the Intercreditor Agent (the "*Intercreditor Agent*") and Deutsche Bank Trust Company Americas, as the Trustee ("*Trustee*"), under the Indenture referred to below.

WHEREAS, the Company has heretofore executed and delivered one or more global notes (each a "*Global Note*"), dated as of November 30, 2016 providing for the issuance of an initial aggregate principal amount of US$850,000,000 of 7.250% Senior Secured Notes due 2021, pursuant to the terms of the Indenture dated as November 30, 2016 among the Company, the Parent Guarantor and the Trustee, among others (the "*Indenture*").

WHEREAS, the Indenture provides that under certain circumstances each of the Security Agent and the Intercreditor Agent shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Security Agent shall accede to the Indenture, as security agent, and the Intercreditor Agent shall accede to the Indenture, as intercreditor agent.

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

1. CAPITALIZED TERMS. Capitalized terms used in this Supplemental Indenture and not otherwise defined in this Supplemental Indenture shall have the meanings ascribed to them in the Indenture.

2. AGREEMENT TO ACCEDE. Each of the Security Agent and the Intercreditor Agent hereby agrees to accede, as security agent and intercreditor agent, respectively, to the Indenture on the terms and conditions set forth in this Supplemental Indenture and the Indenture. In particular connection with such accession, each of the Security Agent and the Intercreditor Agent agrees (a) to be bound by all of the covenants, stipulations, promises and agreements set forth in the Indenture that are applicable to the Security Agent or the Intercreditor Agent, as applicable and (b) to perform in accordance with its terms of the Indenture, all the terms of the Indenture required to be performed by the Security Agent or the Intercreditor Agent, as applicable.

3. NEW YORK LAW TO GOVERN. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

4. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

5. EFFECT OF HEADINGS. The section headings herein are for convenience only and shall not affect the construction hereof.

6. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity of sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Company.

7. RATIFICATION OF INDENTURE; ACCESSION AGREEMENT PART OF INDENTURE. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder heretofore or hereafter authenticated and delivered shall be bound hereby.

8. SUCCESSORS. All covenants and agreements in this Supplemental Indenture by the parties hereto shall bind their successors.

(*Signature page to follow*)

IN WITNESS WHEREOF, the parties have caused this Supplemental Indenture to the Indenture be duly executed and attested, as of the date first above written.

STUDIO CITY COMPANY LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY INVESTMENTS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOLDINGS TWO LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOLDINGS THREE LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOLDINGS FOUR LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY ENTERTAINMENT LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY SERVICES LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY HOTELS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCP HOLDINGS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCIP HOLDINGS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

*[Signature Page - Supplemental Indenture]*

STUDIO CITY HOSPITALITY AND SERVICES LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCP ONE LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

SCP TWO LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY DEVELOPMENTS LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

STUDIO CITY RETAIL SERVICES LIMITED

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Representative

*[Signature Page - Supplemental Indenture]*

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED, as Security Agent,

By: /s/ Lui Kwok Tai
Name: Lui Kwok Tai
Title:

By: /s/ Yang Peng
Name: Yang Peng
Title:

DB TRUSTEES (HONG KONG) LIMITED, as Intercreditor Agent

By: /s/ Howard Hao-Jan Yu
Name: Howard Hao-Jan Yu
Title: Authorised Signatory

By: /s/ James Connell
Name: James Connell
Title: Vice President

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Trustee

By: Deutsche Bank National Trust Company

By: /s/ ROBERT S. PESCHLER
Name: ROBERT S. PESCHLER
Title: VICE PRESIDENT

By: /s/ Annie Jaghatspanyan
Name: Annie Jaghatspanyan
Title: Vice President

*[Signature Page - Supplemental Indenture]*

SECOND SUPPLEMENTAL INDENTURE

SECOND SUPPLEMENTAL INDENTURE (this "*Second Supplemental Indenture*") dated as of July 30, 2018 among Studio City (HK) Two Limited (the "New Guarantor"), Studio City Company Limited, a BVI business company with limited liability incorporated under the laws of British Virgin Islands (the "*Company*"), Studio City Investments Limited (the "*Parent Guarantor*"), certain subsidiaries of the Parent Guarantor (the "*Subsidiary Guarantors*" and , together with the Parent Guarantor and the New Guarantor, the "*Guarantors*") and Deutsche Bank Trust Company Americas, as Trustee (in such role, the "*Trustee*").

WITNESSETH:

WHEREAS the Company, the Trustee and each of the parties described above are parties to an Indenture, dated as of November 30, 2016, as amended (as amended, supplemented, waived or otherwise modified, the "*Indenture*"), providing for the issuance of the Company's 7.250% Senior Secured Notes due 2021;

WHEREAS, pursuant to Sections 4.l7(a)(l) and 9.03 of the Indenture, the New Guarantor is required to execute a supplemental Indenture;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged , the New Guarantor, the Company, the Trustee and the other parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee. Pursuant to, and subject to the provisions of, Article 11 of the Indenture, the New Guarantor (which term includes each other New Guarantor that hereinafter guarantees the Notes pursuant to the terms of the Indenture) hereby unconditionally and irrevocably guarantees, jointly and severally with each other Guarantor, to each Holder and to the Trustee and their successors and assigns to the extent set forth in the Indenture and subject to the provisions thereof (a) the full and punctual payment when due, whether at Stated Maturity, by acceleration, by redemption or otherwise, of all obligations of the Company under the Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of, or interest, premium, if any, on, the Notes and all other monetary obligations of the Company under the Indenture and the Notes and (b) the full and punctual performance within applicable grace periods of all other obligations of the Company whether for fees, expenses, indemnification or otherwise under the Indenture and the Notes (all the foregoing being hereinafter collectively called the "Guaranteed Obligations"). The New Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from such New Guarantor and that such New Guarantor will remain bound under Article 11 of the Indenture, notwithstanding any extension or renewal of any Guaranteed Obligation.

The Guaranteed Obligations of the New Guarantor to the Holders of Notes and to the Trustee pursuant to the Indenture as supplemented hereby, are expressly set forth in Article 11 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee.

3. Ratification of Indenture: Supplemental Indentures Part of Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Second Supplemental Indenture shall form a part of the Indenture for all purposes, and each Holder, by accepting the Notes whether heretofore or hereafter authenticated and delivered (a) agrees to and shall be bound by such provisions, (b) authorizes and directs the Trustee, on behalf of such Holder, to take such action as may be necessary or appropriate to effectuate the subordination as provided in the Indenture and (c) appoints the Trustee attorney-in-fact of such Holder for such purpose; provided, however, that each Guarantor shall be released from all its obligations with respect to this Guarantee in accordance with the terms of the Indenture, including Section 11.08 of the Indenture and upon any defeasance of the Notes in accordance with Article 8 of the Indenture.

4. Governing Law. **THIS SECOND SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

5. Trustee Makes No Representation. The Trustee makes no representation as to the validity or sufficiency of this Second Supplemental Indenture. The recitals of fact contained herein shall be treated as statements of the other parties hereto and not the Trustee.

6. Counterparts. The parties may sign any number of copies of this Second Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

7. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction thereof.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed as of the date first above written.

STUDIO CITY (HK) TWO LIMITED, as New Guarantor,

By: /s/ Stephanie Cheung
Name: Stephanie Cheung
Title: Sole Director

STUDIO CITY COMPANY LIMITED, as Company,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY INVESTMENTS LIMITED, as Parent Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY HOLDINGS TWO LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

*[Signature Page to the 2021 Notes Second Supplemental Indenture]*

STUDIO CITY HOLDINGS THREE LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY HOLDINGS FOUR LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY ENTERTAINMENT LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY SERVICES LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

*[Signature Page to the 2021 Notes Second Supplemental Indenture]*

STUDIO CITY HOTELS LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

SCP HOLDINGS LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

SCIP HOLDINGS LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY HOSPITALITY AND SERVICES LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

SCP ONE LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

*[Signature Page to the 2021 Notes Second Supplemental Indenture]*

SCP TWO LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY DEVELOPMENTS LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

STUDIO CITY RETAIL SERVICES LIMITED, as Subsidiary Guarantor,

By: /s/ Timothy Green Nauss
Name: Timothy Green Nauss
Title: Authorized Signatory

*[Signature Page to the 2021 Notes Second Supplemental Indenture]*

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Trustee,
By: Deutsche Bank National Trust Company

By: /s/ Chris Niesz
Name: Chris Niesz
Title: Vice President

By: /s/ Debra A. Schwalb
Name: Debra A. Schwalb
Title: Vice President

*[Signature Page to the 2021 Notes Second Supplemental Indenture]*

**Exhibit 4.15**

**EXECUTION VERSION**

WHITE & CASE

**Dated 23 November 2016**

# Amendment and Restatement Agreement

in respect of the HKD10,855,880,000 Senior Secured Term Loan and Revolving Facilities Agreement originally dated 28 January 2013 (as amended and restated from time to time)

between

**Studio City Investments Limited**
as Parent

**Studio City Company Limited**
as Borrower

**Deutsche Bank AG, Hong Kong Branch**
as Retiring Agent

**Bank of China Limited, Macau Branch**
as Acceding Agent

**Industrial and Commercial Bank of China (Macau) Limited**
as Security Agent

and others

White & Case
9th Floor Central Tower
28 Queen's Road Central
Hong Kong

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**This Agreement** is dated 23 November 2016 and made

**Between:**

(1) **Studio City Investments Limited**, a BVI business company incorporated with limited liability under the laws of the British Virgin Islands (registered number 1673083), whose registered office is at Jayla Place, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands (the "**Parent**");

(2) **Studio City Company Limited**, a BVI business company incorporated with limited liability under the laws of the British Virgin Islands (registered number 1673603), whose registered office is at Jayla Place, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands (the "**Borrower**");

(3) **The Subsidiaries of the Borrower** listed on the signing pages as Guarantors (together with the Parent and the Borrower, the "**Obligors**");

(4) **Deutsche Bank AG, Hong Kong Branch** in its capacity as Agent of the other Finance Parties under the Facilities Agreement (the "**Retiring Agent**");

(5) **Bank of China Limited, Macau Branch** in its capacity as a Term Loan Facility Lender under the Facilities Agreement (the "**Continuing Lender**");

(6) **Industrial and Commercial Bank of China (Macau) Limited** in its capacity as agent and security trustee for the Secured Parties under the Facilities Agreement (the "**Security Agent**");

(7) **Industrial and Commercial Bank of China (Macau) Limited** in its capacity as POA agent under the Facilities Agreement (the "**POA Agent**");

(8) **Bank of China Limited, Macau Branch** in its capacity as accepting the role of "Agent" of the other Finance Parties under the Amended and Restated Facilities Agreement (the "**Acceding Agent**");

(9) **Bank of China Limited, Macau Branch**, **Deutsche Bank AG, Hong Kong Branch**, and **Industrial and Commercial Bank of China (Macau) Limited** in their respective capacities as bookrunner mandated lead arrangers (the "**Bookrunner Mandated Lead Arrangers**" and each a "**Bookrunner Mandated Lead Arranger**");

(10) **Industrial and Commercial Bank of China (Macau) Limited** in its capacity as disbursement agent for the agent under the Term Loan Facility Disbursement Agreement (the "**Disbursement Agent**"); and

(11) **Bank of China Limited, Macau Branch** in its capacity as issuing bank (the "**Issuing Bank**").

**Whereas:**

(A) Certain of the parties hereto (among others) have entered into a HKD 10,855,880,000 Senior Secured Term Loan and Revolving Facilities Agreement originally dated 28 January 2013 (as amended and restated from time to time) (the "**Facilities Agreement**").

(B) The Borrower proposes to issue the Senior Secured 2019 Notes (as defined below) and the Senior Secured 2021 Notes (as defined below) to partially refinance the amounts outstanding under the Facilities Agreement and will on or about the date of this Agreement deliver, prepayment and cancellation notices to the Retiring Agent in accordance with clauses 9.4 (*Voluntary prepayment*) and 9.3 (*Voluntary cancellation*) of the Facilities Agreement to prepay the Facilities in full (subject to the waiver referred to below) and to cancel the Available Commitments in full (each, a "**Prepayment Notice**").

(C) The Continuing Lender has agreed to waive its right to receive a full *pro rata* share of the Term Loan Facility Loan to be prepaid pursuant to the Prepayment Notice delivered to it and will remain a Term Loan Facility Lender under the Facilities Agreement in respect of a participation in the amount of HKD 1,000,000 in the Term Loan Facility Loan (which amount shall be the total amount of the Term Loan Facility Loan and the Continuing Lender shall be the only Lender under the Facilities Agreement immediately after the Facilities are otherwise fully prepaid and cancelled in accordance with the Prepayment Notice).

(D) The Parent and the Borrower have requested that the Facilities Agreement be amended and restated as contemplated by this Agreement and the Continuing Lender has authorised and instructed the Retiring Agent to consent to the making of those amendments, subject to the terms and conditions of this Agreement.

(E) The Parent and the Borrower have requested that certain Transaction Security be released in conjunction with, among other things, the making of the amendments referred to in Recital (C) above and the Continuing Lender has authorised and instructed the Security Agent to release such Transaction Security, subject to the terms and conditions of this Agreement.

(F) Subject to the terms and conditions of this Agreement (and notwithstanding the requirements of clauses 28.12 (*Resignation of the Agent*) and 28.13 (*Replacement of the Agent*) of the Facilities Agreement), the Retiring Agent wishes to resign, and the Continuing Lender and the Acceding Agent agree that the Acceding Agent shall replace the Retiring Agent, as Agent of the other Finance Parties under the Facilities Agreement.

(G) Each of the parties hereto wishes to conclude the roles of the Bookrunner Mandated Lead Arrangers, the Disbursement Agent and the Issuing Bank under the Facilities Agreement.

(H) The Parties wish to enter into this Agreement to record their agreements in relation to the above.

**It is agreed** as follows:

## SECTION 1
## INTERPRETATION

### 1. Definitions and interpretation

### 1.1 Definitions

In this Agreement:

"**Agreed Form of Prepayment Notice**" means the form set out in Schedule 2 (*Agreed Form of Prepayment Notice*).

"**Amended and Restated Facilities Agreement**" means the Facilities Agreement, as amended and restated pursuant to the terms and conditions of this Agreement (as at the Effective Time, in the form set out in Schedule 5 (*Amended and Restated Facilities Agreement*)).

"**Amendment Transaction Documents**" means:

(a) this Agreement; and

(b) each Effective Time Document.

"**Base Case Model"** means the base case model in agreed form delivered by the Borrower to the Retiring Agent on or before the Settlement Date.

"**Continuing Parties**" means each of the Parent, the Borrower, each other Obligor, the Continuing Lender, the Security Agent and the POA Agent.

"**Converted Net Proceeds**" means the aggregate amount (in Hong Kong Dollars) of the Net Proceeds after such proceeds have been converted by the Retiring Agent into Hong Kong Dollars (and net of any costs of such conversion).

"**Effective Date**" means the date on which the Effective Time occurs.

"**Effective Time**" has the meaning given to that term in Clause 5 (*Amendment to the Facilities Agreement*).

"**Effective Time Documents**" means each agreement, deed, acknowledgement, confirmation, amendment or other instrument listed in Schedule 3 (*Effective Time Documents*).

"**Estimated HIBOR**" means the amount estimated by the Retiring Agent to be the HIBOR for the Interest Period starting on 30 November 2016 by referencing HIBOR for the equivalent period on the date on which the Retiring Agent makes the estimation.

"**Estimated Net Proceeds**" means the estimated aggregate amount in Hong Kong Dollars of the net proceeds from the issue of the Senior Secured Notes that are to be made available to the Retiring Agent in US Dollars for the purposes of partially funding the Prepayment (such Hong Kong Dollar amount having been calculated using the floor exchange rate agreed between the Borrower and the Retiring Agent for the calculation of converting such proceeds into Hong Kong Dollars for the estimation (and net of any costs of such conversion)).

"**Estimated Shortfall**" means the amount (as may be adjusted in accordance with Clause 3.2 (*Determination of Prepayment Amount and funding of the Shortfall*)) in Hong Kong Dollars equal to the sum of (a) the Prepayment Amount *less* the Estimated Net Proceeds; (b) the Prepayment Buffer Amount; and (c) the aggregate amount of all accrued interest that will be payable on all of the Loans on 30 November 2016.

"**Excess Shortfall**" means the amount in Hong Kong Dollars equal to the Estimated Shortfall less the Shortfall (or, if a negative amount, nil amount).

"**Facilities Agreement**" has the meaning given to that term in Recital (A).

"**Group Structure Chart**" means the group structure chart in agreed form delivered by the Borrower to the Retiring Agent on or before the Settlement Date.

"**Intercreditor Agent**" means DB Trustees (Hong Kong) Limited.

"**Intercreditor Agreement**" means the intercreditor agreement to be entered into between (among others) the Parent, the Borrower, each of the other Obligors, Bank of China Limited, Macau Branch as credit facility agent for the Finance Parties under the Amended and Restated Facilities Agreement and as credit facility lender under the Amended and Restated Facilities Agreement, Deutsche Bank Trust Company Americas as Senior Secured 2019 Notes trustee and Senior Secured 2021 Notes trustee, DB Trustees (Hong Kong) Limited as intercreditor agent and the Security Agent as common security agent.

"**Legal Opinions For Effective Time Documents**" means, in respect of the relevant document listed in Part A (*Intercreditor Agreement*), Part B (*Offshore Confirmatory Security*), Part C (*Confirmations and amendments for Onshore Security*) and Part D (*Pledge over Cash Collateral Account*) of Schedule 3 (*Effective Time Documents*):

(a) a legal opinion in relation to English law from White & Case, substantially in the form distributed to the Retiring Agent and the Acceding Agent prior to the signing of this Agreement;

(b) a legal opinion in relation to Hong Kong law from White & Case, substantially in the form distributed to the Retiring Agent and the Acceding Agent prior to the signing of this Agreement;

(c) a legal opinion in relation to Macanese law from Henrique Saldanha Advogados & Notários, substantially in the form distributed to the Retiring Agent and the Acceding Agent prior to the signing of this Agreement;

(d) a legal opinion in relation to Macanese law from Manuela António Advogados & Notários substantially in the form distributed to the Retiring Agent and the Acceding Agent prior to the signing of this Agreement; and

(e) a legal opinion in relation to British Virgin Islands law from Maples and Calder, substantially in the form distributed to the Retiring Agent and the Acceding Agent prior to the signing of this Agreement.

"**Longstop Time**" means 11.59 pm Hong Kong time on 1 December 2016 (or such other time and date as may be agreed between the Parent and the Continuing Lender).

"**Mandate Documents**" has the meaning given to that term under the Amended and Restated Facilities Agreement.

"**Melco Crown**" means Melco Crown (Macau) Limited (formerly known as Melco Crown Gaming (Macau) Limited and previously as Melco PBL Gaming (Macau) Limited), a company incorporated under the laws of the Macau SAR, registered with the Macau Commercial Registry under number 24325 SO, with registered office at Alameda Dr. Carlos d'Assumpção, nos 411-417, Edifício Dynasty Plaza, 15º andar O, P, Macau.

"**Net Proceeds**" means the aggregate amount (in US Dollars) of the net proceeds from the issue of the Senior Secured Notes that are made available to the Retiring Agent in US Dollars before 8.00 am (Hong Kong time) on the Effective Date for the purposes of funding the Prepayment.

"**Onshore Cash Collateral Account**" means the Facility A Cash Collateral Account (as defined in the Amended and Restated Facilities Agreement).

"**Onshore Cash Collateral Minimum Balance**" means HKD 1,012,500.

"**Pledge over Cash Collateral Account**" means the pledge over the Onshore Cash Collateral Account to be granted by the Borrower in favour of the Continuing Lender.

"**Prepayment**" means the prepayment and cancellation of the Facilities as contemplated by this Agreement and the Prepayment Notices (for the avoidance of doubt, not including any prepayment of the Reserved Amount).

"**Prepayment Amount**" means the aggregate amount (in Hong Kong Dollars) required to prepay and cancel the Facilities as set out in the Prepayment Notice (save in respect of the Reserved Amount), including without limitation (a) all accrued interest on the amount to be prepaid and on the Reserved Amount, (b) all accrued commitment fees and (c) all Break Costs attributable to such prepayment being paid on a day other than the last day of the Interest Period for the Loans. For the purposes of this calculation in relation to a Lender, unless that Lender has on or before 5.00 pm (Hong Kong time) on the date that is two (2) Business Days prior to the Settlement Date irrevocably confirmed to the Retiring Agent the amount of the Break Costs payable to it following that Lender's receipt of a Prepayment Notice, the amount in paragraph (b) of the definition of Break Costs with respect to that Lender shall be treated as nil and the Break Costs payable to it shall be treated as being payable together with the other amounts constituting the Prepayment Amount as if such Finance Party had made a demand for such payment.

“**Prepayment Buffer Amount**” means the amount in Hong Kong Dollars to be agreed between the Borrower and the Retiring Agent in accordance with the Transaction Steps Memorandum.

“**Prepayment Notice**” has the meaning given to that term in Recital (B).

“**Property Valuation Report**” means the report by Savills (Macau) Limited dated 17 October 2016, addressed to and delivered by the Borrower to the Retiring Agent on or before the Settlement Date.

“**Reserved Amount**” means the Continuing Lender’s participation in the principal amount outstanding of the Term Loan Facility Loan in the amount of HKD 1,000,000.

“**Retiring Agent’s HKD Account**” means the Hong Kong Dollar denominated account with the account details set out below:

| | |
|---|---|
| Beneficiary Bank: | Deutsche Bank AG, Hong Kong Branch (Bank Code: 054) |
| Beneficiary: | Working A/C - re: loan operations (A/C No.: 0190231000) |
| Reference: | Studio City – Prepayment |

or such other account as the Retiring Agent may in specify in writing on reasonable notice to the Borrower.

“**SCE**” means Studio City Entertainment Limited (formerly known as MSC Diversões, Limitada and previously as New Cotai Entertainment (Macau) Limited), a company incorporated under the laws of the Macau SAR, registered with the Macau Commercial Registry number 27610 SO, with registered office at Rua de Évora, nos 199-207, Edifício Flower City, 1° andar, A1, Taipa, Macau.

“**Senior Secured 2019 Note Indenture**” means the indenture governing the Senior Secured Notes due in 2019 dated on the Settlement Date and made between, among others, Deutsche Bank Trust Company Americas as the trustee in respect of such Senior Secured Notes, the Borrower as company and issuer of such Senior Secured Notes and the Parent as the parent guarantor and the other Guarantors as subsidiary guarantors of such Senior Secured Notes in connection with the Senior Secured Notes Purchase Agreement.

“**Senior Secured 2019 Notes**” means the Senior Secured Notes due 2019 issued by the Borrower as issuer pursuant to the Senior Secured 2019 Note Indenture.

“**Senior Secured 2021 Note Indenture**” means the indenture governing the Senior Secured Notes due in 2021 dated on the Settlement Date and made between, among others, Deutsche Bank Trust Company Americas as the trustee in respect of such Senior Secured Notes, the Borrower as company and issuer of such Senior Secured Notes and the Parent as the parent guarantor and the other Guarantors as subsidiary guarantors of such Senior Secured Notes in connection with the Senior Secured Notes Purchase Agreement.

“**Senior Secured 2021 Notes**” means the Senior Secured Notes due 2021 issued by the Borrower as issuer pursuant to the Senior Secured 2021 Note Indenture.

“**Senior Secured Notes**” means the Senior Secured 2019 Notes and Senior Secured 2021 Notes.

“**Senior Secured Notes Initial Purchasers**” means Deutsche Bank AG, Singapore Branch, Merill Lynch International, Australia and New Zealand Banking Group Limited and BOCI Asia Limited.

“**Senior Secured Notes Purchase Agreement**” means the purchase agreement dated on or prior to the date of this Agreement and entered into between, among others, the Borrower as issuer and the Senior Secured Notes Initial Purchasers in relation to the senior secured notes contemplated by the preliminary offering memorandum dated 15 November 2016.

“**Services and Right to Use Direct Agreement**” means the direct agreement dated 26 November 2013 and entered into between, among others, SCE, Melco Crown and the Security Agent in relation to the Services and Right to Use Agreement and the Reimbursement Agreement, as amended or modified from time to time.

“**Services and Right to Use Direct Agreement Agency Transfer Notice**” means a notice with reference to clause 22.1 of the Services and Right to Use Direct Agreement given by the Retiring Agent to the other parties to the Services and Right to Use Direct Agreement (and acknowledged by the Acceding Agent), that the Acceding Agent has succeeded the Retiring Agent pursuant to the relevant terms of the Finance Documents and consequently has been assigned and transferred with all of the Retiring Agent’s rights and obligations under the Services and Right to Use Direct Agreement.

“**Settlement Date**” means the date on which the Senior Secured Notes are to be settled (and for this purpose such date shall be the date determined by reference to New York time, notwithstanding that the settlement of the Senior Secured Notes may occur on the next immediate day by reference to Hong Kong time).

“**Shortfall**” means the amount equal to the Prepayment Amount less the Converted Net Proceeds.

“**SC Finance**” means Studio City Finance Limited, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673307), whose registered office is at Jayla Place, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands.

“**SCH5**” means Studio City Holdings Five Limited, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1789892), whose registered office is at Jayla Place, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands.

“**Transaction Steps Memorandum**” means the transaction steps memorandum relating to the transactions contemplated by this Agreement (including the settlement of the Senior Secured Notes) in the agreed form.

**1.2 Construction**

(a) The principles of construction and rules of interpretation set out in the Facilities Agreement (including but not limited to clause 1.2 (*Construction*) of the Facilities Agreement) shall have effect as if set out in this Agreement.

(b) Unless a contrary indication appears, a term defined in or by reference in the Facilities Agreement has the same meaning in this Agreement. Words and expressions defined in this Agreement by reference to the Amended and Restated Facilities Agreement shall (at all times prior to the Effective Time) have the meaning attributed to them in the form of the Amended and Restated Facilities Agreement set out in Schedule 5 (*Amended and Restated Facilities Agreement*).

(c) In this Agreement any reference to a “Clause”, a “Schedule” or a “Party” is, unless the context otherwise requires, a reference to a Clause, a Schedule or a Party to this Agreement.

(d) The provisions of this Agreement shall be subject to and effected in accordance with (and in the order set out in) the Transaction Steps Memorandum, subject to any amendments agreed between the Borrower, the Retiring Agent and the Continuing Lender (each, acting reasonably).

### 1.3 Designation

In accordance with the Facilities Agreement, each of the Borrower and the Retiring Agent designate this Agreement as a Finance Document.

### 1.4 Mandate Documents

(a) The Borrower agrees that, without prejudice to paragraph 15 (*Survival*) of the commitment letter entered into on 9 November 2016 between the Borrower and Bank of China Limited, Macau Branch as underwriter (the "**Underwriter**") and Acceding Agent, the obligations of each of the Underwriter and the Acceding Agent under paragraph 11 (*Confidentiality*) thereof shall terminate on the Effective Time and not survive.

(b) The Borrower agrees with the Underwriter and the Acceding Agent that the fees and all other amounts payable by the Borrower pursuant to the Mandate Documents shall be paid on or prior to the Effective Time. The provisions of the Mandate Documents shall, save as provided by this Clause, continue in full force and effect (until such time as provided for under such provisions of the Mandate Documents).

## 2. Restriction on utilisations and other requests

(a) The Borrower and the Parent hereby agree for the benefit of the Continuing Lender and the Retiring Agent that they will not, prior to the Effective Time (or, if the Effective Time has not occurred, the Longstop Time):

(i) deliver to the Retiring Agent any Utilisation Request;

(ii) deliver to the Retiring Agent any notice under clauses 9.4 (*Voluntary prepayment*) or 9.3 (*Voluntary cancellation*) of the Facilities Agreement in respect of the Reserved Amount, other than the applicable Prepayment Notice; or

(iii) enter into (or allow any other member of the Group to enter into) any Hedging Agreement or encourage (or allow any other member of the Group to encourage) any person to deliver a Hedge Counterparty Accession Undertaking to the Retiring Agent.

(b) The Borrower and the Parent (for itself and as Obligors' Agent) hereby agree for the benefit of the Retiring Agent (i) that if the Retiring Agent receives any such request, notice or undertaking referred to in paragraph (a) above prior to the Effective Time (or, if the Effective Time has not occurred, the Longstop Time), the Retiring Agent shall be entitled to treat such request, notice or undertaking as invalid and without effect and (ii) the Retiring Agent shall have no liability as a result of its treating such request, notice or undertaking as invalid and without effect and taking no actions in respect of the same.

(c) The Retiring Agent hereby agrees that, at any time during the period commencing on the date of this Agreement and ending on the earlier of the Effective Time and the Longstop Time, upon its receipt of any Transfer Certificate and Finance Party Accession Undertaking or Assignment Agreement and Finance Party Accession Undertaking, it shall promptly provide notice to the Borrower and the Parent.

(d) The agreements in this Clause 2 are irrevocable without the consent of the Continuing Lender and the Retiring Agent.

## 3. Prepayment and cancellation of the Facilities

### 3.1 Partial waiver of prepayment

(a) The Continuing Lender hereby agrees for the benefit of the Borrower that, *provided* it receives such Prepayment Notice on the date of this Agreement, upon its receipt of a Prepayment Notice in the Agreed Form of Prepayment Notice it shall irrevocably waive its right to receive, and any obligation of the Borrower to make, payment of the Reserved Amount of the amount to be prepaid in accordance with that Prepayment Notice. For the avoidance of doubt, this waiver is and shall be without prejudice to the Continuing Lender's right to otherwise receive the prepayment of its participation in the Term Loan Facility Loan (less such Reserved Amount) in accordance with that Prepayment Notice (including payment of any amounts of interest accrued in respect of the Reserved Amount). For the further avoidance of doubt, the partial waiver of the amount to be prepaid in accordance with that Prepayment Notice shall mean that no Break Costs are payable on that Reserved Amount in connection with the Prepayment.

(b) The Continuing Lender hereby agrees for the benefit of the Borrower that it shall not assign any of its rights or transfer any of its rights and obligations with respect to the Reserved Amount on or before the Effective Time (or, if the Effective Time has not occurred, the Longstop Time).

(c) The agreements in this Clause 3.1 are irrevocable without the consent of the Borrower.

### 3.2 Determination of Prepayment Amount and funding of the Shortfall

(a) The Borrower shall, as soon as reasonably practicable after the pricing of the Senior Secured Notes inform the Agent as to the amount of the Net Proceeds.

(b) The Retiring Agent shall, as soon as reasonably practicable after receipt of the Prepayment Notices and, in any case, not later than two (2) Business Days prior to the Settlement Date, calculate:

(i) an estimate of the Prepayment Amount (based on an Estimated HIBOR);

(ii) the Estimated Net Proceeds; and

(iii) the Estimated Shortfall,

and shall promptly, following its having made such calculation, notify the Borrower of each calculation.

(c) On or before 2.00 pm (Hong Kong time) on one (1) Business Day prior to the Settlement Date, the Borrower shall pay an amount equal to the amount of the Estimated Shortfall as notified to it pursuant to paragraph (b)(iii) above to the Retiring Agent in Hong Kong Dollars in immediately available, freely transferable cleared funds in the Retiring Agent's HKD Account as a partial funding of the Prepayment Amount, together with the aggregate amount of all accrued interest payable on 30 November 2016.

(d) The Retiring Agent shall promptly, once the applicable HIBOR is available after 11.00 am on 30 November 2016, calculate the Prepayment Amount and notify the Borrower of the Prepayment Amount and any corresponding adjustment to the Estimated Shortfall as notified to it pursuant to paragraph (b)(iii) above.

(e) The Borrower and the Retiring Agent acknowledge and agree that the prepayment and cancellations of the Facilities as set out in the Prepayment Notice are intended to be effected on the Business Day immediately after the Settlement Date due to time zone difference.

### 3.3 Prepayment and cancellation of the Facilities

(a) Subject to paragraph (b) below, notwithstanding clause 35.6 (*Partial payments*) of the Facilities Agreement, the Borrower and the Continuing Lender authorise and instruct the Retiring Agent to apply the Prepayment Amount towards all amounts then due and payable by an Obligor under the Finance Documents, save (for the avoidance of doubt) towards the Continuing Lender's participation in the principal amount of the Term Loan Facility Loan constituting the Reserved Amount which principal amount shall not be due and payable.

(b) The Retiring Agent shall only be required to apply an amount in prepayment and cancellation of the Facilities as contemplated by this Agreement if it has received the Estimated Shortfall in full and in Hong Kong Dollars and the Net Proceeds in full and in US Dollars and is satisfied that it can convert the Net Proceeds into the Converted Net Proceeds on 1 December 2016 and such that, if it had already converted the Net Proceeds into US Dollars, the amount standing to the credit of the Retiring Agent's HKD Account in Hong Kong Dollars and immediately available in freely transferable cleared funds would be not less than the Prepayment Amount.

(c) The agreements in this Clause 3.3 are irrevocable without the consent of the Borrower, the Continuing Lender and the Retiring Agent.

(d) The Retiring Agent hereby agrees that, on the Effective Date following the Effective Time and after all amounts required to be applied by the Retiring Agent in prepayment and cancellation of the Facilities as contemplated by this Agreement or pursuant to Clause 12 (*Costs and expenses*) of this Agreement have been paid, it shall refund the Borrower any Excess Shortfall.

## 4. Commitments

(a) The Continuing Lender hereby agrees for the benefit of the Borrower that with immediate and automatic effect as at the Effective Time it shall make available the Total Revolving Facility Commitments (as defined in the Amended and Restated Facilities Agreement) subject to the terms and conditions set out in the Amended and Restated Facilities Agreement.

(b) The agreements in this Clause 4 are irrevocable without the consent of the Borrower.

## 5. Amendment to the Facilities Agreement

### 5.1 Amendment to the Facilities Agreement

(a) Subject to the terms and conditions of this Agreement and pursuant to the Facilities Agreement, each Party consents to the amendments to the Facilities Agreement contemplated by this Agreement.

(b) Each Obligor and the Retiring Agent (on behalf of itself and on behalf of each Finance Party pursuant to paragraph (b) of clause 43.1 (*Required consents*) of the Facilities Agreement) agree, in accordance with clause 43 (*Amendments and waivers*) of the Facilities Agreement that with immediate and automatic effect as at the first time (such time being the "**Effective Time**") at which the Retiring Agent:

(i) has received (or waived receipt of, as the case may be) each of the documents listed in Schedule 1 (*Conditions precedent*) in a form and substance satisfactory to the Retiring Agent (acting reasonably) and is satisfied (acting reasonably) with each of the evidentiary matters listed in Schedule 1 (*Conditions precedent*);

(ii) is satisfied that:

(A) each of the documents listed in Part A (*Intercreditor Agreement*) and Part B (*Offshore Confirmatory Security*) of Schedule 3 (*Effective Time Documents*) is in execution form;

(B) each of the documents listed in Part C (*Confirmations and amendments for Onshore Security*) and Part D (*Onshore Cash Collateral Account*) of Schedule 3 (*Effective Time Documents*) is in execution form;

(C) each of the documents listed in Part E (*Fee Letters*) and Part F (*Services and Right to Use Direct Agreement Agency Transfer Notice*) of Schedule 3 (*Effective Time Documents*) is in execution form;

(D) (1) the Onshore Cash Collateral Account will be opened on the Effective Date promptly after the Effective Time; and

(2) the balance standing to the credit of the Onshore Cash Collateral Account is, or will promptly upon the Effective Date be, not less than the Onshore Cash Collateral Minimum Balance,

where the Retiring Agent will be deemed to be satisfied with this paragraph (D) when it receives from the Continuing Lender or the Borrower a copy of a letter signed by the Borrower and the Continuing Lender prior to the Effective Time referring to this paragraph (D); and

(E) each of the Legal Opinions For Effective Time Documents are in final agreed form and ready to be issued by the relevant legal advisors promptly following the Effective Time; and

(iii) has confirmed that it will make the relevant Prepayment to each Lender in full on the Effective Date,

and provided that the aggregate principal amount of the Term Loan Facility Loan that will remain outstanding is not less than HKD 1,000,000, the Facilities Agreement shall be amended and restated so that it shall be read and construed for all purposes as set out in Schedule 5 (*Amended and Restated Facilities Agreement*) and all references in the Amended and Restated Facilities Agreement to “this Agreement” shall include this Agreement and, on and from that time, the Commitments and outstanding participations in Loans of the Continuing Lender (and the respective rights and obligations of the Continuing Parties and the Retiring Agent as between each other in respect of the same) were as set out in Schedule 6 (*Commitments and Loans*).

(c) The Continuing Parties and the Retiring Agent agree that at the Effective Time the Continuing Lender’s participation in the principal amount of the Term Loan Facility Loan constituting the Reserved Amount shall be re-designated as the Facility A Loan under the Amended and Restatement Facilities Agreement and acknowledge that such re-designation and the amendment of the terms thereof do not constitute a prepayment of any amount in respect of that participation and loan.

### 5.2 Administrative details

The address, fax number and attention details of each Party for the purposes of clause 33.2 (*Addresses*) of the Amended and Restated Facilities Agreement are those identified with its name on the signing pages to the Intercreditor Agreement.

## 6. Conclusion of roles

### 6.1 Bookrunner Mandated Lead Arrangers

(a) On the date of this Agreement, each Bookrunner Mandated Lead Arranger that is a Party to this Agreement hereby agrees and acknowledges for the benefit of each other Party that no monies are due and payable to it in its capacity as a Bookrunner Mandated Lead Arranger under the Facilities Agreement, that its role as Bookrunner Mandated Lead Arranger under the Facilities Agreement has concluded, that it has no rights (including with respect to indemnities) as a Bookrunner Mandated Lead Arranger under the Facilities Agreement (including in respect of any contingent liabilities) and that it will not be a Bookrunner Mandated Lead Arranger under the Amended and Restated Facilities Agreement and resigns as a Bookrunner Mandated Lead Arranger under the Facilities Agreement. Each other Party agrees and acknowledges for the benefit of each Party that is a Bookrunner Mandated Lead Arranger that such other Party's role as Bookrunner Mandated Lead Arranger under the Facilities Agreement has concluded and that such other Party has no obligations as a Bookrunner Mandated Lead Arranger under the Facilities Agreement and accepts that resignation.

(b) Paragraph (a) above shall not apply to any obligations of confidentiality, which shall continue on their existing terms.

### 6.2 Disbursement Agent

(a) The Disbursement Agent hereby agrees and acknowledges for the benefit of each other Party that no monies are due and payable to it in its capacity as Disbursement Agent under the Finance Documents and that with immediate and automatic effect on the Effective Time its role as Disbursement Agent under the Finance Documents will be concluded, that it shall have no rights (including with respect to indemnities) as Disbursement Agent under the Finance Documents (including in respect of any contingent liabilities) and that it will not be a Disbursement Agent under the Amended and Restated Facilities Agreement and it resigns as Disbursement Agent under the Finance Documents. Each other Party agrees and acknowledges for the benefit of the Disbursement Agent that with immediate and automatic effect on the Effective Time the Disbursement Agent's role as the Disbursement Agent under the Finance Documents shall conclude and the Disbursement Agent shall have no obligations as the Disbursement Agent under the Finance Documents and accepts that resignation.

(b) Paragraph (a) above shall not apply to any obligations of confidentiality, which shall continue on their existing terms.

### 6.3 Issuing Bank

(a) The Issuing Bank hereby agrees and acknowledges for the benefit of each other Party that no monies are due and payable to it in its capacity as Issuing Bank under the Finance Documents and that with immediate and automatic effect on the Effective Time its role as Issuing Bank under the Finance Documents will be concluded, that it shall have no rights (including with respect to indemnities) as Issuing Bank under the Finance Documents (including in respect of any contingent liabilities) and that it will not be the Issuing Bank under the Amended and Restated Facilities Agreement and it resigns as Issuing Bank under the Finance Documents. Each other Party agrees and acknowledges for the benefit of the Issuing Bank that with immediate and automatic effect on the Effective Time the Issuing Bank's role as Issuing Bank under the Finance Documents shall conclude and the Issuing Bank shall have no obligations as Issuing Bank under the Finance Documents and accepts that resignation.

(b) Paragraph (a) above shall not apply to any obligations of confidentiality, which shall continue on their existing terms.

## 7. Replacement of Agent

(a) The Retiring Agent, the Continuing Lender and the Acceding Agent hereby agree that with automatic effect immediately after the Effective Time and notwithstanding clauses 28.11 (*Resignation of the Agent*) and 28.12 (*Replacement of the Agent*) of the Amended and Restated Facilities Agreement:

(i) the Acceding Agent shall be appointed and shall be the Agent for the Finance Parties under the Finance Documents (each as defined in the Amended and Restated Facilities Agreement) as successor to the Retiring Agent;

(ii) the Retiring Agent shall cease to be the Agent for the Finance Parties under the Finance Documents (each as defined in the Amended and Restated Facilities Agreement);

(iii) the Retiring Agent shall be deemed to have transferred to the Acceding Agent all the rights, benefits and obligations of the Retiring Agent as Agent in, to and under the Finance Documents (as defined in the Amended and Restated Facilities Agreement) to which the Agent is a party, and the Acceding Agent shall be deemed to have accepted and assumed the same; and

(iv) the Retiring Agent shall be deemed to have transferred to the Acceding Agent all the rights, benefits and obligations of the Retiring Agent as Agent in, to and under the Services and Right to Use Direct Agreement, and the Acceding Agent shall be deemed to have accepted and assumed the same.

(b) The Acceding Agent accepts its appointment (as successor to the Retiring Agent) as Agent for the Finance Parties under the Finance Documents. The Acceding Agent and the Continuing Parties agree that the Acceding Agent and each of the Continuing Parties shall have the same rights and obligations among themselves as they would have had if the Acceding Agent had been an original party to the Facilities Agreement.

(c) The Parties agree that paragraph (c) of clause 28.12 (*Replacement of the Agent*) of the Amended and Restated Facilities Agreement shall apply to the replacement of the Retiring Agent pursuant to paragraph (a) above, *mutatis mutandis* and as if the applicable date to be specified in the notice from the Majority Lenders were the Effective Time.

(d) The Continuing Parties and the Acceding Agent hereby acknowledged and agree (including for the benefit of the Retiring Agent) that:

(i) the Acceding Agent shall not incur any liability to any person by reason of its appointment hereunder as Agent for any loss suffered by any person prior to the Effective Time or in relation to any action taken or not taken by the Retiring Agent on or prior to the Effective Time; and

(ii) the Retiring Agent shall not incur any liability to any person by reason of its previous appointment as Agent for any loss suffered by any person in relation to any action taken or not taken by the Acceding Agent after the Effective Time.

(e) The Retiring Agent agrees to make available to the Acceding Agent such documents and records and provide such assistance as the Acceding Agent may reasonably request for the purposes of performing its function as Agent under the Finance Documents.

(f) The Borrower acknowledges this Clause 7 and confirms that it was suitably consulted.

## 8. Representations

### 8.1 Representations

Each Obligor makes the representations and warranties set out in this Clause 8.1 to each Finance Party (by reference to the facts and circumstances then existing) on the date of this Agreement.

(a) Status

(i) Each Obligor is a limited liability corporation or company duly incorporated or organised, as the case may be, and validly existing under the law of its jurisdiction of incorporation or organisation, as the case may be.

(ii) Each Obligor has the power to own its assets and carry on its business as it is being conducted.

(iii) Each Obligor is acting as principal for its own account and not as agent or trustee in any capacity on behalf of any person in relation to this Agreement and each Effective Time Document.

(b) Binding obligations

Subject to the Legal Reservations, the obligations expressed to be assumed by each Obligor in this Agreement and each Effective Time Document are legal, valid, binding and enforceable obligations.

(c) Non-conflict with other obligations

The entry into and performance by each Obligor of, and the transactions contemplated by, this Agreement and each Effective Time Document do not and will not conflict with:

(i) any law or regulation applicable to such Obligor;

(ii) its Constitutional Documents; or

(iii) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument, except where a Material Adverse Effect does not or would not be reasonably expected to occur).

(d) Power and authority

Each Obligor has the power to enter into, perform and deliver, and has taken all necessary corporate action to authorise its entry into, performance and delivery of, this Agreement and each Effective Time Document to which it is or will be a party and the transactions contemplated therein.

(e) Validity and admissibility in evidence

(i) All Authorisations required:

(A) to enable each Obligor lawfully to enter into, exercise its rights and comply with its obligations under this Agreement and each Effective Time Document to which it is a party; and

(B) to make this Agreement and each Effective Time Document to which it is a party admissible in evidence in its Relevant Jurisdictions,

have been obtained or effected and are in full force and effect.

(ii) All Authorisations necessary for it to carry out its business, where failure of obtaining such Authorisations has or would reasonably be expected to have a Material Adverse Effect, have been obtained or effected and are in full force and effect.

(f) Governing law and enforcement

Subject to the Legal Reservations:

(i) the choice of English law as the governing law of this Agreement and, in the case of each Effective Time Document, English law, Hong Kong law or Macau SAR law (as the case may be) will be recognised and enforced in each Obligor's Relevant Jurisdiction; and

(ii) any judgment obtained in relation to this Agreement or any Effective Time Document in England, the Hong Kong SAR or the Macau SAR (as the case may be) will be recognised and enforced in its Relevant Jurisdictions.

(g) No filing or stamp taxes

Subject to the Legal Reservations, under the laws of each Obligor's Relevant Jurisdictions it is not necessary that this Agreement or any Effective Time Document be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to this Agreement or any Effective Time Document or the transactions contemplated therein (save for any stamp, registration, notarial or similar Tax which is referred to in any legal opinion of legal counsel in the Macau SAR delivered to the Agent under this Agreement), which will be made or paid promptly after the date of this Agreement).

(h) Deduction of Tax

No Obligor is required under the laws of its Relevant Jurisdiction or at its address specified in the Facilities Agreement or the Amended and Restated Facilities Agreement to make any deduction for or on account of Tax from any payment it may make under this Agreement or any Effective Time Document.

(i) Group Structure Chart

As at the date of this Agreement the Group Structure Chart delivered to the Agent pursuant to this Agreement is true, complete and accurate and shows each person that is a Subsidiary of an Obligor.

### 8.2 Representations at the Effective Time

The representations and warranties set out in clause 21 (*Representations*) of the Amended and Restated Facilities Agreement are deemed to be made by each Obligor (by reference to the facts and circumstances then existing, following the granting of the waivers set out in Clause 11 (*Waiver and consent*) below) at the Effective Time and, in each case, as if any reference therein to any Finance Document in respect of which any amendment, acknowledgement, confirmation, consolidation, novation, restatement, replacement or supplement is expressed to be made by any Amendment Transaction Document included, to the extent relevant, such Amendment Transaction Document and the Finance Document as so amended, acknowledged, confirmed, consolidated, novated, restated, replaced or supplemented.

## 9. Continuity and further assurance

### 9.1 Continuing obligations

The Obligors agree for the benefit of the other Continuing Parties and the Retiring Agent that, subject to Clause 11 (*Waiver and consent*) below, the provisions of the Facilities Agreement (including, without limitation, the guarantees, undertakings and indemnities provided under clause 21 (*Guarantee and indemnity*) thereof) and the other Finance Documents shall, save as amended by this Agreement, continue in full force and effect and extend to the liabilities and obligations of the Borrower and each of the Obligors under the Amended and Restated Facilities Agreement and the other Finance Documents (as amended from time to time), including as varied, amended, supplemented or extended by this Agreement and apply equally to the obligations of the Borrower under Clause 12 (*Costs and expenses*) as if set out in full in this Agreement. In particular, nothing in this Agreement shall affect the rights of the Secured Parties in respect of the occurrence of any Default which is continuing or which arises on or after the date of this Agreement (other than any Default which has occurred or may occur as a result of the entry into of this Agreement or the entry into, and performance of, the transactions contemplated by any of the foregoing or the steps referred to in the Transaction Steps Memorandum, *provided* that such steps are carried out in accordance with the Transaction Steps Memorandum).

### 9.2 Further assurance

Each Obligor shall, upon the written request of the Retiring Agent or (after the Effective Time) the Acceding Agent and at its own expense, do all such acts and things reasonably necessary to give effect to the amendments effected or to be effected pursuant to this Agreement.

## 10. Conditions subsequent

(a) Each Obligor (as applicable) shall deliver to the Acceding Agent, an original or, as the case may be, a copy of each notice and other documents and each acknowledgement or consent required to be obtained by such Obligor under each Effective Time Document as required in accordance with each Effective Time Document.

(b) Each Obligor (as applicable) shall, enter into the documents listed in Schedule 4 (*Conditions subsequent documents*) promptly after the Effective Time.

## 11. Waiver and consent

(a) The parties hereto waive any Default or other breach under any of the Finance Documents (including any of the "Finance Documents" as defined in the Amended and Restated Facilities Agreement) which has occurred or may occur as a result of the entry into of this Agreement or the entry into, and performance of, the transactions and other acts or things contemplated by any of the foregoing or the Transaction Steps Memorandum (including any such Default or breach which may arise in connection with any failure to make any payment in respect thereof or any cancellation contemplated therein).

(b) Nothing in this Clause 11 shall affect the rights of the Finance Parties in respect of the occurrence of any other Default. The waivers referred to in this Clause 11 shall only apply to the matters referred to in this Clause 11 and shall be without prejudice to any rights which any of the Finance Parties may have at any time in relation to any circumstance or matter other than as specifically referred to in this Clause 11 (and whether or not subsisting at the date of this Agreement).

## 12. Costs and expenses

(a) Notwithstanding clause 20 (*Costs and expenses*) of the Facilities Agreement, the Borrower shall, within five (5) Business Days of demand, pay (or shall procure that another member of the Group will pay) to the Retiring Agent all costs and expenses (together with any Indirect Tax) including without limitation (but subject to any agreed caps) the fees and expenses of the Retiring Agent's legal advisers reasonably incurred in connection with the negotiation, preparation, execution and performance of this Agreement (and the documents listed in Schedule 1 (*Conditions precedent*) and Schedule 3 (*Effective Time Documents*)) and the transactions contemplated in this Agreement.

(b) The Borrower shall pay (or shall procure that another member of the Group will pay) all stamp, registration and other taxes and notarisation expenses to which this Agreement (and the documents listed in Schedule 1 (*Conditions precedent*) and Schedule 3 (*Effective Time Documents*)) is or may at any time be subject and shall from time to time within, five (5) Business Days of demand of the then current Agent, indemnify the then current Agent, the Security Agent and the Lenders against any liabilities, costs, claims and expenses resulting from any failure to pay or delay in paying any such amounts.

## 13. Enforcement

### 13.1 Jurisdiction of English courts

(a) The courts of England have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a "**Dispute**").

(b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

(c) This Clause 13.1 is for the benefit of the Finance Parties and Secured Parties (in each case that are party to this Agreement), only and no other Party. As a result, no Finance Party or Secured Party that is party to this Agreement shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties and Secured Parties party to this Agreement may take concurrent proceedings in any number of jurisdictions.

### 13.2 Service of process

(a) Without prejudice to any other mode of service allowed under any relevant law, each Obligor:

(i) irrevocably appoints Law Debenture Corporate Services Limited as its agent for service of process in relation to any proceedings before the English Courts in connection with any Finance Document governed by English law; and

(ii) agrees that failure by an agent for service of process to notify the Obligor of the process will not invalidate the proceedings concerned.

(b) If any person appointed as an agent for service of process is unable for any reason to act as agent of service of process, the Parent (on behalf of all the Obligors) must immediately (and in any event within three (3) Business Days of such event taking place) appoint another agent on terms acceptable to the Agent. Failing this, the Agent may appoint another agent for this purpose.

### 13.3 Waiver of Jury Trial

EACH OF THE PARTIES TO THIS AGREEMENT AGREES TO WAIVE IRREVOCABLY ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE DOCUMENTS REFERRED TO IN THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED IN THIS AGREEMENT. This waiver is intended to apply to all Disputes. Each Party acknowledges that (a) this waiver is a material inducement to enter into this Agreement, (b) it has already relied on this waiver in entering into this Agreement and (c) it will continue to rely on this waiver in future dealings. Each Party represents that it has reviewed this waiver with its legal advisers and that it knowingly and voluntarily waives its jury trial fights after consultation with its legal advisers. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

## 14. Miscellaneous

### 14.1 Incorporation of terms

The provisions of clauses 1.3 (*Third party rights*), 39 (*Notices*), 41 (*Partial invalidity*) and 42 (*Remedies and waivers*) of the Facilities Agreement and, at and from the Effective Time, the corresponding clauses in the Amended and Restated Facilities Agreement shall be deemed incorporated into this Agreement as if set out in full herein and as if references in those clauses to “this Agreement” and “a Finance Document” are references to this Agreement and cross references to specified clauses thereof are references to the equivalent clauses set out or incorporated herein.

## 15. Counterparts

This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

## 16. Governing law

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

**This Agreement has been entered into on the date stated at the beginning of this Agreement.**

**Schedule 1**
**Conditions precedent**

1. Constitutional documents

   (a) A copy of the Constitutional Documents of each Obligor, SCH5, Melco Crown, and SC Finance.

   (b) A copy of an up-to-date certificate of incumbency in respect of each Obligor incorporated in the British Virgin Islands, SCH5 and SC Finance, issued by its respective registered agent.

2. Corporate documents

   (a) A copy of a resolution of the board of directors of each Obligor, SCH5, Melco Crown and SC Finance (save if such resolution is not required under the law of incorporation or the Constitutional Documents of that Obligor) approving the terms of, and the transactions contemplated by, the documents referred to in paragraph 3 of this Schedule 1 and Schedule 3 (*Effective Time Documents*) to which it is a party (the "**Documents**") and resolving that it execute, deliver and perform the Documents; authorising a specified person or persons to execute the Documents; and authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices under or in connection with the Documents.

   (b) A copy of the shareholders' resolutions of each Obligor (except for the Borrower and the Parent and each Obligor incorporated in the Macau SAR) and SCH5 approving the terms of, and the transactions contemplated by, the Documents.

   (c) A specimen of the signature of each person authorised by the resolution referred to in paragraph 2(a) above who will sign (or has signed) any of the Documents.

   (d) A certificate of an authorised signatory of the Parent certifying that each copy document relating to each Obligor specified in this Schedule 1 is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement and will not have been amended or superseded as at the Effective Time.

   (e) A certificate of an authorised signatory of SCH5 certifying that each copy document relating to it specified in this Schedule 1 is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement and will not have been amended or superseded as at the Effective Time.

   (f) A certificate of an authorised signatory of SC Finance certifying that each copy document relating to it specified in this Schedule 1 is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement and will not have been amended or superseded as at the Effective Time.

   (g) A certificate of an authorised signatory of Melco Crown certifying that each copy document relating to it specified in this Schedule 1 is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement and will not have been amended or superseded as at the Effective Time.

3. Documents

   (a) A copy of this Agreement duly entered into by the parties thereto.

   (b) A copy of the Senior Secured Notes Purchase Agreement duly entered into by the parties thereto.

   (c) A copy of the Senior Secured 2019 Note Indenture and a copy of the Senior Secured 2021 Note Indenture, each duly entered into by the parties thereto.

4. Legal Opinions

(a) A legal opinion in relation to English law from White & Case, legal advisers to the Retiring Agent, substantially in the form distributed to the Retiring Agent and the Acceding Agent prior to the signing of this Agreement.

(b) A legal opinion in relation to Macanese law from Henrique Saldanha Advogados & Notários, legal advisers to the Retiring Agent, substantially in the form distributed to the Retiring Agent and the Acceding Agent prior to the signing of this Agreement.

(c) A legal opinion in relation to Macanese law from Manuela António Advogados & Notários, legal advisers to the Retiring Agent, substantially in the form distributed to the Retiring Agent and the Acceding Agent prior to the signing of this Agreement.

(d) A legal opinion in relation to British Virgin Islands law from Maples and Calder, legal advisers to the Retiring Agent, substantially in the form distributed to the Retiring Agent and the Acceding Agent prior to the signing of this Agreement.

5. Fees and expenses

Evidence that all Taxes, fees, costs and expenses then due and payable from the Borrower under this Agreement have been or will be paid on, prior to or shortly after the Effective Time.

6. Other documents and evidence

(a) A copy of the Group Structure Chart.

(b) The Base Case Model.

(c) The audited consolidated financial statement of the Group for the financial year ending 31 December 2015.

(d) The Property Valuation Report.

(e) The Transaction Steps Memorandum in the agreed form.

(f) Evidence that the Senior Secured 2019 Notes and Senior Secured 2021 Notes have been issued in an aggregate principal amount giving rise to the Net Proceeds.

(g) Evidence that the agents of the Obligors, SCH5, Melco Crown and SC Finance under the Amendment Transaction Documents for service of process in England and Hong Kong respectively have accepted their appointments.

(h) A letter from the Borrower to the Retiring Agent confirming that as of 30 November 2016, all Hedging Liabilities have been extinguished and are no longer outstanding.

**Schedule 2**
**Agreed Form of Prepayment Notice**

**PREPAYMENT NOTICE**

To: Bank of China Limited, Macau Branch as Lender and as Hedge Counterparty or “you”

To: Deutsche Bank AG, Hong Kong Branch as Agent

From: Studio City Company Limited as the Borrower

Dated: [ ]

**Studio City Company Limited - HKD10,855,880,000 Senior Secured Term Loan and Revolving Facilities Agreement originally dated 28 January 2013 (as amended and restated from time to time) (the “Senior Facilities Agreement”)**

1. We refer to the Senior Facilities Agreement. Terms defined in the Senior Facilities Agreement have the same meaning in this document unless given a different meaning in this document.

2. Pursuant to clause 9.3 (*Voluntary cancellation*) and clause 9.4 (*Voluntary prepayment*) of the Senior Facilities Agreement, the Borrower will, by, subject to and on the terms set out in, this notice, on 30 November 2016 (New York time) / 1 December 2016 (Hong Kong time) (the “**Prepayment Date**”) voluntarily:

   (a) prepay all Loan amounts outstanding to you as Lender under the Term Loan Facility, including accrued interest and commitment fee, being as follows:

| | HKD |
|---|---|
| Term Loan Facility as at the date of this notice | [ ] |
| Accrued Commitment fee (from 31 October 2016 to 30 November 2016) (both dates inclusive) | [ ] |
| Accrued Interest for 30 November 2016 | To be calculated on 30 November 2016 subject to HIBOR as at that date |
| Break Cost | See paragraphs 4 and 5 below |

   (b) cancel your Commitment in respect of the Revolving Credit Facility in full.

3. By the receipt by you of the payments referred to in paragraph 2 above, you acknowledge that you are no longer a “Hedge Counterparty” or a “Swap Provider” (as defined in the Hedging Letter).

4. By the earlier of (a) the date of notification and/or certification by you to the Agent of the amount of Break Costs payable to you on the Prepayment Date (as calculated in accordance with clause 14.4 (*Break Costs*) of the Senior Facilities Agreement) and (b) the receipt by you of the payments referred to in paragraph 2 above, you acknowledge the waiver of any Default or other breach under any of the Finance Documents, including any Default or breach which has or may occur as a result of the giving of this notice (or any notice to any other Finance Party) or the performance of the transactions and other acts or things contemplated by this notice.

5. If you fail to notify or certify to the Agent the amount of Break Costs owing to you on the Prepayment Date (as calculated in accordance with clause 14.4 (*Break Costs*) of the Senior Facilities Agreement) by 5:00 p.m. (Hong Kong time) on 28 November 2016, we hereby authorise the Agent to remit to you on the Prepayment Date an amount of Break Costs to be calculated without taking into account paragraph (b) of the definition of "Break Costs" in the Senior Facilities Agreement (the "**Funded Break Costs**") as if you had made a demand for payment of Break Costs under clause 14.4 (*Break Costs*) of the Senior Facilities Agreement. To the extent the amount of the Funded Break Costs exceeds the actual amount of Break Costs owing to you in accordance with clause 14.4 (*Break Costs*) of the Senior Facilities Agreement (the "**Excess Break Costs**"), you shall return to the Borrower the amount of Excess Break Costs promptly following the Prepayment Date by way of payment to the below account:

| | |
|---|---|
| Correspondent Bank: | Industrial and Commercial Bank of China (Asia) Limited, Hong Kong |
| Correspondent Bank SWIFT Code: | UBHKHKHH |
| Beneficiary Bank Name: | Industrial and Commercial Bank of China (Macau) Limited |
| Beneficiary Bank SWIFT Code: | ICBKMOMX |
| Beneficiary Account Name: | Studio City Company Limited |
| Beneficiary Account No.: | 0119100200005934394 |

6. From the date of this notice until the Prepayment Date, no transfer or assignment of your participation in the Term Facility Loan in accordance with clause 25.5 (Procedure for Transfer) or clause 25.6 (Procedure for assignment) of the Senior Facilities Agreement shall be permitted.

7. This notice and any non-contractual obligations arising out of or in connection with it are governed by English law.

For and on behalf of

**STUDIO CITY COMPANY LIMITED**

______________________________

Name:

**Schedule 3**
**Effective Time Documents**

**Part A**

**Intercreditor Agreement**

1. The Intercreditor Agreement duly entered into by the parties thereto.

**Part B**

**Offshore Confirmatory Security**

1. A composite deed of confirmatory security to be entered into (among others) by Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited and SCP Holdings Limited with respect to the following share charges, all dated 26 November 2013 (each as amended, novated, supplemented, extended, replaced or restated from time to time):

   (a) the charge over all present and future shares of Studio City Company Limited held by Studio City Investments Limited, granted by Studio City Investments Limited;

   (b) the charge over all present and future shares of Studio City Holdings Two Limited held by Studio City Company Limited, granted by Studio City Company Limited;

   (c) the charge over all present and future shares in Studio City Holdings Three Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited;

   (d) the charge over all present and future shares in Studio City Holdings Four Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited;

   (e) the charge over all present and future shares in SCP Holdings Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited;

   (f) the charge over all present and future shares in SCIP Holdings Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited;

   (g) the charge over all present and future shares in SCP One Limited held by SCP Holdings Limited, granted by SCP Holdings Limited; and

   (h) the charge over all present and future shares in SCP Two Limited held by SCP Holdings Limited, granted by SCP Holdings Limited;

2. A deed of confirmatory security to be entered into (among others) by Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited, with respect to the debenture dated 26 November 2013 entered into between, among others, Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited and the Security Agent.

3. A deed of confirmatory security to be entered into (among others) by Studio City Holdings Five Limited with respect to the debenture dated 18 September 2015 entered into between, among others, Studio City Holdings Five Limited and the Security Agent.

4. A composite deed of confirmatory security to be entered into (among others) by Studio City Company Limited, Studio City Investments Limited, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited with respect to the following charges over accounts, all dated 26 November 2013 (each as amended, novated, supplemented, extended, replaced or restated from time to time):

   (a) the charge over certain accounts of Studio City Company Limited held in the Hong Kong SAR, granted by Studio City Company Limited;

   (b) the charge over certain accounts of Studio City Investments Limited held in the Hong Kong SAR, granted by Studio City Investments Limited;

   (c) the charge over certain accounts of Studio City Developments Limited held in the Hong Kong SAR, granted by Studio City Developments Limited;

   (d) the charge over certain accounts of Studio City Entertainment Limited held in the Hong Kong SAR, granted by Studio City Entertainment Limited;

   (e) the charge over certain accounts of Studio City Hotels Limited held in the Hong Kong SAR, granted by Studio City Hotels Limited;

   (f) the charge over certain accounts of Studio City Services Limited held in the Hong Kong SAR, granted by Studio City Services Limited;

   (g) the charge over certain accounts of Studio City Hospitality and Services Limited held in the Hong Kong SAR, granted by Studio City Hospitality and Services Limited;

   (h) the charge over certain accounts of Studio City Retail Services Limited held in the Hong Kong SAR, granted by Studio City Retail Services Limited; and

   (i) the charge over certain accounts of SCIP Holdings Limited held in the Hong Kong SAR, granted by SCIP Holdings Limited.

**Part C**

**Confirmations and amendments for Onshore Security**

1. A composite confirmation to be entered into (among others) by Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Holdings Five Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited, SCIP Holdings Limited and Melco Crown (Macau) Limited with respect to the following Macau law security documents:

   (a) the power of attorney granted by Studio City Developments Limited dated 26 November 2013 supplementing the mortgage over its rights under the Amended Land Concession;

   (b) the promissory note issued by Studio City Company Limited dated 26 November 2013 and endorsed by Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCP One Limited, SCP Two Limited, Studio City Developments Limited, Studio City Retail Services Limited and SCIP Holdings Limited (the "**Livrança**");

(c) the covering letter dated 26 November 2013 in relation to the Livrança from Studio City Company Limited and acknowledged by Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCP One Limited, SCP Two Limited, Studio City Developments Limited, Studio City Retail Services Limited and SCIP Holdings Limited;

(d) the assignment of the Services and Right to Use Agreement granted by Studio City Entertainment Limited dated 26 November 2013;

(e) the assignment of the Reimbursement Agreement granted by Studio City Entertainment Limited dated 26 November 2013;

(f) the direct agreement in relation to (i) the Services and Right to Use Agreement; and (ii) the Reimbursement Agreement, granted by Studio City Company Limited, Studio City Entertainment Limited, Studio City Developments Limited, Studio City Hotels Limited, Melco Crown (Macau) Limited and Studio City Holdings Five Limited dated 26 November 2013;

(g) the pledge over all present and future shares of Studio City Entertainment Limited held by Studio City Holdings Three Limited and Studio City Holdings Four Limited granted by Studio City Holdings Three Limited and Studio City Holdings Four Limited dated 26 November 2013;

(h) the power of attorney granted by Studio City Holdings Three Limited dated 18 September 2015 regarding all its present and future shares in Studio City Entertainment Limited;

(i) the power of attorney granted by Studio City Holdings Four Limited dated 18 September 2015 regarding all its present and future shares in Studio City Entertainment Limited;

(j) the pledge over the share in Studio City Entertainment Limited held by Studio City Holdings Five Limited granted by Studio City Holdings Five Limited dated 18 September 2015;

(k) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Entertainment Limited;

(l) the pledge over all present and future shares in Studio City Hotels Limited held by Studio City Holdings Three Limited and Studio City Holdings Four Limited, granted by Studio City Holdings Three Limited and Studio City Holdings Four Limited dated 26 November 2013;

(m) the power of attorney granted by Studio City Holdings Three Limited dated 18 September 2015 regarding all its present and future shares in Studio City Hotels Limited;

(n) the power of attorney granted by Studio City Holdings Four Limited dated 18 September 2015 regarding all its present and future shares in Studio City Hotels Limited;

(o) the pledge over the share in Studio City Hotels Limited held by Studio City Holdings Five Limited, granted by Studio City Holdings Five Limited dated 18 September 2015;

(p) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Hotels Limited;

(q) the pledge over all present and future shares in Studio City Developments Limited held by SCP Holdings Limited, SCP One Limited and SCP Two Limited, granted by SCP Holdings Limited, SCP One Limited and SCP Two Limited dated 26 November 2013;

(r) the power of attorney granted by SCP Holdings Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited;

(s) the power of attorney granted by SCP One Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited;

(t) the power of attorney granted by SCP Two Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited;

(u) the pledge over the share in Studio City Developments Limited held by Studio City Holdings Five Limited, granted by Studio City Holdings Five Limited dated 18 September 2015;

(v) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Developments Limited;

(w) the pledge over all present and future shares in Studio City Retail Services Limited held by Studio City Services Limited and Studio City Hospitality and Services Limited, granted by Studio City Services Limited and Studio City Hospitality and Services Limited dated 26 November 2013;

(x) the pledge over all present and future shares in Studio City Hospitality and Services Limited held by Studio City Services Limited, granted by Studio City Services Limited dated 26 November 2013;

(y) the pledge over all present and future shares of Studio City Services Limited held by Studio City Company Limited and Studio City Holdings Two Limited, granted by Studio City Company Limited and Studio City Holdings Two Limited dated 26 November 2013;

(z) the pledge over accounts granted by Melco Crown (Macau) Limited and Studio City Entertainment Limited, over (i) accounts of Melco Crown (Macau) Limited in respect of the Service and Right to Use Agreement and (ii) the Trust Account (as defined in the Service and Right to Use Agreement) dated 26 November 2013;

(aa) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 to terminate certain preference right agreements pursuant to which Studio City Holdings Five Limited was given preference in the acquisition of certain shares and the assignment of the interest in the Amended Land Concession;

(bb) the floating charge over substantially all assets of Studio City Developments Limited, granted by Studio City Developments Limited dated 26 November 2013;

(cc) the floating charge over substantially all assets of Studio City Entertainment Limited, granted by Studio City Entertainment Limited dated 26 November 2013;

(dd) the floating charge over substantially all assets of Studio City Services Limited, granted by Studio City Services Limited dated 26 November 2013;

(ee) the floating charge over substantially all assets of Studio City Hospitality and Services Limited, granted by Studio City Hospitality and Services Limited dated 26 November 2013;

(ff) the floating charge over substantially all assets of Studio City Hotels Limited, granted by Studio City Hotels Limited dated 26 November 2013; and

(gg) the floating charge over substantially all assets of Studio City Retail Services Limited, granted by Studio City Retail Services Limited dated 26 November 2013.

2. A confirmation to be entered into (among others) by Studio City Developments Limited with respect to the mortgage granted by Studio City Developments Limited over its rights under the Amended Land Concession dated 26 November 2013.

3. A composite amendment and confirmation to be entered into (among others) by Studio City Company Limited, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited with respect to the following pledges over onshore accounts:

(a) the pledge over certain onshore accounts of Studio City Company Limited held in the Macau SAR, granted by Studio City Company Limited dated 26 November 2013;

(b) the pledge over certain onshore accounts of Studio City Developments Limited held in the Macau SAR, granted by Studio City Developments Limited dated 26 November 2013;

(c) the pledge over certain onshore accounts of Studio City Entertainment Limited held in the Macau SAR, granted by Studio City Entertainment Limited dated 26 November 2013;

(d) the pledge over certain onshore accounts of Studio City Hotels Limited held in the Macau SAR, granted by Studio City Hotels Limited dated 26 November 2013;

(e) the pledge over certain onshore accounts of Studio City Services Limited held in the Macau SAR, granted by Studio City Services Limited dated 26 November 2013;

(f) the pledge over certain onshore accounts of Studio City Hospitality and Services Limited held in the Macau SAR, granted by Studio City Hospitality and Services Limited dated 26 November 2013;

(g) the pledge over certain onshore accounts of Studio City Retail Services Limited held in the Macau SAR, granted by Studio City Retail Services Limited dated 26 November 2013; and

(h) the pledge over certain onshore accounts of SCIP Holdings Limited held in the Macau SAR, granted by SCIP Holdings Limited dated 26 November 2013.

4. A composite amendment and confirmation to be entered into (among others) by Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and Studio City Developments Limited with respect to the following assignments of leases and right of use agreements:

(a) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Developments Limited;

(b) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Entertainment Limited;

(c) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Hotels Limited;

(d) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Services Limited;

(e) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Hospitality and Services Limited; and

(f) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Retail Services Limited.

**Part D**

**Pledge over Cash Collateral Account**

1. Pledge over Cash Collateral Account.

**Part E**

**Fee Letters**

1. The fee letter between the Borrower and the Acceding Agent setting out the fees referred to in clause 14.2 of the Amended and Restated Facilities Agreement, duly entered into the parties thereto.

2. The fee letter between the Borrower and the Security Agent and the POA Agent setting out the common security agency fees and POA agency fees referred to in the Intercreditor Agreement, duly entered into the parties thereto.

3. The fee letter between the Borrower and the Intercreditor Agent setting out the intercreditor agency fees referred to in the Intercreditor Agreement, duly entered into the parties thereto.

**Part F**

**Services and Right to Use Direct Agreement Agency Transfer Notice**

1. Services and Right to Use Direct Agreement Agency Transfer Notice.

## Schedule 4
## Conditions subsequent documents

**Release documents for Onshore Security**

1. A revocation agreement to be entered into (among others) by Studio City Investments Limited and Studio City International Holdings Limited in relation to the pledge over accounts entered into by (among others) Studio City Investments Limited and Studio City International Holdings Limited dated 26 November 2013.

2. A composite revocation agreement to be entered into (among others) by Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and Studio City Developments Limited with respect to the following pledges of enterprises and their related documents:

   (a) the pledge of enterprises granted by Studio City Developments Limited on 26 November 2013;

   (b) the pledge of enterprises granted by Studio City Hospitality and Services Limited on 26 November 2013;

   (c) the pledge of enterprises granted Studio City Entertainment Limited on 26 November 2013;

   (d) the pledge of enterprises granted by Studio City Services Limited on 26 November 2013;

   (e) the pledge of enterprises granted by Studio City Retail Services Limited on 26 November 2013; and

   (f) the pledge of enterprises granted by Studio City Hotels Limited on 26 November 2013.

3. A composite revocation agreement to be entered into (among others) by Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited, SCIP Holdings Limited with respect to the following pledges and assignments over intellectual property rights:

   (a) the Pledge and Assignment over Intellectual Property Rights granted by Studio City Company Limited on 26 November 2013;

   (b) the Pledge and Assignment over Intellectual Property Rights granted by Studio City Investments Limited on 26 November 2013;

   (c) the Pledge and Assignment over Intellectual Property Rights granted by Studio City Holdings Two Limited on 26 November 2013;

   (d) the Pledge and Assignment over Intellectual Property Rights granted by Studio City Holdings Three Limited on 26 November 2013;

   (e) the Pledge and Assignment over Intellectual Property Rights granted by Studio City Holdings Four Limited on 26 November 2013;

(f) the Pledge and Assignment over Intellectual Property Rights granted by Studio City Entertainment Limited on 26 November 2013;

(g) the Pledge and Assignment over Intellectual Property Rights granted by Studio City Hotels Limited on 26 November 2013;

(h) the Pledge and Assignment over Intellectual Property Rights granted by Studio City Services Limited on 26 November 2013;

(i) the Pledge and Assignment over Intellectual Property Rights granted by SCP Holdings Limited on 26 November 2013;

(j) the Pledge and Assignment over Intellectual Property Rights granted by SCP One Limited on 26 November 2013

(k) the Pledge and Assignment over Intellectual Property Rights granted by SCP Two Limited on 26 November 2013;

(l) the Pledge and Assignment over Intellectual Property Rights granted by Studio City Hospitality and Services Limited as Company on 26 November 2013;

(m) the Pledge and Assignment over Intellectual Property Rights granted by Studio City Retail Services Limited on 26 November 2013;

(n) the Pledge and Assignment over Intellectual Property Rights granted by Studio City Developments Limited on 26 November 2013; and

(o) the Pledge and Assignment over Intellectual Property Rights granted by SCIP Holdings Limited on 26 November 2013.

4. A composite revocation agreement to be entered into (among others) by Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited with respect to the following assignments of onshore contracts:

(a) the Assignment of Onshore Contracts granted by SCIP Holdings Limited on 26 November 2013;

(b) the Assignment of Onshore Contracts granted by Studio City Retail Services Limited on 26 November 2013;

(c) the Assignment of Onshore Contracts granted by Studio City Hotels Limited on 26 November 2013;

(d) the Assignment of Onshore Contracts granted by Studio City Services Limited as Company on 26 November 2013;

(e) the Assignment of Onshore Contracts granted by Studio City Entertainment Limited on 26 November 2013;

(f) the Assignment of Onshore Contracts granted by Studio City Hospitality and Services Limited on 26 November 2013; and

(g) the Assignment of Onshore Contracts granted by Studio City Developments Limited on 26 November 2013.

**Credit Facilities Agreement**

originally dated 28 January 2013
(as amended and amended and restated from time to time)
and as further amended and restated pursuant to
an amendment and restatement agreement dated 23 November 2016

between

**Studio City Investments Limited**
as Parent

**Studio City Company Limited**
as Borrower

**Bank of China Limited, Macau Branch**
(as the immediate replacement of Deutsche Bank AG, Hong Kong Branch)
as Agent

**Bank of China Limited, Macau Branch**
as Original Lender

**Industrial and Commercial Bank of China (Macau) Limited**
as Common Security Agent

and others

White & Case
9th Floor Central Tower
28 Queen’s Road Central
Hong Kong

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**This Agreement** is originally dated 28 January 2013, was amended and amended and restated from time to time and was further amended and restated on the 2016 Amendment and Restatement Effective Date and is made among:

**Between:**

**(1)** **STUDIO CITY INVESTMENTS LIMITED**, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673083), whose registered office is at Estera Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands (the "**Parent**");

**(2)** **STUDIO CITY COMPANY LIMITED**, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673603), whose registered office is at Estera Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands (the "**Borrower**");

**(3)** **THE PERSONS** listed in Part 3 of Schedule 1 (*Original Parties*) as guarantors (the "**Original Guarantors**");

**(4)** **THE FINANCIAL INSTITUTION** listed in Part 1 and in Part 2 of Schedule 1 (*Original Parties*) as the Original Facility A Lender and the Original Revolving Facility Lender (the "**Original Lender**");

**(5)** **BANK OF CHINA LIMITED, MACAU BRANCH** (having immediately replaced Deutsche Bank AG, Hong Kong Branch) as facility agent of the other Finance Parties (the "**Agent**");

**(6)** **INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED** as security agent and trustee for the Secured Parties (the "**Common Security Agent**"); and

**(7)** **INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED** as agent for the Common Security Agent under the Power of Attorney (the "**POA Agent**").

**It is agreed:**

## SECTION 1
## INTERPRETATION

### 1. Definitions and interpretation

### 1.1 Definitions

In this Agreement, having regard in particular to paragraphs (k) and (l) of Clause 1.2 (*Construction*):

"**2016 Amendment and Restatement Agreement**" means the amendment and restatement agreement dated 23 November 2016 between, among others, the Borrower, the Original Guarantors, the Agent and the Common Security Agent (as Security Agent, as it was then known).

"**2016 Amendment and Restatement Effective Date**" means the "Effective Date" as defined in the 2016 Amendment and Restatement Agreement.

"**Acceleration Event**" means an Event of Default in respect of which the Agent has taken any action pursuant to paragraphs (b) or (c) of Clause 24.19 (*Acceleration*) in respect of the full principal amount of each of the Utilisation(s) then outstanding in respect of the Revolving Facility.

“**Acceptable Bank**” means:

(a) a bank or financial institution which has a rating for its long-term unsecured and non credit-enhanced debt obligations of A- or higher by Standard & Poor’s or Fitch or A3 or higher by Moody’s or a comparable rating from an internationally recognised credit rating agency;

(b) each of Bank of China Limited, Macau Branch, Banco Nacional Ultramarino, S.A., China Construction Bank (Macau) Corporation Limited, Banco Comercial Português, S.A., Macau Branch, Banco Comercial de Macau, S.A., Tai Fung Bank Limited, Wing Lung Bank Limited, Macau Branch, The Bank of East Asia Limited, Macau Branch, Bank of Communications Co., Ltd. Macau Branch, First Commercial Bank, Macau, Ta Chong Bank;

(c) any Finance Party or an Affiliate of any Finance Party; or

(d) any other bank or financial institution approved by the Agent.

“**Accession Letter**” means a document substantially in the form set out in Schedule 6 (*Form of Accession Letter*).

“**Account**” has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

“**Additional Guarantor**” means a company which becomes a Guarantor in accordance with Clause 27 (*Changes to the Obligors*).

“**Additional High Yield Note Refinancing**” has the meaning given to that term in the Intercreditor Agreement.

“**Additional High Yield Notes**” has the meaning given to that term in the Intercreditor Agreement.

“**Affiliate**” means, in relation to any person, any other person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such person. For purposes of this definition, “**control**” means, in relation to a person, the power, directly or indirectly, to (a) vote 20 per cent. or more of the shares or other securities having ordinary voting power for the election of the board of directors (or persons performing similar functions) of such person or (b) direct or cause the direction of the management and policies of such person, whether by contract or otherwise.

“**Agent**” means the Agent, *provided* that for the purpose of any Continuing Document (only) the reserved meaning (if any) given to this term in connection with that Continuing Document pursuant to paragraph (l) of Clause 1.2 (*Construction*) and the Intercreditor Agreement shall apply.

“**Agent’s Spot Rate of Exchange**” means the Agent’s spot rate of exchange for the purchase of one currency with HK dollars in the Hong Kong foreign exchange market at or about 11:00 a.m. on a particular day.

“**Amended Land Concession**” means the land concession of a plot of land with an area of 130,789 sq. meters located in the reclaimed land zone between Taipa and Coloane Island, designated as Lotes G300, G310 and G400 registered with the Macau Real Estate Registry under no. 23059, granted by way of lease by the Macau SAR to Propco pursuant to Dispatch no. 100/2001 of the Secretary for Transport and Public Works dated 9 October 2001 and published in the Macau Official Gazette no. 42, II Series on 17 October 2001, as amended in accordance with Dispatch no. 31/2012 of the Secretary for Public Works dated 19 July 2012 and published in the Macau Official Gazette No. 30. II Series on 25 July 2012, as further amended in accordance with Dispatch no. 92/2015 of the Secretary for Public Works dated 10 September 2015 and published in the Macau Official Gazette no. 38, II Series on 23 September 2015, and as may be further amended and supplemented from time to time).

"**Ancillary Commencement Date**" means, in relation to an Ancillary Facility, the date on which that Ancillary Facility is first made available, which date shall be a Business Day within the Availability Period for the Revolving Facility.

"**Ancillary Commitment**" means, in relation to an Ancillary Lender and an Ancillary Facility, the maximum amount which that Ancillary Lender has agreed (whether or not subject to satisfaction of conditions precedent) to make available from time to time under an Ancillary Facility and which has been authorised as such under Clause 6 (*Ancillary Facilities*), to the extent that amount is not cancelled or reduced under this Agreement or the Ancillary Documents relating to that Ancillary Credit Facility.

"**Ancillary Document**" means each document relating to or evidencing the terms of an Ancillary Facility.

"**Ancillary Facility**" means any ancillary facility made available by an Ancillary Lender in accordance with Clause 6 (*Ancillary Facilities*).

"**Ancillary Lender**" means each Lender (or Affiliate of a Lender) which makes available an Ancillary Facility in accordance with Clause 6 (*Ancillary Facilities*).

"**Ancillary Outstandings**" means, at any time, in relation to an Ancillary Lender and an Ancillary Facility then in force the aggregate of the equivalents (as calculated by that Ancillary Lender) in the Base Currency of the following amounts outstanding under that Ancillary Facility:

(a) the principal amount under each overdraft facility and on-demand short term loan facility (net of any Available Credit Balance);

(b) the face amount of each guarantee, bond and letter of credit under that Ancillary Facility; and

(c) the amount fairly representing the aggregate exposure (excluding interest and similar charges) of that Ancillary Lender under each other type of accommodation provided under that Ancillary Facility,

in each case as determined by such Ancillary Lender, acting reasonably in accordance with its normal banking practice and in accordance with the relevant Ancillary Document.

"**Anti-Terrorism Law**" means each of:

(a) the Executive Order;

(b) the USA Patriot Act;

(c) the Money Laundering Control Act of 1986, Public Law 99-570 and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency;

(d) the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et seq, the Trading with the Enemy Act, 50 U.S.C. App. §§ 1 et seq, any executive order or regulation promulgated thereunder and administered by OFAC;

(e) the U.S. Foreign Corrupt Practices Act of 1977;

(f) the Iran Sanctions Act of 1996 and the Comprehensive Iran Sanctions, Accountability and Divestment Act of 2010; and

(g) any similar sanctions, restrictions or embargoes enacted or imposed by Australian Department of Foreign Affairs and Trade, Reserve Bank of Australia, the United Nations, the European Union, the State Secretariat for Economic Affairs of Switzerland, OFAC, HM Treasury of the United Kingdom, the Hong Kong Monetary Authority, the Monetary Authority of Singapore, the Macau Monetary Authority or any other body notified in writing by the Agent (acting on behalf of any Lender) to the Borrower from time to time.

"**Assignment Agreement and Lender Accession Undertaking**" means an agreement substantially in the form set out in Schedule 5 (*Form of Assignment Agreement and Lender Accession Undertaking*) or any other form agreed between the relevant assignor and assignee.

"**Auditors**" means (a) any one of PricewaterhouseCoopers, Ernst & Young, KPMG and Deloitte & Touche, (b) any Affiliate of any auditor referred to in (a) or any entity resulting from amalgamation of any auditor referred to in (a) or (c) any firm of independent public accountants with at established national repute, in each case that has the necessary skills and experience to audit a group of companies such as the Group.

"**Authorisation**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"**Availability Period**" means, in relation to the Revolving Facility, the period from and including 1 January 2017 up to and including the date falling one Month prior to the Final Repayment Date for the Revolving Facility. The Availability Period in respect of the commitments originally drawn on under this Agreement to fund the advance establishing the Facility A Loan concluded prior to the 2016 Amendment and Restatement Effective Date.

"**Available Commitment**" means, in relation to the Revolving Facility, a Lender's Commitment under that Facility minus:

(a) the amount of its participation in any outstanding Utilisations under that Facility and the aggregate amount of its (and its Affiliate's) Ancillary Commitments; and

(b) in relation to any proposed Utilisation, the amount of its participation in any other Utilisations that are due to be made under that Facility on or before the proposed Utilisation Date and the amount of its (and its Affiliate's) Ancillary Commitment in relation to any new Ancillary Facility that is due to be made available on or before the proposed Utilisation Date.

For the purposes of calculating a Lender's Available Commitment in relation to any proposed Utilisation under the Revolving Facility, that Lender's participation in any Revolving Facility Loans that are due to be repaid or prepaid on or before the proposed Utilisation Date and that Lender's (and its Affiliate's) Ancillary Commitments to the extent that they are due to be reduced or cancelled on or before the proposed Utilisation Date shall not be deducted from a Lender's Commitment under that Facility.

"**Available Credit Balance**" means, in relation to an Ancillary Facility, credit balances on any account of the Borrower with the Ancillary Lender making available that Ancillary Facility to the extent that those credit balances are freely available to be set off by that Ancillary Lender against liabilities owed to it by the Borrower.

"**Available Facility**" means, in relation to a Facility, the aggregate for the time being of each Lender's Available Commitment in respect of that Facility. The Available Facility in respect of Facility A is nil.

"**Base Currency**" means Hong Kong dollars.

"**Bondco**" has the meaning given to that term in the Intercreditor Agreement.

"**Bondco Loan**" has the meaning given to that term in the Intercreditor Agreement.

"**Bondco Loan Agreement**" has the meaning given to that term in the Intercreditor Agreement.

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

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

exceeds:

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

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in the Macau SAR, the Hong Kong SAR and London.

"**Cancellation Notice**" has the meaning given to that term in paragraph (b) of Clause 37.5 (*Replaceable Lenders*).

"**Cash**" means, at any time, cash on hand or cash at bank credited to an account in the name of an Obligor with an Acceptable Bank and in each case to which an Obligor is alone (or with one or more other Obligors) beneficially entitled and for so long as:

(a) that cash is repayable on demand;

(b) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any member of the Group or of any other person whatsoever or on the satisfaction of any other condition;

(c) there is no Security over that cash except Transaction Security falling within paragraphs (8), (9), (10), (14)(i), (14)(ii), (21), (23), (26) and (27) of the definition of "Permitted Liens" in Schedule 11 (*Definitions*); and

(d) subject to (a) above, such cash is freely and immediately available to be applied in repayment or prepayment of the Facilities.

"**Cash Equivalent Investments**" means at any time:

(a) certificates of deposit maturing within one year after the relevant date of calculation and issued by an Acceptable Bank;

(b) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, Hong Kong SAR, Japan, the United Kingdom, Australia, any member state of the European Union or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one year after the relevant date of calculation and not convertible or exchangeable to any other security;

(c) commercial paper not convertible or exchangeable to any other security:

 (i) for which a recognised trading market exists;

(ii) issued by an issuer incorporated in the United States of America, the United Kingdom, any member of the European Economic Area or any Participating Member State;

(iii) which matures within one year after the relevant date of calculation; and

(iv) which has a credit rating of either A-1 or higher by Standard & Poor's or F1 or higher by Fitch or P-1 by Moody's, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non credit-enhanced debt obligations, an equivalent rating;

(d) any investment accessible within 30 days in money market funds which (i) have a credit rating of either A-1 or higher by Standard & Poor's or F1 or higher by Fitch or P-1 by Moody's and (ii) which invest substantially all their assets in securities of the types described in paragraphs (a) to (c) above; or

(e) any other debt security approved by the Majority Lenders,

in each case, to which any member of the Group is beneficially entitled at that time and which is not issued or guaranteed by any member of the Group or subject to any Security (other than Security arising under the Transaction Security Documents).

"**Change of Control**" has the meaning given to that term in Schedule 11 (*Definitions*).

"**Charged Property**" has the meaning given to that term in the Intercreditor Agreement.

"**Code**" means the US Internal Revenue Code of 1986.

"**Commitment**" means a Revolving Facility Commitment.

"**Competitor**" means any of the following:

(a) Genting Berhad;

(b) Caesars Entertainment Corporation;

(c) any gaming concessionaire or sub-concessionaire in the Macau SAR (other than Melco Crown);

(d) any Subsidiary or Affiliate of any of the above;

(e) any trust, fund or other entity controlled (as defined in the definition of "**Affiliate**" herein) by any of the above; and

(f) any entity which is agreed between the relevant Lender and the Borrower to be a "Competitor" in accordance with the requirements of Clause 25.2 (*Conditions of assignment or transfer*).

"**Completion Support Release Date**" means, for the purpose of any Continuing Document, 30 November 2015.

"**Confidential Information**" means all information relating to the Parent, the Borrower, any Obligor, any Grantor, the Site, the Property, the Services and Right to Use Agreement, the Reimbursement Agreement, the Finance Documents or a Facility of which a Finance Party becomes aware in its capacity as, or for the purpose of becoming, a Finance Party or which is received by a Finance Party in relation to, or for the purpose of becoming a Finance Party under, the Finance Documents or a Facility from either:

(a) any member of the Group or any of its advisers; or

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

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

(i) is or becomes public information other than as a direct or indirect result of any breach by that Finance Party of Clause 38 (*Disclosure of information*); or

(ii) is identified in writing at the time of delivery as non-confidential by any member of the Group or any of its advisers; or

(iii) is known by that Finance Party before the date the information is disclosed to it in accordance with paragraphs (a) or (b) above or is lawfully obtained by that Finance Party after that date, from a source which is, as far as that Finance Party is aware, unconnected with the Group and which, as far as that Finance Party is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality.

"**Confidentiality Undertaking**" means a confidentiality undertaking substantially in a recommended form of the LMA or in any other form agreed between the Borrower and the Agent.

"**Conflicted Lender**" means any Lender (which term, for the purposes of this definition shall include any Affiliate of that Lender) which is or is acting on behalf of (including in its capacity as the grantor of a participation or any other agreement pursuant to which such rights may pass) any of the following:

(a) a Competitor;

(b) any investor or equity holder in a Competitor; or

(c) an advisor to any such person referred to in paragraph (a) or (b) above,

in each case, whether before or after such person becomes a Lender and including where a Lender notifies the Agent that it is such (in a Transfer Certificate, Assignment Agreement and Lender Accession Undertaking or otherwise) and where it has been notified as such to the Agent by the Borrower (acting reasonably and in good faith).

"**Constitutional Documents**" means, collectively, in relation to any person, any certificate of incorporation, memorandum and articles of association, bylaws, shareholders' agreement, certificate of formation, limited liability company agreement, partnership agreement and any other formation or constituent documents applicable to such person.

"**Continuing Documents**" means (i) the Continuing Macau Documents, the Continuing English Share Charges, the Continuing English Powers of Attorney, the Continuing English Debenture and the Continuing Hong Kong Accounts Charges (each as defined in the Intercreditor Agreement) and (ii) the Services and Right to Use Direct Agreement.

"**Contractor**" means the architects, consultants, designers, contractors, suppliers and other persons engaged by any Obligor in connection with the design, engineering, development, construction, installation, maintenance or operation of the Property.

"**Debt Purchase Transaction**" means, in relation to a person, a transaction where such person:

(a) purchases by way of assignment or transfer;

(b) enters into any sub-participation in respect of; or

(c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of,

any Commitment or amount outstanding under this Agreement.

"**Debt Service Accrual Account**" has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

"**Debt Service Reserve Account**" has the meaning, for the purpose of any Continuing Document, given to that term in Schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

"**Default**" means an Event of Default or any event or circumstance specified in Clause 24 (*Events of Default*) which would (with the expiry of a grace period, the giving of notice, the making of any determination in accordance with the Finance Documents or any combination of any of the foregoing) be an Event of Default.

"**Defaulting Lender**" means any Lender (other than a Lender which is a Sponsor Affiliate):

(a) which has failed to make its participation in a Revolving Facility Loan available or has notified the Agent that it will not make its participation in a Revolving Facility Loan available by the Utilisation Date of that Loan in accordance with Clause 5.4 (*Lenders' participation*);

(b) which has otherwise rescinded or repudiated a Finance Document; or

(c) with respect to which an Insolvency Event has occurred and is continuing,

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

(i) its failure to pay is caused by:

(A) administrative or technical error; or

(B) a Disruption Event; and

payment is made within three (3) Business Days of its due date; or

(ii) the Lender is disputing in good faith whether it is contractually obliged to make the payment in question.

"**Delegate**" means any delegate, agent, attorney or co-trustee appointed by the Common Security Agent.

"**Direct Agreement**" has the meaning, for the purpose of any Continuing Document, given to that term in Schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

"**Disposal**" means a sale, lease, licence, transfer, loan or other disposal by a person of any asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions).

"**Disruption Event**" means either or both of:

(a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facilities (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or

(b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing that, or any other Party:

(i) from performing its payment obligations under the Finance Documents; or

(ii) from communicating with other Parties in accordance with the terms of the Finance Documents,

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

"**Enforcement Notice**" has the meaning given to that term in the Intercreditor Agreement.

"**Environmental Claim**" means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

"**Environmental Law**" means any applicable law or regulation which relates to:

(a) the pollution or protection of the environment;

(b) harm to or the protection of human health;

(c) the conditions of the workplace; or

(d) any emission or substance capable of causing harm to any living organism or the environment.

"**Environmental Permits**" means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of any member of the Group conducted on or from the properties owned or used by any member of the Group.

"**Equity**" has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

"**Event of Default**" means any event or circumstance specified as such in Clause 24 (*Events of Default*), *provided* that for the purpose of any Continuing Document (only) the reserved meaning (if any) given to this term in connection with that Continuing Document pursuant to paragraphs (k) and (l) of Clause 1.2 (*Construction*) and the Intercreditor Agreement shall apply.

"**Excess Cashflow**" has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

"**Executive Order**" means Executive Order No. 13224 of 23 September 2001 - Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism.

"**Facility**" means each of Facility A and the Revolving Facility, *provided* that for the purpose of any Continuing Document (only) the reserved meaning (if any) given to this term (or, correspondingly, "**Facilities**") in connection with that Continuing Document pursuant to paragraphs (k) and (l) of Clause 1.2 (*Construction*) and the Intercreditor Agreement shall apply.

"**Facility A**" means the term loan facility made available under this Agreement as described in paragraph (a)(i) of Clause 2.1 (*The Facilities*).

"**Facility A Cash Collateral**" means the Security in respect of the Facility A Cash Collateral Account referred to in paragraph (c) of the definition of Facility A Cash Collateral Account.

"**Facility A Cash Collateral Account**" means a Hong Kong dollar denominated account:

(a) held in the Macau SAR or the Hong Kong SAR by the Borrower with a Facility A Lender;

(b) identified in a letter between the Borrower and the Agent as the Facility A Cash Collateral Account; and

(c) subject to Security in favour of the Facility A Lenders (whether directly or through the Common Security Agent) in respect of the Liabilities owed by the Obligors in respect of the principal amount outstanding on the Facility A Loan and in form and substance satisfactory to the Facility A Lenders,

as the same may (subject to the terms of the Intercreditor Agreement) be redesignated, substituted or replaced from time to time.

"**Facility A Cash Collateral Minimum Balance**" means HK$1,012,500.

"**Facility A Lender**" means:

(a) the Original Facility A lender identified as such in Part 1 of Schedule 1 (*Original Parties*); and

(b) any bank, financial institution, trust, fund or other entity which has become a Party as a Lender under Facility A in accordance with Clause 25 (*Changes to the Lenders*),

which, in each case, has not ceased to be a Party as a Facility A Lender in accordance with the terms of this Agreement.

"**Facility A Loan**" means the loan referred to in paragraph (b) of Clause 2.1 (*The Facilities*) or the principal amount outstanding for the time being of that loan.

"**Facility A Participation**" means:

(a) in relation to the Original Lender, the aggregate amount in HK dollars set opposite its name under the heading "Facility A Participation" in Part 1 of Schedule 1 (*Original Parties*) and the amount of any other Revolving Facility Commitment transferred to it under this Agreement; and

(b) in relation to any other Lender, the amount in HK dollars of any Facility A Participation transferred to it under this Agreement,

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

"**Facility Office**" means:

(a) in respect of a Lender, the office or offices notified by that Lender to the Agent in writing on or before the date it becomes a Lender (or, following that date, by not less than five (5) Business Days' written notice) as the office or offices through which it will perform its obligations under this Agreement; or

(b) in respect of any other Finance Party, the office in the jurisdiction in which it is resident for tax purposes.

"**FATCA**" means:

(a) sections 1471 to 1474 of the Code or any associated regulations;

(b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or

(c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

"**FATCA Application Date**" means:

(a) in relation to a "withholdable payment" described in section 1473(1)(A)(i) of the Code (which relates to payments of interest and certain other payments from sources within the US), 1 July 2014;

(b) in relation to a "withholdable payment" described in section 1473(1)(A)(ii) of the Code (which relates to "gross proceeds" from the disposition of property of a type that can produce interest from sources within the US), 1 January 2019; or

(c) in relation to a "passthru payment" described in section 1471(d)(7) of the Code not falling within paragraphs (a) or (b) above, 1 January 2019,

or, in each case, such other date from which such payment may become subject to a deduction or withholding required by FATCA as a result of any change in FATCA after the date of this Agreement.

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

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

"**Fee Letter**" means any letter or letters setting out any of the fees referred to in clause 21.29 (*Common Security Agent's fee*) of the Intercreditor Agreement, clause 22.2 (*POA Agent's fee*) of the Intercreditor Agreement or clause 23.23 (*Intercreditor Agent's fee*) of the Intercreditor Agreement, any letter or letters between the Borrower and an Increase Lender setting out any fee referred to in paragraph (f) of Clause 2.2 (*Increase*) and any other letter or letters between a Finance Party and an Obligor setting out any of the fees referred to in Clause 14 (*Fees*).

"**Final Repayment Date**" means:

(a) in relation to Facility A, the date falling five years from the 2016 Amendment and Restatement Effective Date; and

(b) in relation to the Revolving Facility, the date falling five years from the 2016 Amendment and Restatement Effective Date,

and, in each case, if any such date is not a Business Day, the immediately preceding Business Day.

"**Finance Document**" means:

(a) this Agreement;

(b) any Accession Letter;

(c) any Fee Letter;

(d) any Selection Notice;

(e) the Intercreditor Agreement;

(f) any Transaction Security Document;

(g) any Transfer Certificate or Assignment Agreement and Lender Accession Undertaking;

(h) any Utilisation Request;

(i) the Mandate Documents;

(j) the 2016 Amendment and Restatement Agreement;

(k) any Ancillary Document; and

(l) any other document designated as a "Finance Document" by the Agent and the Borrower,

*provided* that for the purpose of any Continuing Document (only) the reserved meaning (if any) given to this term in connection with that Continuing Document pursuant to paragraphs (k) and (l) of Clause 1.2 (*Construction*) and the Intercreditor Agreement shall apply.

"**Finance Party**" means the Agent, the Common Security Agent, the Intercreditor Agent, the Lenders, any Ancillary Lender and the POA Agent, *provided* that for the purpose of any Continuing Document (only) the reserved meaning (if any) given to this term in connection with that Continuing Document pursuant to paragraphs (k) and (l) of Clause 1.2 (*Construction*) and the Intercreditor Agreement shall apply.

"**Financial Indebtedness**" means any indebtedness for or in respect of:

(a) monies borrowed;

(b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the GAAP, be treated as a finance or capital lease;

(e) receivables sold or discounted (other than any receivables to the extent they are sold or discounted on a non-recourse basis);

(f) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value as at the relevant date on which Financial Indebtedness is calculated (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);

(g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;

(h) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 180 days after the date of supply;

(i) any amount raised by the issue of redeemable shares;

(j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing; and

(k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

"**Financial Model**" means the financial model in the agreed form provided to the Agent in connection with the 2016 Amendment and Restatement Agreement.

"**Financial Quarter**" has the meaning given to that term in Clause 22.3 (*Definitions*).

"**Financial Year**" has the meaning given to that term in Clause 22.3 (*Definitions*).

"**First Utilisation**" means, for the purpose of any Continuing Document, 28 July 2014.

"**Fitch**" means Fitch Ratings Ltd.

"**GAAP**" means the generally accepted accounting principles in the United States of America as in effect from time to time.

"**Gaming Area**" means, for the purpose of any Continuing Document, the gaming area operated by Melco Crown within the Property under the terms of the Services and Right to Use Agreement.

"**Gaming Subconcession**" means the trilateral agreement dated 8 September 2006 entered into by and between the Macau SAR, Wynn Resorts (Macau), S.A. (as concessionaire for the operation of casino games of chance and other casino games in the Macau SAR, under the terms of a concession contract dated 24 June 2002 between the Macau SAR and Wynn Resorts (Macau), S.A.) and Melco Crown comprising a set of instruments from which shall flow an integrated web of rights, duties and obligations by and for all and each of the Macau SAR, Wynn Resorts (Macau), S.A. and Melco Crown (the nominative administrative contract known as the subconcession contract for the operation of casino games of chance and other casino games in the Macau SAR, executed by Wynn Resorts (Macau) Limited and Melco Crown, to be the most significant instrument thereof), pursuant to the terms of which Melco Crown is entitled to operate casino games of chance and other casino games in the Macau SAR as an autonomous subconcessionaire in relation to Wynn Resorts (Macau) Limited, and including any supplemental letters or agreements entered into or issued by Macau SAR and any member of Group or Melco Crown.

"**Golden Share**" means any share in a company or corporation, the memorandum and/or articles of association in respect of which company or corporation designate as such or give the holder of such share any special pre-emptive rights relative to other shareholders.

"**Governmental Authority**" means, as to any person, the government of the Macau SAR, any other national, state, provincial or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, in each case having jurisdiction over such person, or any arbitrator with authority to bind such person at law.

"**Grantor**" means:

(a) each of Melco Crown and SCH5; and

(b) each other person (other than an Obligor) that grants Security under any Transaction Security Document after the 2016 Amendment and Restatement Effective Date.

"**Group**" means the Parent and each of its Subsidiaries from time to time.

"**Group Insured**" has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

"**Gross Outstandings**" means, in relation to a Multi-account Overdraft, the Ancillary Outstandings of that Multi-account Overdraft but calculated on the basis that the words "(net of any Available Credit Balance)" in paragraph (a) of the definition of Ancillary Outstandings were deleted.

"**Guarantor**" means an Original Guarantor or an Additional Guarantor.

"**Hedge Counterparty**" has the meaning given to that term in the Intercreditor Agreement.

"**Hedging Agreement**" has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

"**Hedging Liabilities**" has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

"**HIBOR**" means, in relation to any Loan denominated in HK dollars:

(a) the applicable Screen Rate; or

(b) if no Screen Rate is available for HK dollars for the Interest Period of that Loan, the Interpolated Screen Rate; or

(c) if no Screen Rate is available for the Interest Period of that Loan and it is not possible to calculate an Interpolated Screen Rate for that Loan, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Agent at its request quoted by the Reference Banks to leading banks in the Relevant Interbank Market,

at or about 11:00 a.m. on the Quotation Date for HK dollars for a period comparable to the Interest Period for that Loan, and if any such rate is less than zero, such rate shall be deemed to be zero.

"**High Yield Note Disbursement Agreement**" means, for the purpose of any Continuing Document, the note disbursement and account agreement in respect of funds from time to time standing to the credit of the High Yield Note Proceeds Account dated 26 November 2012 and made between, among others, the Borrower, the Original Bondco and the High Yield Note Trustee.

"**High Yield Note Document**" means each High Yield Note Indenture, each Bondco Loan Agreement and each other document or instrument which relates to any High Yield Notes or, as the case may be, High Yield Note Refinancing Indebtedness.

"**High Yield Note Guarantees**" means the guarantees provided by any Obligor:

(a) to the High Yield Note Trustee in respect of the High Yield Notes issued prior to the original date of this Agreement; or

(b) in respect of any Additional High Yield Note, Additional High Yield Note Refinancing Indebtedness or High Yield Note Refinancing Indebtedness.

"**High Yield Note Indenture**" means the indenture dated 26 November 2012 made between (among others) the Original Bondco and the High Yield Note Trustee or any equivalent High Yield Note Document in respect of any High Yield Note Refinancing Indebtedness issued by way of debt securities (in each case, as amended or supplemented from time to time).

“**High Yield Note Interest Reserve Account**” has the meaning, for the purpose of any Continuing Document, given to the term “Note Interest Reserve Account” in the High Yield Note Disbursement Agreement.

“**High Yield Note Proceeds Account**” has the meaning, for the purpose of any Continuing Document, given to the term “Note Proceeds Account” in the High Yield Note Disbursement Agreement.

“**High Yield Note Refinancing**” means a refinancing of any amount outstanding under or in connection with the High Yield Notes issued prior to the original date of this Agreement or a High Yield Note Refinancing from the proceeds of an issue by a Bondco of high yield notes or other Financial Indebtedness (each, “**High Yield Note Refinancing Indebtedness**”) where:

(a) the terms thereof are no less favourable to the Finance Parties than the terms of the High Yield Notes issued prior to the original date of this Agreement (and do not have an adverse effect on the interests of the Finance Parties);

(b) the terms thereof (including, without limitation, the terms of any related guarantees, security or other credit support) are no more onerous to any Obligor (for the avoidance of doubt, an increase in pricing payable by any Obligor when compared to the High Yield Notes shall be more onerous) and do not provide for any redemptions on a date falling prior to the last Termination Date applicable to the Facilities; and

(c) the scope (including the assets subject to security, the persons giving security, guarantees or other credit support and the amount of financial obligations guaranteed, secured or supported by any Obligor) of any security, guarantees or credit support given in connection with such High Yield Notes Refinancing Indebtedness by any Obligor shall be no greater than the security, guarantees and credit support granted (and financial obligations guaranteed, secured or supported by any Obligor) pursuant to the High Yield Note Documents entered into prior to the original date of this Agreement.

“**High Yield Note Trustee**” means DB Trustees (Hong Kong) Limited (or its permitted successor or assign) as trustee for the High Yield Noteholders on the terms set out in the High Yield Note Indenture or its equivalent under any other High Yield Note Document.

“**High Yield Noteholders**” means the holders of the High Yield Notes or High Yield Note Refinancing Indebtedness from time to time issued by way of debt securities.

“**High Yield Notes**” means the US$825,000,000 8.500% senior notes due 2020 issued by the Original Bondco and subject to the terms of the High Yield Note Indenture or any Financial Indebtedness incurred by way of High Yield Note Refinancing.

“**HK$**”, “**Hong Kong dollars**” or “**HK dollars**” denotes the lawful currency of the Hong Kong SAR.

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

“**Hong Kong SAR**” means the Hong Kong Special Administrative Region of the People’s Republic of China.

“**Illegal Lender**” means a Lender whom an Obligor is or becomes obliged to repay or prepay pursuant to Clause 8.1 (*Illegality*).

“**Impaired Agent**” means the Agent at any time when:

(a) it has failed to make (or has notified a Party that it will not make) a payment required to be made by it under the Finance Documents by the due date for payment;

(b) it otherwise rescinds or repudiates a Finance Document;

(c) (if the Agent is also a Lender) it is a Defaulting Lender under paragraph (a) or (b) of the definition of “Defaulting Lender”; or

(d) an Insolvency Event has occurred and is continuing with respect to the Agent;

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

(i) its failure to pay is caused by:

(A) administrative or technical error; or

(B) a Disruption Event; and

payment is made within three (3) Business Days of its due date; or

(ii) the Agent is disputing in good faith whether it is contractually obliged to make the payment in question.

“**Increase Confirmation**” means a confirmation substantially in the form set out in Schedule 9 (*Form of Increase Confirmation*).

“**Increase Lender**” has the meaning given to that term in paragraph (a)(i) of Clause 2.2 (*Increase*).

“**Increased Costs Lender**” means a Lender to whom the Borrower is required to pay Increased Costs under Clause 16 (*Increased costs*), to make a tax gross-up under Clause 15.2 (*Tax gross-up*) or tax indemnity under Clause 15.3 (*Tax indemnity*).

“**Indirect Tax**” means any goods and services tax, consumption tax, value added tax or any tax of a similar nature.

“**Insolvency Event**” means, in relation to a Finance Party, that the Finance Party:

(a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

(b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;

(c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;

(d) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official;

(e) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:

(i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or

(ii) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;

(f) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(g) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;

(h) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;

(i) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (h) above; or

(j) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

"**Insurance Policy**" means, for the purpose of any Continuing Document, any policy of insurance (other than any public liability, third party liability, workers compensation or legal liability insurance or any other insurances the proceeds of which are payable to employees or officers of any Chargor or any other relevant third party) which any Obligor is required to effect or maintain under the Facilities Agreement and in which the relevant Chargor may from time to time have an interest and which is taken out, placed or effected with an insurer.

"**Intellectual Property**" means:

(a) any patents, trademarks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered; and

(b) the benefit of all applications and rights to use any such assets referred to in paragraph (a) above,

of each member of the Group.

"**Intercreditor Agreement**" means the intercreditor agreement entered into between, among others, the Parent, the Borrower, the Original Guarantors, the Original Bondco, the Lenders, the Agent and the Common Security Agent on the 2016 Amendment and Restatement Effective Date.

"**Interest Period**" means, in relation to a Loan, each period determined in accordance with Clause 12 (*Interest Periods*) and, in relation to an Unpaid Sum, each period determined in accordance with Clause 11.3 (*Default interest*).

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

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

(b) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan,

as of 11:00 a.m. on the Quotation Date for HK dollars.

"**Intra-Group Lender**" has the meaning given to that term in the Intercreditor Agreement.

"**Intra-Group Liabilities**" has the meaning given to that term in the Intercreditor Agreement.

"**Joint Venture**" means any joint venture entity, whether a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity.

"**Legal Opinion**" means any legal opinion delivered to the Agent under or in connection with the conditions precedent referred to in clause 5.1 (*Amendments to the Facilities Agreement*) of the 2016 Amendment and Restatement Agreement or Clause 27 (*Changes to the Obligors*).

"**Legal Requirements**" means all laws, statutes, orders, decrees, injunctions, licenses, permits, approvals, agreements and regulations of any Governmental Authority having jurisdiction over the matter in question.

"**Legal Reservations**" means:

(a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;

(b) the time barring of claims under statutes of limitation;

(c) similar principles, rights and defences under the laws of any Relevant Jurisdiction; and

(d) any other matters which are set out as qualifications or reservations as to matters of law of general application in the Legal Opinions.

"**Lender**" means a Facility A Lender or a Revolving Facility Lender, *provided* that for the purpose of any Continuing Document (only) the reserved meaning (if any) given to this term in connection with that Continuing Document pursuant to paragraphs (k) and (l) of Clause 1.2 (*Construction*) and the Intercreditor Agreement shall apply.

"**Liabilities**" means all present and future liabilities and obligations at any time of any Obligor to any Finance Party under the Finance Documents, both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations:

(a) any refinancing, novation, deferral or extension;

(b) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition;

(c) any claim for damages or restitution; and

(d) any claim as a result of any recovery by any Obligor of a Payment on the grounds of preference or otherwise,

and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings

"**LMA**" means the Loan Market Association.

"**Loan**" means a Facility A Loan or a Revolving Facility Loan.

"**Macau Obligor**" means any Obligor incorporated in the Macau SAR.

"**Macau SAR**" means the Macau Special Administrative Region of the People's Republic of China.

"**Major Project Documents**" has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

"**Majority Lenders**" means:

(a) (for the purposes of paragraph (a) of Clause 37.2 (*Required consents*) in the context of a waiver in relation to a proposed Utilisation of the Revolving Facility of the condition in Clause 4.1 (*Utilisation conditions precedent*)), a Lender or Lenders whose Revolving Facility Commitments aggregate more than 50 per cent. of the Total Revolving Facility Commitments; and

(b) (in any other case) a Lender or Lenders whose Revolving Facility Commitments and participations in the Facility A Loan aggregate 50 per cent. or more of the sum of the Total Revolving Facility Commitments and the outstanding principal amount of the Facility A Loan.

"**Mandate Documents**" means the commitment letter entered into on 9 November 2016 between the Original Lender and the Borrower.

"**Margin**" means, in relation to any Loan or Unpaid Sum, 4.00 per cent. per annum.

"**Material Adverse Effect**" means any event or circumstance which (after taking into account all relevant circumstances) has a material adverse effect on:

(a) the business, operations, property or financial condition of the Group (taken as a whole); or

(b) the ability of the Obligors (taken as a whole) to perform any of their payment obligations under the Finance Documents; or

(c) subject to the Legal Reservations and the Perfection Requirements, the validity or enforceability of, or the effectiveness or ranking of any Transaction Security granted or purporting to be granted pursuant to any of, the Finance Documents or the rights or remedies of any Finance Party under any of the Finance Documents.

"**MCE**" means Melco Crown Entertainment Limited, an exempted limited liability company incorporated with limited liability under the laws of the Cayman Islands (with registered number 143119) with registered address: Walker House, 87 Mary Street, George Town, Grand Cayman, KYI-9005, Cayman Islands.

"**MCE Cotai**" means MCE Cotai Investments Limited, an exempted limited liability company incorporated with limited liability under the laws of the Cayman Islands (with registered number 254216) whose registered address is at Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands.

"**Melco Crown**" means Melco Crown (Macau) Limited (formerly known as Melco Crown Gaming (Macau) Limited and previously as Melco PBL Gaming (Macau) Limited), a company incorporated under the laws of the Macau SAR, registered with the Macau Commercial Registry under number 24325 SO, with registered office at Alameda Dr. Carlos d' Assumpção, nos 411-417, Edifício Dynasty Plaza, 15º andar, O, P, Macau.

"**Month**" means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

(a) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;

(b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and

(c) if an Interest Period begins on the last Business Day of a calendar month and, consistent with the terms of this Agreement, that Interest Period is to be of a duration equal to a whole number of Months, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end.

The above rules will only apply to the last Month of any period. "**Monthly**" shall be construed accordingly.

"**Moody's**" means Moody's Investors Service, Inc.

"**Multi-account Overdraft**" means an Ancillary Facility which is an overdraft facility comprising more than one account.

"**New Cotai, LLC**" a limited liability company formed in Delaware, United States of America (with registered number 4114248), c/o New Cotai Holdings, LLC, of Two Greenwich Plaza, Greenwich, Connecticut 06830, United States of America.

"**New Shareholder Injections**" means the cash proceeds received by the Parent in respect of the aggregate amount subscribed for by any person (other than a member of the Group) for ordinary shares in the Parent or in respect of any Sponsor Group Loan, in each case, after the 2016 Amendment and Restatement Effective Date.

"**New Sponsor**" means any person to whom Silverpoint or Oaktree assigns or transfers all or part of its indirect beneficial interest in the shares or other equity interests of SCIH in accordance with the Shareholders' Agreement.

"**Non-Consenting Lender**" means any Lender which does not and continues not to consent to any decision requiring a waiver or amendment or other consent requested in respect of any of the Facilities, if:

(a) the Borrower or the Agent (at the request of the Borrower) has requested the Lenders to give a consent in relation to, or to agree to a waiver or amendment of, any provisions of the Finance Documents;

(b) the consent, waiver or amendment in question requires the approval of all the Lenders; and

(c) Lenders whose Revolving Facility Commitments aggregate more than 80 per cent. of the Total Revolving Facility Commitments (or, if the Total Revolving Facility Commitments have been reduced to zero, aggregated more than 80 per cent. of the Total Revolving Facility Commitments immediately prior to that reduction) have consented or agreed to such waiver or amendment.

"**Non-Market Lender**" means any Lender whose Revolving Facility Commitment is being included to trigger a Market Disruption Event pursuant to paragraph (ii) of the definition of that term.

"**Non-Responding Lender**" means any Lender that fails to:

(a) accept or reject a request by or on behalf of any of the Obligors for any waiver, amendment or other consent requested in relation to any of the Facilities within 10 Business Days (or, if the Borrower agrees to a longer time period in relation to that request or the Borrower specifies a longer period in that request during which a Lender may respond, on or prior to the expiry of such longer period so agreed or specified by the Borrower) of a written request; or

(b) sign a Transfer Certificate within 10 Business Days of any request pursuant to paragraph (a) of Clause 37.5 (*Replaceable Lenders*).

"**Notes Repurchase**" means any repayment, prepayment, purchase, defeasance, redemption or acquisition or retirement of the principal amount of any component of the Senior Secured Debt by any member of the Group.

"**Notifiable Debt Purchase Transaction**" has the meaning given to that term in paragraph (b) of Clause 26.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates*).

"**Oaktree**" means Oaktree Capital Management LLC and any successor to the investment management business thereof.

"**Obligor**" means the Borrower or a Guarantor.

"**Obligors' Agent**" means the Parent, appointed to act on behalf of each Obligor in relation to the Finance Documents pursuant to Clause 2.4 (*Obligors' Agent*).

"**OFAC**" means the Office of Foreign Assets Control of the US Department of Treasury.

"**Onshore Security Documents**" means any Transaction Security Document governed by or expressed to be governed by the law of the Macau SAR.

"**Original Bondco**" means Studio City Finance Limited, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673307), whose registered office is at Estera Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands.

"**Original Financial Statements**" means the audited consolidated financial statements of the Parent for the Financial Year ended 31 December 2015.

"**Pari Passu Debt Creditor**" has the meaning given to that term in the Intercreditor Agreement.

"**Pari Passu Debt Document**" has the meaning given to that term in the Intercreditor Agreement.

"**Pari Passu Debt Liability**" has the meaning given to that term in the Intercreditor Agreement.

"**Party**" means a party to this Agreement.

"**Participation**" means a Debt Purchase Transaction other than a purchase falling within paragraph (a) of the definition thereof.

"**Patacas**" or "**MOP**" denotes the lawful currency of the Macau SAR.

“**Payment**” means, in respect of any Liabilities (or any other liabilities or obligations), a payment, prepayment, repayment, redemption, defeasance or discharge of those Liabilities (or any other liabilities or obligations).

“**Perfection Requirements**” means the making or the procuring of the appropriate registrations, filing, endorsements, notarisation, stamping and notifications of the Transaction Security Documents or the Transaction Security created thereunder.

“**Permits**” means all approvals, licences, consents, permits, Authorisations, registrations and filings, necessary in connection with the execution, delivery, completion, implementation, perfection or performance, admission into evidence or enforcement of the Transaction Documents on the terms thereof and all material approvals, licences, consents, permits, Authorisations, registrations and filings required for the design, development, construction, ownership, maintenance, operation or management of the Property and business of the Group as contemplated under the Transaction Documents.

“**Permitted Distribution**” has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

“**Permitted Investment**” means the following:

(a) securities issued, or directly and fully guaranteed or insured, by the United States government or any agency or instrumentality of the United States government (as long as the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than nine months from the date of acquisition;

(b) securities issued, or directly and fully guaranteed or insured, by the government of the Hong Kong SAR or any agency or instrumentality of the government of the Hong Kong SAR (as long as the full faith and credit of the Hong Kong SAR is pledged in support of those securities) having maturities of not more than nine months from the date of acquisition;

(c) interest bearing demand or time deposits (which may be represented by certificates of deposit) issued by Acceptable Banks or, if not issued by an Acceptable Bank, secured at all times, in the manner and to the extent provided by law, by collateral security in sub-paragraph (a) or (b) above, of a market value of no less than the amount of monies so invested;

(d) repurchase obligations with a term of not more than seven days for underlying securities of the types described in sub-paragraphs (a), (b) and (c) above entered into with any financial institution meeting the qualifications specified in sub-paragraph (c) above;

(e) commercial paper having a rating of A-2 or P-2 from S&P or Moody’s respectively and in each case maturing within nine months after the date of acquisition;

(f) any investment in money market funds which (i) have a credit rating of either A-2 or higher by Standard & Poor’s Rating Services or F2 or higher by Fitch or P-2 or higher by Moody’s Investor Services Limited, (ii) which invest substantially all their assets in securities of the types described in sub-paragraphs (a) to (e) above and (iii) can be turned into cash on not more than 30 days’ notice; and

(g) any other debt security approved by the Majority Lenders

“**Permitted Lien**” has the meaning given to that term in Schedule 11 (*Definitions*).

"**Permitted Transferee**" means, in relation to a Transfer, a bank, financial institution (including a trust), fund, vehicle or other entity which is regularly engaged in, or established for the purposes of making, purchasing or investing in, syndicated loans but excludes a Conflicted Lender.

"**Pledge of Enterprise**" has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

"**Power of Attorney**" has the meaning given to that term in the Intercreditor Agreement.

"**Phase I Construction Contract**" means each contract entered into or proposed to be entered into between Propco or any other Obligor and a Contractor in respect of the Property.

"**Phase II Project**" the development of the remainder of the Site not comprising the Property after the 2016 Amendment and Restatement Effective Date.

"**Propco**" means Studio City Developments Limited (formerly known as MSC Desenvolvimentos, Limitada and previously as as East Asia - Televisão por Satélite Limitada), a company incorporated under the laws of the Macau SAR, registered with the Mcacau Commercial Registry under number 14311 SO, with registered office at Rua de Évora, nos 199-207, Edifício Flower City, 1° andar, A1, Taipa, Macau.

"**Property**" means the retail, hotel, gaming, entertainment, food and beverage and entertainment studio complex constructed on the Site as of the 2016 Amendment and Restatement Effective Date, known as "Studio City".

"**Property Valuation Report**" means the report by Savills (Macau) Limited dated 17 October 2016 and delivered to the Agent in accordance with the 2016 Amendment and Restatement Agreement.

"**Project**" means the Site.

"**Projections**" has the meaning given to that term in paragraph (a) of Clause 21.13 (*No misleading information*).

"**Quarter Date**" has the meaning given to that term in Clause 22.3 (*Definitions*).

"**Quarterly Financial Statements**" has the meaning given to that term in Clause 22.3 (*Definitions*).

"**Quotation Date**" means, in relation to any period for which an interest rate is to be determined, the first day of that period.

"**Receiver**" means a receiver, receiver and manager, administrative receiver or analogous person in any Relevant Jurisdiction of the whole or any part of the Charged Property.

"**Reference Banks**" means the principal office in the Hong Kong SAR or the Macau SAR of Australia and New Zealand Banking Group Limited, Citibank, N.A., Deutsche Bank AG and Bank of China Limited or such other banks as may be appointed by the Agent in consultation with the Borrower.

"**Reimbursement Agreement**" means the reimbursement agreement dated 15 June 2012 and entered into between SCE and Melco Crown (as may be amended and supplemented from time to time).

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

“**Relevant Interbank Market**” means the Hong Kong interbank market.

“**Relevant Jurisdiction**” means, in relation to an Obligor or Grantor:

(a) its jurisdiction of incorporation;

(b) any jurisdiction where any asset subject to or intended to be subject to the Transaction Security to be created by it is situated;

(c) any jurisdiction where it conducts its business; and

(d) the jurisdiction whose laws govern the perfection of any of the Transaction Security Documents entered into by it.

“**Repayment Instalment**” means, for the purpose of any Continuing Document, any instalment for repayment of the Facility A Loan (which, for the avoidance of doubt, there are none).

“**Repeating Representations**” means each of the representations set out in Clause 21 (*Representations*) other than Clause 21.9 (*No filing or stamp taxes*), Clause 21.10 (*Deduction of Tax*), paragraphs (a) and (b) of Clause 21.13 (*No misleading information*) and paragraphs (b) and (c) of Clause 21.14 (*Financial statements*).

“**Replaceable Lender**” means a Conflicted Lender, a Defaulting Lender, an Increased Costs Lender, an Illegal Lender, a Non-Consenting Lender, a Non-Market Lender or a Lender to whom an Obligor becomes obliged to repay or prepay any amount in accordance with paragraph (iii) of Clause 9.3 (*High Yield Notes and Bondco Loans*) but, in each case, shall not include any Lender that is a Sponsor Affiliate.

“**Representative**” means, for the purpose of any Continuing Document, any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian.

“**Resignation Letter**” means a document substantially in the form set out in Schedule 7 (*Form of Resignation Letter*).

“**Restricted Party**” means any person listed:

(a) in the Annex to the Executive Order;

(b) on the “Specially Designated Nationals and Blocked Persons” list maintained by OFAC; or

(c) in any successor list to either of the foregoing.

“**Revolving Facility**” means the revolving loan facility made available pursuant to this Agreement as described in paragraph (a)(ii) of Clause 2.1 (*The Facilities*).

“**Revolving Facility Commitment**” means:

(a) in relation to the Original Lender, the aggregate amount in HK dollars set opposite its name under the heading “Revolving Facility Commitment” in Part 2 of Schedule 1 (*Original Parties*) and the amount of any other Revolving Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*); and

(b) in relation to any other Lender, the amount in HK dollars of any Revolving Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*),

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

"**Revolving Facility Lender**" means:

(a) the Original Revolving Facility Lender identified as such in Part 2 of Schedule 1 (*Original Parties*); and

(b) any bank, financial institution, trust, fund or other entity which has become a Party as a Revolving Facility Lender in accordance with Clause 2.2 (*Increase*) or Clause 25 (*Changes to the Lenders*),

which, in each case, has not ceased to be a Party as a Revolving Facility Lender in accordance with the terms of this Agreement.

"**Revolving Facility Loan**" means a loan made or to be made under the Revolving Facility or the principal amount outstanding for the time being of that loan.

"**Rollover Loan**" means one or more Revolving Facility Loans:

(a) made or to be made on the same day that a maturing Revolving Facility Loan is due to be repaid;

(b) the aggregate amount of which is equal to or less than the amount of the maturing Revolving Facility Loan; and

(c) made or to be made to the Borrower for the purpose of refinancing a maturing Revolving Facility Loan.

"**SCE**" means Studio City Entertainment Limited (formerly known as MSC Diversões, Limitada and previously as New Cotai Entertainment (Macau) Limited), a company incorporated under the laws of the Macau SAR, registered with the Macau Commercial Registry number 27610 SO, with registered office at Rua de Évora, nos 199-207, Edifício Flower City, 1° andar, A1, Taipa, Macau.

"**SCH5**" means Studio City Holdings Five Limited, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1789892), whose registered office is at Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands.

"**SCIH**" means Studio City International Holdings Limited, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 399970), whose registered office is at Offshore Incorporation Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands.

"**Screen Rate**" means, in relation to HIBOR, the Hong Kong interbank offered rate administered by Hong Kong Association of Banks (or any other person which takes over the administration of that rate) for the relevant period displayed on page HKABHIBOR of the Reuters screen (or any replacement Reuters page which displays the rate), or an appropriate page of such other information service which publishes that rate from time to time in place of Reuters. If such page or service ceases to be available, the Agent may specify another page or service displaying the relevant rate after consultation with the Borrower.

"**Secured Obligations**" has the meaning given to that term in the Intercreditor Agreement.

"**Secured Obligations Document**" has the meaning given to that term in the Intercreditor Agreement.

"**Secured Parties**" has the meaning given to that term in the Intercreditor Agreement.

"**Security**" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"**Security Agent**" means the Common Security Agent.

"**Selection Notice**" means a notice substantially in the form set out in Part 2 of Schedule 3 (*Requests and notices*) given in accordance with Clause 12 (*Interest Periods*) in relation to the Facility A Loan.

"**Senior Secured Debt**" means (i) any Financial Indebtedness outstanding under the Senior Secured 2019 Note Indenture or the Senior Secured 2021 Note Indenture and (ii) any Financial Indebtedness outstanding under any other Pari Passu Debt Document.

"**Senior Secured 2019 Note Indenture**" means the indenture governing the Senior Secured 2019 Notes dated on or about the date of this Agreement and made between, among others, Deutsche Bank Trust Company Americas as the trustee in respect of the Senior Secured 2019 Notes, the Borrower as company and issuer of the Senior Secured 2019 Notes and the Parent as the parent guarantor and the other Guarantors as subsidiary guarantors of the Senior Secured 2019 Notes and acceded to by the Intercreditor Agent and the Common Security Agent on or about the date of this Agreement.

"**Senior Secured 2019 Notes**" means:

(a) the USD 350,000,000 aggregate principal amount of 5.875% senior secured notes due 2019 issued or to be issued by the Borrower as issuer pursuant to the Senior Secured 2019 Note Indenture; and

(b) any additional senior secured notes issued by the Borrower as issuer pursuant to the Senior Secured 2019 Note Indenture as part of the same series of the senior secured notes issued under paragraph (a) above, *provided that* the Parent has confirmed in writing that the incurrence of those notes will not breach the terms of any of the Finance Documents or any of its then existing Pari Passu Debt Documents.

"**Senior Secured 2021 Note Indenture**" means the indenture governing the Senior Secured 2021 Notes dated on or about the date of this Agreement and made between, among others, Deutsche Bank Trust Company Americas as the trustee in respect of the Senior Secured 2021 Notes, the Borrower as company and issuer of the Senior Secured 2021Notes and the Parent as the parent guarantor and the other Guarantors as subsidiary guarantors of the Senior Secured 2021 Notes and acceded to by the Intercreditor Agent and the Common Security Agent on or about the date of this Agreement.

"**Senior Secured 2021 Notes**" means:

(a) the USD 850,000,000 aggregate principal amount of 7.250% senior secured notes due 2021 issued or to be issued by the Borrower as issuer pursuant to the Senior Secured 2021 Note Indenture; and

(b) any additional senior secured notes issued by the Borrower as issuer pursuant to the Senior Secured 2021 Note Indenture as part of the same series of the senior secured notes issued under paragraph (a) above, *provided that* the Parent has confirmed in writing that the incurrence of those notes will not breach the terms of any of the Finance Documents or any of its then existing Pari Passu Debt Documents.

"**Services and Right to Use Agreement**" means the services and right to use agreement dated 11 May 2007 and originally made between SCE, New Cotai Entertainment, LLC and Melco Crown as amended, restated and supplemented from time to time, including pursuant to a supplemental agreement dated 15 June 2012 made between SCE, Melco Crown and New Cotai Entertainment, LLC.

“**Services and Right to Use Agreement Confidential Information**” means any Confidential Information which relates to, which contains or is derived or copied from the Services and Right to Use Agreement and/or the Reimbursement Agreement.

“**Services and Right to Use Direct Agreement**” means the direct agreement dated 26 November 2013 and entered into between, among others, SCE, Melco Crown and the Common Security Agent in relation to the Services and Right to Use Agreement and the Reimbursement Agreement, as amended or modified from time to time.

“**Shareholders’ Agreement**” means the shareholders’ agreement dated 27 July 2011 and made between MCE Cotai, New Cotai, LLC and others (as amended from time to time).

“**Silverpoint**” means Silver Point Capital, L.P. and any successor to the investment management business thereof.

“**Site**” means the land described in the Amended Land Concession.

“**Specific Contracts**” means, for the purpose of any Continuing Document, the Hedging Agreements (other than SA Hedging Agreements).

“**Sponsor Affiliate**” means:

(a) in the case of MCE, MCE and its Subsidiaries (other than any member of the Group);

(b) in the case of Silverpoint, Silverpoint, each of its Affiliates (other than any member of the Group), any trust of which Silverpoint or any of such Affiliates is a trustee, any partnership of which Silverpoint or any of such Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, Silverpoint or any of such Affiliates, *provided that* any such trust, fund or other entity which has been established for at least 6 months solely for the purpose of making, purchasing or investing in loans or debt securities and which is managed or controlled independently from all other trusts, funds or other entities managed or controlled by Silverpoint or any of such Affiliates which have been established for the primary or main purpose of investing in the share capital of companies shall not constitute a Sponsor Affiliate;

(c) in the case of Oaktree, Oaktree, each of its Affiliates (other than any member of the Group), any trust of which Oaktree or any of such Affiliates is a trustee, any partnership of which Oaktree or any of its Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, Oaktree or any of such Affiliates, *provided that* any such trust, fund or other entity which has been established for at least 6 months solely for the purpose of making, purchasing or investing in loans or debt securities and which is managed or controlled independently from all other trusts, funds or other entities managed or controlled by Oaktree or any of such Affiliates which have been established for the primary or main purpose of investing in the share capital of companies shall not constitute a Sponsor Affiliate; and

(d) in the case of a New Sponsor, the New Sponsor, each of its Affiliates (other than any member of the Group), any trust of which the New Sponsor or any of such Affiliates is a trustee, any partnership of which the New Sponsor or any of its Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, the New Sponsor or any of such Affiliates, *provided that* any such trust, fund or other entity which has been established for at least 6 months solely for the purpose of making, purchasing or investing in loans or debt securities and which is managed or controlled independently from all other trusts, funds or other entities managed or controlled by the New Sponsor or any of such Affiliates which have been established for the primary or main purpose of investing in the share capital of companies shall not constitute a Sponsor Affiliate.

"**Sponsor Group Loans**" means any Financial Indebtedness owed by the Parent to any Sponsor Group Shareholder pursuant to any document or instrument setting out the terms of any credit facility, loan, notes, indenture or debt security or, as the case may be, any undocumented arrangement or contract (whether by way of book entry or otherwise) establishing the same.

"**Sponsor Group Shareholder**" means any direct or indirect shareholder of the Parent which is a Sponsor Affiliate, a Subsidiary of a Sponsor Affiliate or which would be a Subsidiary of a Sponsor Affiliate were the rights and interests of each Sponsor Affiliate in respect thereof to be combined.

"**Sponsors**" means MCE, Silverpoint, Oaktree and any New Sponsor and "**Sponsor**" means each of them.

"**Standard & Poor's**" or "**S&P**" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc..

"**Subordinated Creditor**" means, for the purpose of any Continuing Document, each person that was an original party, or who has acceded, to the Intercreditor Agreement as a Subordinated Creditor or Intra-Group Lender.

"**Subordinated Debt**" means, for the purpose of any Continuing Document, the Financial Indebtedness owed by any Obligor to another Obligor or a Sponsor Group Shareholder that is subordinated in accordance with the terms provided in respect thereof by the Intercreditor Agreement.

"**Subordination Deed**" means, for the purpose of any Continuing Document, the Intercreditor Agreement.

"**Subsidiary**" means, in relation to any company or corporation, a company or corporation:

(a) which is controlled, directly or indirectly, by the first mentioned company or corporation;

(b) more than half the issued share capital of which (or, in the case of any company or corporation in which SCH5 owns a Golden Share, more than half the issued share capital of which, excluding for these purposes that Golden Share from such issued share capital) is beneficially owned, directly or indirectly by the first mentioned company or corporation; or

(c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

"**Tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"**Term Loan Facility**" means, for the purpose of any Continuing Document, Facility A.

“**Termination Date**” means, in relation to a Facility, the Final Repayment Date of that Facility.

“**Total Commitments**” means the Total Revolving Facility Commitments.

“**Total Facility A Participation**” means the aggregate of the Facility A Participations, being HK$1,000,000 at the 2016 Amendment and Restatement Effective Date.

“**Total Revolving Facility Commitments**” means the aggregate of the Revolving Facility Commitments, being HK$233,000,000 at the 2016 Amendment and Restatement Effective Date.

“**Transaction Documents**” means:

(a) the Finance Documents; and

(b) the Constitutional Documents of each Obligor.

“**Transaction Security**” means the Security or other collateral created, evidenced or expressed to be created or evidenced pursuant to the Transaction Security Documents.

“**Transaction Security Documents**” means the Services and Right to Use Direct Agreement and each of the other documents listed as being a Transaction Security Document in schedule 4 (*Transaction Security Documents*) of the Intercreditor Agreement together with any other document entered into by any Obligor or other person creating or expressed to create any Security or other collateral over all or any part of its assets in respect of the obligations of any of the Obligors under any of the Finance Documents, each as amended, supplemented and/or confirmed from time to time (including, without limitation, the Facility A Cash Collateral).

“**Transfer**” means a novation of rights and obligations, an assignment of rights, an assignment of rights combined with an assumption of certain obligations and release of certain obligations, a participation or sub-participation or a declaration of trust (or equivalent), in each case, in relation to, or any other arrangement under which payments are to be made or may be made by reference to, one or more Finance Documents, the Facilities or the Borrower or any other transfer howsoever described or arranged whereby rights or obligations under the Finance Documents or in relation to the Facilities or the Borrower are transferred from one person to another (and “**transferred**” (and similar expressions) will be construed accordingly).

“**Transfer Certificate**” means an agreement substantially in the form set out in Schedule 4 (*Form of Transfer Certificate*) or any other form agreed between the Agent and the Borrower.

“**Transfer Date**” means, in relation to an assignment or transfer, the later of:

(a) the proposed Transfer Date specified in the relevant Transfer Certificate or Assignment Agreement and Lender Accession Undertaking; and

(b) the date on which the Agent executes the relevant Transfer Certificate or Assignment Agreement and Lender Accession Undertaking.

“**Treasury Transaction**” means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price.

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

“**US**” and “**United States**” means the United States of America, its territories, possessions and other areas subject to the jurisdiction of the United States of America.

"**USA Patriot Act**" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56.

"**US Bankruptcy Code**" means Title 11 of The United States Code (entitled "Bankruptcy"), as amended from time to time and as now or hereafter in effect, or any successor thereto.

"**US dollars**" or "**US$**" denotes the lawful currency of the United States.

"**US Person**" means any person whose jurisdiction of organization is a state of the United States or the District of Columbia.

"**Utilisation**" means a Loan.

"**Utilisation Date**" means the date on which a Revolving Facility Loan is made.

"**Utilisation Request**" means a notice substantially in the form set out in Part 1 of Schedule 3 (*Requests and notices*).

"**Voting Participation**" means a Participation which involves a transfer of any voting rights, directly or indirectly, under, or in relation to, the Finance Documents (including arising as a result of being able to direct the way that another person exercises its voting rights).

**1.2 Construction**

(a) Unless a contrary indication appears a reference in this Agreement to:

(i) the "**Agent**", the "**Common Security Agent**", any "**Finance Party**", the "**Intercreditor Agent**", any "**Lender**", any "**Obligor**", any "**Party**", the "**POA Agent**", any "**Secured Party**" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Common Security Agent, any person for the time being appointed as Common Security Agent or Common Security Agents in accordance with the Finance Documents;

(ii) a document in "**agreed form**" is a document which is in a form previously agreed in writing by or on behalf of the Borrower and the Agent or, if not so agreed, is in the form specified by the Agent;

(iii) "**assets**" includes present and future properties, revenues and rights of every description;

(iv) a "**Finance Document**" or a "**Transaction Document**" or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended, replaced or restated (in each case, however fundamentally);

(v) "**guarantee**" means (other than in Clause 20 (*Guarantee and indemnity*)) any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;

(v) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

(vii) a "**person**" includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing;

(viii) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

(ix) an "**equivalent amount in other currencies**", "**equivalent amount in HK$**", "**equivalent amount in US$**" or "**its equivalent**" means, in relation to an amount in one currency, that amount converted on any relevant date into the relevant currency, HK$ or US$ (as the case may be) at the Agent's Spot Rate of Exchange on that date and other than for the purposes of determining compliance with any basket amount, threshold and any other exceptions to any undertaking under Clause 23 (*General undertakings*) and any Event of Default under Clause 24 (*Events of Default*), the equivalent to any amount in HK dollars or the equivalent to any amount in US dollars shall be determined as at the time of the applicable incurrence, disposal, acquisition, investment, lease, loan, guarantee or other relevant action;

(x) No breach of any undertaking under Clause 23 (*General undertakings*) and any Event of Default under Clause 24 (*Events of Default*) shall arise merely as a result of a subsequent change in the US dollar equivalent or HK dollar equivalent of any amount due to fluctuation in exchange rates;

(xi) a provision of law is a reference to that provision as amended or re-enacted; and

(xii) a time of day is a reference to Hong Kong time.

(b) Any reference to the Agent "**acting reasonably**" shall, to the extent that the Agent seeks instructions from the Lenders or a group of Lenders in respect of any matter, be construed so as to require the Lenders or that group of Lenders to act reasonably in respect of that matter.

(c) Section, Clause and Schedule headings are for ease of reference only.

(d) Unless a contrary indication appears, (i) a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement; and (ii) the word "including" shall be construed as "including without limitation" (and cognate expressions shall be construed similarly).

(e) A Borrower providing "**cash cover**" for an Ancillary Facility means a Borrower paying an amount in the currency of the Ancillary Facility to an interest-bearing account in the name of a Borrower and the following conditions being met:

(i) the account is with the Ancillary Lender for which that cash cover is to be provided;

(ii) until no amount is or may be outstanding under that Ancillary Facility, withdrawals from the account may only be made to pay the relevant Finance Party amounts due and payable to it under this Agreement in respect of that Ancillary Facility; and

(iii) a Borrower has executed a security document, in form and substance satisfactory to the Finance Party with which that account is held, creating a first ranking security interest over that account.

(f) A Default (including, for the avoidance of doubt, an Event of Default) is "**continuing**" if it has not been remedied or waived and an Acceleration Event is "**continuing**" if the notice in relation to such Acceleration Event has not been withdrawn, cancelled or otherwise ceased to have effect.

(g) A Borrower "**repaying**" or "**prepaying**" Ancillary Outstandings means:

(i) that Borrower providing cash cover in respect of the Ancillary Outstandings;

(ii) the maximum amount payable under the Ancillary Facility being reduced or cancelled in accordance with its terms; or

(iii) the relevant Ancillary Lender being satisfied that it has no further liability under that Ancillary Facility,

and the amount by which the Ancillary Outstandings are repaid or prepaid under paragraphs (i) and (ii) above is the amount of the relevant cash cover, reduction or cancellation.

(h) An amount borrowed includes any amount utilised under an Ancillary Facility.

(i) Notwithstanding any other provision of any Finance Document, none of the steps set out or described in, or any actions done or contemplated by, the Services and Right to Use Direct Agreement or the actions or intermediate steps necessary to implement any of those steps or actions shall constitute a breach of any representation or warranty, a breach of any undertaking or otherwise result in the occurrence of a Default or an Event of Default under a Finance Document.

(j) References in this Agreement to "**the original date hereof**", "**the original date of this Agreement**", and any other like expressions shall mean 28 January 2013 and references in this Agreement to "**the date hereof**", "**the date of this Agreement**", and any other like expressions shall mean the 2016 Amendment and Restatement Effective Date.

(k) The principles of construction and interpretation contained or referred to in paragraph (m) of clause 1.2 (*Construction*) of the Intercreditor Agreement shall apply to the construction and interpretation of the Services and Right to Use Direct Agreement, including to any capitalised term incorporated into the Services and Right to Use Direct Agreement by reference to this Agreement (whether or not such term is expressly defined in this Agreement). In the event of any inconsistency between the principles of construction contained or referred to in paragraph (m) of clause 1.2 (*Construction*) of the Intercreditor Agreement and a term defined in this Agreement, the principles of construction contained or referred to in paragraph (m) of clause 1.2 (*Construction*) of the Intercreditor Agreement shall take precedence.

(l) The principles of construction and interpretation contained or referred to in paragraph (n) of clause 1.2 (*Construction*) of the Intercreditor Agreement shall apply to the construction and interpretation of any Continuing Document, including to any capitalised term incorporated into any Continuing Document by reference to this Agreement (whether or not such term is expressly defined in this Agreement). In the event of any inconsistency between the principles of construction contained or referred to in paragraph (n) of clause 1.2 (*Construction*) of the Intercreditor Agreement and a term defined in this Agreement, the principles of construction contained or referred to in paragraph (n) of clause 1.2 (*Construction*) of the Intercreditor Agreement shall take precedence.

## 1.3 Third party rights

(a) Unless expressly provided to the contrary in a Finance Document a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of any Finance Document.

(b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary any Finance Document at any time.

## 1.4 Intercreditor Agreement

This Agreement is subject to the Intercreditor Agreement. In the event of any inconsistency between this Agreement and the Intercreditor Agreement, the Intercreditor Agreement shall prevail.

## 1.5 Terms defined in the covenants

Unless a contrary intention appears, capitalised terms used in this Agreement which are not defined in Clause 1.1 (*Definitions*) have the meaning given to them in Schedule 10 (*Covenants*) and Schedule 11 (*Definitions*).

**SECTION 2**
**THE FACILITIES**

**2. The Facilities**

**2.1 The Facilities**

(a) (i) The Original Lender has made available a Base Currency term loan in an aggregate amount equal to the Total Facility A Participation that has been redesignated as the Facility A Loan.

(ii) Subject to the terms of this Agreement, the Revolving Facility Lenders make available to the Borrower a Base Currency revolving loan facility in an aggregate amount equal to the Total Revolving Facility Commitments.

(b) It is acknowledged by the Parties that, as at the 2016 Amendment and Restatement Effective Date:

(i) there is one Facility A Loan outstanding:

(A) which is in the principal amount equal to the Total Facility A Participation;

(B) which is owed by the Borrower to the Facility A Lender in the Base Currency; and

(C) the first Interest Period in respect of which starts on the 2016 Amendment and Restatement Effective Date and is an Interest Period of one Month and in respect of which first Interest Period the relevant Quotation Date for the purposes of determining HIBOR shall be the 2016 Amendment and Restatement Effective Date;

(ii) the Original Lender's Available Commitment in respect of Facility A is nil, and no further Utilisations of Facility A may be made; and

(iii) none of the Revolving Facility Commitments have been drawn and the Original Lender's Available Commitment in respect of the Revolving Facility is equal to the Total Revolving Facility Commitments.

**2.2 Increase**

(a) The Borrower may by giving prior notice to the Agent by no later than the date falling 10 Business Days after the effective date of a cancellation of the Available Commitment or the Revolving Facility Commitment of an Illegal Lender in accordance with Clause 8.1 (*Illegality*) or Replaceable Lender in accordance with Clause 37.7 (*Cancellation and repayment of a Replaceable Lender (other than an Illegal Lender*)) (such Available Commitment or Revolving Facility Commitment so cancelled being the "**Cancelled Commitment**") request that the Revolving Facility Commitments be increased (and the Revolving Facility Commitments shall be so increased) by an aggregate amount in Hong Kong dollars of up to the amount of the Cancelled Commitment as follows:

(i) such increased Revolving Facility Commitments will be assumed by one or more Lenders or persons (other than a Group Member) (each an "**Increase Lender**") selected by the Borrower and each of which confirms its willingness to assume and does assume all the obligations of a Lender corresponding to that part of such increased Revolving Facility Commitments under that Facility which it is to assume (the "**Assumed Commitment**" of such Increase Lender), as if it had been an Original Lender;

(ii) each of the Obligors and any Increase Lender shall assume obligations towards one another and/or acquire rights against one another as the Obligors and the Increase Lender would have assumed and/or acquired had that Increase Lender been an Original Lender (with the Assumed Commitment in respect of such Increase Lender, in addition to any other Commitment which such Increase Lender may otherwise have in accordance with this Agreement);

(iii) each Increase Lender shall become a Party as a "Lender" and any Increase Lender (with the Assumed Commitment in respect of such Increase Lender, in addition to any other Commitment which such Increase Lender may otherwise have in accordance with this Agreement) and each of the other Finance Parties shall assume obligations towards one another and acquire rights against one another as that Increase Lender and those Finance Parties would have assumed and/or acquired had the Increase Lender been an Original Lender;

(iv) the Commitments of the other Lenders shall continue in full force and effect; and

(v) such increase in the Revolving Facility Commitments shall take effect on the later of (1) the date specified by the Borrower in the notice referred to above or (2) any later date on which the conditions set out in paragraph (b) below are satisfied in respect of such increase.

(b) An increase in the Revolving Facility Commitments pursuant to this Clause 2.2 will only be effective on:

(i) the execution by the Agent of an Increase Confirmation from each relevant Increase Lender in respect of such increase, which the Agent shall execute promptly on request;

(ii) the Increase Lender entering into the documentation required for it to accede as a party to the Intercreditor Agreement; and

(iii) in relation to an Increase Lender which is not a Lender immediately prior to the relevant increase, the Agent being satisfied that it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to the assumption of the Assumed Commitments by that Increase Lender. The Agent shall promptly notify the Borrower and the Increase Lender upon being so satisfied.

(c) Each Increase Lender, by executing an Increase Confirmation, confirms that the Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the increase in Revolving Facility Commitments (to which such Increase Confirmation relates) becomes effective.

(d) The Borrower shall promptly on demand pay the Agent and the Common Security Agent the amount of all costs and expenses (including legal fees) reasonably incurred by the Agent or the Common Security Agent (as applicable and, in the case of the Common Security Agent, by any Receiver or Delegate) in connection with any increase in Revolving Facility Commitments under this Clause 2.2.

(e) An Increase Lender shall, on the date upon which its assumption of any Assumed Commitment takes effect, pay to the Agent (for its own account) a fee in an amount equal to the fee which would be payable under Clause 25.2 (*Assignment or transfer fee*) if such assumption was a transfer pursuant to Clause 25.5 (*Procedure for transfer*) and if the Increase Lender was a New Lender.

(f) The Borrower may pay to an Increase Lender a fee in the amount and at the times agreed between the Borrower and that Increase Lender in a Fee Letter.

(g) Clause 25.4 (*Limitation of responsibility of Existing Lenders*) shall apply *mutatis mutandis* in this Clause 2.2 in relation to an Increase Lender as if references in that Clause to:

(i) an "**Existing Lender**" were references to all the Lenders immediately prior to the relevant increase in Revolving Facility Commitments;

(ii) the "**New Lender**" were references to that "**Increase Lender**"; and

(iii) a "**re-transfer**" and "**re-assignment**" were references to, respectively, a "**transfer**" and "**assignment**".

**2.3 Finance Parties' rights and obligations**

(a) The obligations of each Finance Party under the Finance Documents are several. Failure by a Finance Party to perform its obligations under the Finance Documents does not affect the obligations of any other Party under the Finance Documents. No Finance Party is responsible for the obligations of any other Finance Party under the Finance Documents.

(b) The rights of each Finance Party under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to a Finance Party from an Obligor shall be a separate and independent debt in respect of which a Finance Party shall be entitled to enforce its rights in accordance with paragraph (c) below. The rights of each Finance Party include any debt owing to that Finance Party under the Finance Documents and, for the avoidance of doubt, any part of a Loan or any other amount owed by an Obligor which relates to a Finance Party's participation in a Facility or its role under a Finance Document (including any such amount payable to the Agent on its behalf) is a debt owing to that Finance Party by that Obligor.

(c) A Finance Party may, except as otherwise stated in the Finance Documents, separately enforce its rights under or in connection with the Finance Documents.

**2.4 Obligors' Agent**

(a) Each Obligor (other than the Parent) by its execution of this Agreement or an Accession Letter irrevocably appoints the Parent to act on its behalf as its agent in relation to the Finance Documents and irrevocably authorises:

(i) the Parent on its behalf to supply all information concerning itself contemplated by this Agreement to the Finance Parties and to give all notices and instructions (including, in the case of the Borrower, Utilisation Requests), to execute on its behalf any Accession Letter, to make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Obligor notwithstanding that they may affect the Obligor, without further reference to or the consent of that Obligor; and

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

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

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

## 3. Purpose

### 3.1 Purpose

Subject to Clause 5.5 (*Limitations on Utilisations*), the Borrower shall apply all amounts borrowed by it under the Revolving Facility to finance the general corporate and working capital purposes of the Group, including:

(a) the payment of fees, costs and expenses; and

(b) the financing and refinancing of amounts expended on permitted joint venture investments, capital expenditure and business reorganisations,

*provided* that no amounts utilised under the Revolving Facility (including any Ancillary Facility) may be applied, directly or indirectly, towards any Notes Repurchase or any payments of interest in respect of any Pari Passu Debt Liability.

### 3.2 Monitoring

No Finance Party is bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

## 4. Conditions of utilisation

### 4.1 Utilisation conditions precedent

The Lenders will only be obliged to comply with Clause 5.4 (*Lenders' participation*) in relation to a Utilisation under the Revolving Facility if on the date of the Utilisation Request and on the proposed Utilisation Date:

(a) in the case of a Rollover Loan:

(i) no Acceleration Event is continuing; and

(ii) no Event of Default under Clause 24.5 (*Insolvency*) or Clause 24.6 (*Insolvency proceedings*) has occurred and is continuing;

(b) in the case of any other Utilisation:

(i) no Default is continuing or would result from the proposed Utilisation; and

(ii) all the Repeating Representations are true and correct in all respects or (to the extent such Repeating Representations are not already subject to or qualified as to materiality) all material respects.

### 4.2 Maximum number of Utilisations

The Borrower may not deliver a Utilisation Request under the Revolving Facility if as a result of the proposed Utilisation more than eight (8) Revolving Facility Loans would be outstanding.

## SECTION 3
## UTILISATION

### 5. Utilisation – Revolving Facility Loans

### 5.1 Delivery of a Utilisation Request

The Borrower may utilise the Revolving Facility in accordance with Clause 2.1 (*The Facilities*) by delivery to the Agent of a duly completed Utilisation Request signed by an authorised signatory of the Borrower, not later than 11.00 a.m. on the fifth Business Day prior to the proposed Utilisation Date.

### 5.2 Completion of a Utilisation Request

(a) Each Utilisation Request for a Revolving Facility Loan is irrevocable and will not be regarded as having been duly completed unless:

(i) the proposed Utilisation Date is a Business Day within the Availability Period applicable to the Revolving Facility;

(ii) the currency and amount of the Utilisation comply with Clause 5.3 (*Currency and amount*); and

(iii) the proposed Interest Period complies with Clause 12 (*Interest Periods*).

(b) Only one Utilisation may be requested in each Utilisation Request.

### 5.3 Currency and amount

(a) The currency specified in a Utilisation Request must be HK dollars.

(b) The amount of the proposed Utilisation must be a minimum of HK$10,000,000 or, if less, the Available Facility.

### 5.4 Lenders' participation

(a) Subject to Clause 7.2 (*Revolving Facility*), if the conditions set out in this Agreement have been met, and (in respect of Revolving Facility Loans), each Lender shall make its participation in each Revolving Facility Loan available by the Utilisation Date through its Facility Office.

(b) The amount of each Lender's participation in each Revolving Facility Loan will be equal to the proportion borne by its Available Commitment to the Available Facility immediately prior to making the Revolving Facility Loan.

(c) The Agent shall, by 2.00 p.m. on the third Business Day prior to the proposed Utilisation Date, notify each Lender of the amount of each Revolving Facility Loan, the amount of its participation in that Revolving Facility Loan and, if different, the amount of that participation to be made available in cash.

### 5.5 Limitations on Utilisations

(a) Amounts borrowed under or in respect of the Facilities (including the proceeds of the advance constituting the Facility A Loan under the original form of this Agreement) shall not be applied (directly or indirectly):

(i) for business activities (1) relating to or involving (A) Cuba, Sudan, Iran, Myanmar (Burma), Syria or North Korea (in each case to the extent such country is subject to any economic and/or trade sanctions) or (B) any other countries that are subject to economic and/or trade sanctions as notified in writing by the Agent (acting on behalf of any Lender) to the Borrower from time to time (C) any Restricted Party or (2) which would otherwise result in a breach of any Anti-Terrorism Law; or

(ii) towards any purpose connected with the operation of casino games of chance or other forms of gaming.

(b) Without prejudice to paragraph (a) above, the proceeds of the Revolving Facility shall not be applied towards any purpose other than a purpose specified in Clause 3 (*Purpose*).

**5.6 Cancellation of Commitment**

The Revolving Facility Commitments which, at that time, are unutilised shall be immediately cancelled at the end of the Availability Period.

## 6. Ancillary Facilities

**6.1 Type of Facility**

An Ancillary Facility may be by way of:

(a) an overdraft facility;

(b) a guarantee, bonding, documentary or stand-by letter of credit facility;

(c) a short term loan facility;

(d) a derivatives facility;

(e) a foreign exchange facility; or

(f) any other facility or accommodation required in connection with the business of the Group and which is agreed by the Borrower with an Ancillary Lender.

**6.2 Availability**

(a) If the Borrower and a Lender agree and except as otherwise provided in this Agreement, the Lender may provide all or part of its Revolving Facility Commitment as an Ancillary Facility.

(b) An Ancillary Facility shall not be made available unless, not later than three (3) Business Days prior to the Ancillary Commencement Date for an Ancillary Facility, the Agent has received from the Borrower:

(i) a notice in writing of the establishment of an Ancillary Facility and specifying:

(A) the proposed Borrower which may use the Ancillary Facility;

(B) the proposed Ancillary Commencement Date and expiry date of the Ancillary Facility;

(C) the proposed type of Ancillary Facility to be provided;

(D) the proposed Ancillary Lender;

(E) the proposed Ancillary Commitment and the maximum amount of the Ancillary Facility and, in the case of a Multi-account Overdraft, its Designated Gross Amount and its Designated Net Amount; and

(F) the proposed currency of the Ancillary Facility (if not denominated in HK dollars); and

(ii) any other information which the Agent may reasonably request in connection with the Ancillary Facility.

(c) The Agent shall promptly notify the Ancillary Lender and the other Lenders of the establishment of an Ancillary Facility.

(d) Subject to compliance with paragraph (b) above:

(i) the Lender concerned will become an Ancillary Lender; and

(ii) the Ancillary Facility will be available,

with effect from the date agreed by the Borrower and the Ancillary Lender.

**6.3 Terms of Ancillary Facilities**

(a) Except as provided below, the terms of any Ancillary Facility will be those agreed by the Ancillary Lender and the Borrower.

(b) Those terms:

(i) must be based upon normal commercial terms at that time (except as varied by this Agreement);

(ii) may allow only the Borrower to use the Ancillary Facility;

(iii) may not allow the Ancillary Outstandings to exceed the Ancillary Commitment;

(iv) may not allow a Lender's Ancillary Commitment to exceed that Lender's Available Commitment relating to the Revolving Facility (before taking into account the effect of the Ancillary Facility on that Available Commitment); and

(v) must require that the Ancillary Commitment is reduced to zero, and that all Ancillary Outstandings are repaid not later than the Termination Date applicable to the Revolving Facility (or such earlier date as the Revolving Facility Commitment of the relevant Ancillary Lender (or its Affiliate) is reduced to zero).

(c) If there is any inconsistency between any term of an Ancillary Facility and any term of this Agreement, this Agreement shall prevail except for:

(i) Clause 34.3 (*Day count convention*) which shall not prevail for the purposes of calculating fees, interest or commission relating to an Ancillary Facility;

(ii) an Ancillary Facility comprising more than one account where the terms of the Ancillary Documents shall prevail to the extent required to permit the netting of balances on those accounts; and

(iii) where the relevant term of this Agreement would be contrary to, or inconsistent with, the law governing the relevant Ancillary Document, in which case that term of this Agreement shall not prevail.

(d) Interest, commission and fees on Ancillary Facilities are dealt with in Clause 14.3 (*Interest, commission and fees on Ancillary Facilities*).

## 6.4 Repayment of Ancillary Facility

(a) An Ancillary Facility shall cease to be available on the Termination Date applicable to the Revolving Facility or such earlier date on which its expiry date occurs or on which it is cancelled in accordance with the terms of this Agreement.

(b) If an Ancillary Facility expires in accordance with its terms the Ancillary Commitment of the relevant Ancillary Lender shall be reduced to zero.

(c) No Ancillary Lender may demand repayment or prepayment of any Ancillary Outstandings prior to the expiry date of the relevant Ancillary Facility unless:

(i) required to reduce the Permitted Gross Outstandings of a Multi-account Overdraft to or towards an amount equal to its Designated Net Amount;

(ii) the Total Revolving Facility Commitments have been cancelled in full or all outstanding Utilisations under the Revolving Facility have become due and payable in accordance with the terms of this Agreement;

(iii) it becomes unlawful in any applicable jurisdiction for the Ancillary Lender to perform any of its obligations as contemplated by this Agreement or to fund, issue or maintain its participation in its Ancillary Facility (or it becomes unlawful for any Affiliate of the Ancillary Lender for the Ancillary Lender to do so); or

(iv) both:

(A) the Available Commitments relating to the Revolving Facility; and

(B) the notice of the demand given by the Ancillary Lender,

would not prevent the relevant Borrower funding the repayment of those Ancillary Outstandings in full by way of Revolving Facility Utilisation.

(d) If a Revolving Facility Utilisation is made to repay Ancillary Outstandings in full, the relevant Ancillary Commitment shall be reduced to zero.

## 6.5 Limitation on Ancillary Outstandings

Each Borrower shall procure that and each Ancillary Lender agrees that:

(a) the Ancillary Outstandings under any Ancillary Facility shall not exceed the Ancillary Commitment applicable to that Ancillary Facility; and

(b) in relation to a Multi-account Overdraft:

(i) the Ancillary Outstandings shall not exceed the Designated Net Amount applicable to that Multi-account Overdraft; and

(ii) the Gross Outstandings shall not exceed the Designated Gross Amount applicable to that Multi-account Overdraft.

## 6.6 Adjustment for Ancillary Facilities upon acceleration

(a) In this Clause 6.6:

"**Revolving Outstandings**" means, in relation to a Lender, the aggregate of the equivalent in HK dollars of:

(i) its participation in each Revolving Facility Loan then outstanding (together with the aggregate amount of all accrued interest, fees and commission owed to it as a Lender under the Revolving Facility); and

(ii) if the Lender is also an Ancillary Lender, the Ancillary Outstandings in respect of Ancillary Facilities provided by that Ancillary Lender (or by its Affiliate) (together with the aggregate amount of all accrued interest, fees and commission owed to it (or to its Affiliate) as an Ancillary Lender in respect of the Ancillary Facility); and

"**Total Revolving Outstandings**" means the aggregate of all Revolving Outstandings.

(b) If a notice is served under Clause 24.19 (*Acceleration*) (other than a notice declaring Utilisations to be due on demand), each Lender and each Ancillary Lender shall (subject to paragraph (g) below) promptly adjust (by making or receiving (as the case may be) corresponding transfers of rights and obligations under the Finance Documents relating to Revolving Outstandings) their claims in respect of amounts outstanding to them under the Revolving Facility and each Ancillary Facility to the extent necessary to ensure that after such transfers the Revolving Outstandings of each Lender bear the same proportion to the Total Revolving Outstandings as such Lender's Revolving Facility Commitment bears to the Total Revolving Facility Commitments, each as at the date the notice is served under Clause 24.19 (*Acceleration*).

(c) If an amount outstanding under an Ancillary Facility is a contingent liability and that contingent liability becomes an actual liability or is reduced to zero after the original adjustment is made under paragraph (b) above, then each Lender and Ancillary Lender will make a further adjustment (by making or receiving (as the case may be) corresponding transfers of rights and obligations under the Finance Documents relating to Revolving Outstandings to the extent necessary) to put themselves in the position they would have been in had the original adjustment been determined by reference to the actual liability or, as the case may be, zero liability and not the contingent liability.

(d) Any transfer of rights and obligations relating to Revolving Outstandings made pursuant to this Clause 6.6 shall be made for a purchase price in cash, payable at the time of transfer, in an amount equal to those Revolving Outstandings.

(e) Prior to the application of the provisions of paragraph (b) above, an Ancillary Lender that has provided a Multi-account Overdraft shall set off any Available Credit Balance on any account comprised in that Multi-account Overdraft.

(f) All calculations to be made pursuant to this Clause 6.6 shall be made by the Agent based upon information provided to it by the Lenders and Ancillary Lenders and the Agent's Spot Rate of Exchange.

(g) This Clause 6.6 shall not oblige any Lender to accept the transfer of a claim relating to an amount outstanding under an Ancillary Facility which is not denominated (pursuant to the relevant Finance Document) in HK dollars for the purpose of any Revolving Facility Loan or in another currency which is acceptable to that Lender.

### 6.7 Information

Each Borrower and each Ancillary Lender shall, promptly upon request by the Agent, supply the Agent with any information relating to the operation of an Ancillary Facility (including the Ancillary Outstandings) as the Agent may reasonably request from time to time. Each Borrower consents to all such information being released to the Agent and the other Finance Parties.

### 6.8 Affiliates of Lenders as Ancillary Lenders

(a) Subject to the terms of this Agreement, an Affiliate of a Lender may become an Ancillary Lender. In such case, the Lender and its Affiliate shall be treated as a single Lender whose Revolving Facility Commitment is the amount set out opposite the relevant Lender's name in Schedule 1 (*The Original Parties*) and/or the amount of any Revolving Facility Commitment transferred to or assumed by that Lender under this Agreement, to the extent (in each case) not cancelled, reduced or transferred by it under this Agreement.

(b) The Borrower shall specify any relevant Affiliate of a Lender in any notice delivered by the Borrower to the Agent pursuant to paragraph (b)(i) of Clause 6.2 (*Availability*).

(c) An Affiliate of a Lender which becomes an Ancillary Lender shall accede to the Intercreditor Agreement as an Ancillary Lender and any person which so accedes to the Intercreditor Agreement shall, at the same time, become a Party as an Ancillary Lender in accordance with clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*) of the Intercreditor Agreement.

(d) If a Lender assigns all of its rights and benefits or transfers all of its rights and obligations to a New Lender, its Affiliate shall cease to have any obligations under this Agreement or any Ancillary Document.

(e) Where this Agreement or any other Finance Document imposes an obligation on an Ancillary Lender and the relevant Ancillary Lender is an Affiliate of a Lender which is not a party to that document, the relevant Lender shall ensure that the obligation is performed by its Affiliate.

### 6.9 Revolving Facility Commitment amounts

Notwithstanding any other term of this Agreement, each Lender shall ensure that at all times its Revolving Facility Commitment is not less than the aggregate of:

(a) its Ancillary Commitment; and

(b) the Ancillary Commitment(s) of its Affiliate(s).

### 6.10 Amendments and waivers – Ancillary Facilities

No amendment or waiver of a term of any Ancillary Facility shall require the consent of any Finance Party other than the relevant Ancillary Lender unless such amendment or waiver itself relates to or gives rise to a matter which would require an amendment of or under this Agreement (including, for the avoidance of doubt, under this Clause 6). In such a case, Clause 37 (*Amendments and waivers*) will apply.

## SECTION 4
## REPAYMENT, PREPAYMENT AND CANCELLATION

### 7. Repayment

#### 7.1 Facility A

Subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, the Borrower shall repay the Facility A Loan in full on the Termination Date applicable to Facility A. The Borrower may not reborrow any part of the Facility A Loan that is repaid.

#### 7.2 Revolving Facility

(a) The Borrower shall repay each Revolving Facility Loan in full on the last day of its Interest Period.

(b) Without prejudice to the Borrower's obligations under paragraph (a) above, if one or more Revolving Facility Loans are to be made available to the Borrower:

(i) on the same day that a maturing Revolving Facility Loan is due to be repaid by the Borrower; and

(ii) in whole or in part for the purpose of refinancing the maturing Revolving Facility Loan,

the aggregate amount of the new Revolving Facility Loans shall be treated as if applied in or towards repayment of the maturing Revolving Facility Loan so that:

(A) if the amount of the maturing Revolving Facility Loan exceeds the aggregate amount of the new Revolving Facility Loans:

(1) the Borrower will only be required to pay an amount in cash in the relevant currency equal to that excess; and

(2) each Lender's participation (if any) in the new Revolving Facility Loans shall be treated as having been made available and applied by the Borrower in or towards repayment of that Lender's participation (if any) in the maturing Revolving Facility Loan and that Lender will not be required to make its participation in the new Revolving Facility Loans available in cash; and

(B) if the amount of the maturing Revolving Facility Loan is equal to or less than the aggregate amount of the new Revolving Facility Loans:

(1) the Borrower will not be required to make any payment in cash; and

(2) each Lender will be required to make its participation in the new Revolving Facility Loans available in cash only to the extent that its participation (if any) in the new Revolving Facility Loans exceeds that Lender's participation (if any) in the maturing Revolving Facility Loan and the remainder of that Lender's participation in the new Revolving Facility Loans shall be treated as having been made available and applied by the Borrower in or towards repayment of that Lender's participation in the maturing Revolving Facility Loan.

(c) At any time when a Lender becomes a Defaulting Lender, the maturity date of each of the participations of that Lender in the Revolving Facility Loans then outstanding will be automatically extended to the Termination Date applicable to the Revolving Facility and will be treated as separate Revolving Facility Loans (the "**Separate Loans**") denominated in the Base Currency.

(d) A Separate Loan may be prepaid by giving five (5) Business Days' prior notice to the Agent. The Agent will forward a copy of a prepayment notice received in accordance with this paragraph (d) to the Defaulting Lender concerned as soon as practicable on receipt.

(e) Interest in respect of a Separate Loan will accrue for successive Interest Periods selected by the Borrower by the time and date specified by the Agent (acting reasonably) and will be payable by the Borrower to the Agent (for the account of that Defaulting Lender) on the last day of each Interest Period of that Loan.

(f) The terms of this Agreement relating to Revolving Facility Loans generally shall continue to apply to Separate Loans other than to the extent inconsistent with paragraphs (c) to (e) above, in which case those paragraphs shall prevail in respect of any Separate Loan.

## 8. Illegality, voluntary prepayment and cancellation

### 8.1 Illegality

If it becomes unlawful in any applicable jurisdiction for a Lender to perform any of its obligations as contemplated by this Agreement or to fund, issue or maintain its participation in any Utilisation:

(a) that Lender shall promptly notify the Agent upon becoming aware of that event;

(b) upon the Agent notifying the Borrower, the Commitment of that Lender will be immediately cancelled; and

(c) to the extent that Lender's participation has not been transferred pursuant to Clause 37.5 (*Replaceable Lenders*), the Borrower shall repay that Lender's participation in each Utilisations on the last day of the Interest Period for each Utilisation occurring after the Agent has notified the Borrower or, if earlier, the date specified by the Lender in the notice delivered to the Agent (being no earlier than the last day of any applicable grace period permitted by law).

### 8.2 Voluntary cancellation

The Borrower may, if it gives the Agent not less than five (5) Business Days' prior notice, cancel the whole or any part (being a minimum of HK$100,000,000) of the Available Facility in respect of the Revolving Facility. Any cancellation under this Clause 8.2 shall reduce the Commitments of the Lenders rateably under the Revolving Facility.

### 8.3 Voluntary prepayment of the Facility A Loan

Subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, the Borrower under a Facility may, if it gives the Agent not less than five (5) Business Days' prior notice, prepay the whole or any part of the Facility A Loan (but, if in part, being an amount that reduces the Facility A Loan by a minimum amount of HK$500,000).

### 8.4 Voluntary prepayment of Revolving Facility Loans

The Borrower may, if it gives the Agent not less than five (5) Business Days' prior notice, prepay the whole or any part of a Revolving Facility Loan (but, if in part, being an amount that, whether alone or with any such prepayment made by any other Borrower at such time, reduces such Revolving Facility Loan by a minimum amount of HK$100,000,000).

## 9. Mandatory prepayment

Each Borrower shall prepay the Utilisations and/or cancel Commitments under the Facilities on the dates and in accordance, and otherwise comply, with the provisions of this Clause 9 (*Mandatory prepayment*).

### 9.1 Definitions

For the purposes of this Clause 9 (*Mandatory prepayment*):

"**Disposal Prepayment Event**" means the Disposal of all or substantially all of the business and assets of the Group or all the Obligors.

### 9.2 Change of Control and Disposal Prepayment Event

(a) If a Change of Control occurs:

(i) the Parent will promptly notify the Agent upon becoming aware of that event;

(ii) no Lender shall be obliged to fund a Utilisation (except for a Rollover Loan) and an Ancillary Lender shall not be obliged to fund a utilisation of an Ancillary Facility (unless the terms of such Ancillary Facility provide otherwise); and

(iii) if a Lender so requires and notifies the Agent within 20 Business Days of the earlier of (A) the Parent's notifying the Agent of the event and (B) that Lender becoming aware the event has occurred, the Agent shall, by not less than 10 Business Days' notice to the Parent, cancel the Commitment of that Lender in respect of the Revolving Facility and declare the participation of that Lender in all outstanding Utilisations in respect of the Revolving Facility and Ancillary Outstandings, together with accrued interest and all other amounts accrued under the Finance Documents to that Lender (including, without limitation, in respect of Facility A (other than the principal amount outstanding in respect of the Facility A Loan)), immediately due and payable, whereupon the Commitment of that Lender in respect of the Revolving Facility will be cancelled and, to the extent that Lender's relevant participations have not been transferred pursuant to Clause 37.5 (*Replaceable Lenders*), all such outstanding amounts will become immediately due and payable and full cash cover in respect of its contingent liability under an Ancillary Facility shall become immediately due and payable.

(b) Subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, if a Disposal Prepayment Event occurs, the Facilities will be cancelled and all outstanding Utilisations, together with accrued interest and all other amounts accrued under the Finance Documents, shall become immediately due and payable.

(c) In accordance with paragraph (e) of Clause 37.3 (*Exceptions*), any waiver which relates to a right to prepayment under this Clause 9.2 may only be waived with the consent of the Lender that is entitled to the prepayment.

**9.3 High Yield Notes and Bondco Loans**

(a) If, at any time on or after 1 June 2020 (the "**Option Period Commencement Date**"), any scheduled date for the payment of any principal amount under any High Yield Note or Bondco Loan (after taking into account all extensions of the payments dates of the High Yield Notes and Bondco Loans from time to time) would fall on or prior to the Final Repayment Date applicable to a Facility and the aggregate principal amount outstanding in respect of the Pari Passu Debt Liabilities is less than US$500,000,000 (or its equivalent in other currencies) or would (in circumstances where any Pari Passu Creditor(s) has exercised any right(s) to require any member of the Group to prepay, purchase, defease, redeem, acquire or retire any such Pari Passu Debt Liability pursuant to the exercise of any put option under the relevant Pari Passu Debt Documents in connection with the High Yield Notes or Bondco Loans) be less than US$500,000,000 (or its equivalent in other currencies) taking into account the obligations of the members of the Group to so prepay, purchase, defease, redeem, acquire or retire any such Pari Passu Debt Liabilities:

(i) the Parent will promptly notify the Agent upon becoming aware of that event;

(ii) no Lender shall be obliged to fund a Revolving Facility Loan (except for a Rollover Loan) and an Ancillary Lender shall not be obliged to fund a utilisation of an Ancillary Facility (unless the terms of such Ancillary Facility provide otherwise); and

(iii) if a Lender so requires and notifies the Agent within 20 Business Days of the later of (A) the Parent's notifying the Agent of the event and (B) the Option Period Commencement Date, the Agent shall, by not less than three (3) Business Days' notice to the Parent, cancel the Commitment of that Lender in respect of the Revolving Facility and declare (x) the participation of that Lender in all outstanding Utilisations in respect of the Revolving Facility and Ancillary Outstandings, together with accrued interest and all other amounts accrued under the Finance Documents to that Lender (including, without limitation, in respect of Facility A (other than the principal amount outstanding in respect of the Facility A Loan)) and (y) subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, the participation of that Lender in the Facility A Loan, due and payable, whereupon (such date being the "**Reference Date**") the Commitment of that Lender in respect of the Revolving Facility will be cancelled and, to the extent that Lender's relevant participations have not been transferred pursuant to Clause 37.5 (*Replaceable Lenders*), full cash cover in respect of its contingent liability under an Ancillary Facility shall become due and payable immediately and the Borrower shall repay that Lender's participation in each applicable Utilisation and all such other outstanding amounts on the last day of the Interest Period for each such Utilisation occurring after the Reference Date or, if earlier, the day falling one (1) Business Day prior to the first scheduled date for payment of any principal amount under any High Yield Note or Bondco Loan falling on or prior to the Final Repayment Date applicable to the Facility to which that Utilisation relates.

(b) In accordance with paragraph (e) of Clause 37.3 (*Exceptions*), any waiver which relates to a right to prepayment under this Clause 9.3 may only be waived with the consent of the Lender that is entitled to the prepayment.

### 9.4 Notes Repurchases

(a) If a Notes Repurchase occurs, or an offer to make a Notes Repurchase has been made, the Borrower will, promptly upon becoming aware of such event, notify the Agent of the details of the event, including the amount of the Notes Repurchase.

(b) The Borrower shall cancel and prepay the relevant proportion of the Revolving Facility if required by, and in accordance with Clause 23.15 (*Notes Repurchase condition*).

### 9.5 Asset Sales

The Borrower shall cancel and prepay the relevant proportion of the Revolving Facility if required by, and in accordance with, Section 5 (*Asset Sales*) of Schedule 10 (*Covenants*).

### 9.6 Waivers

Any waiver that relates to a right to prepayment under Clause 9.4 (*Notes Repurchase condition*) or 9.5 (*Asset Sales*) above may only be waived with the consent of the Lender that is entitled to the prepayment.

### 9.7 Application of mandatory prepayments and cancellations – Note Repurchases and Asset dispositions

(a) Prepayments of Utilisations and cancellations of Commitments made pursuant to Clause 9.4 (*Notes Repurchases*) or Clause 9.5 (*Asset Sales*) shall be applied in the following order:

(i) *firstly*, in cancellation of the Available Commitments (and the Available Commitment of the Lenders will be cancelled rateably);

(ii) *secondly*, in permanent prepayment and cancellation of Revolving Facility Utilisations and cancellation of Commitments under the Revolving Facility;

(iii) *thirdly*, in prepayment and cancellation of the Ancillary Outstandings and Ancillary Commitments; and

(iv) *then*, subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, in permanent prepayment of the Facility A Loan.

(b) Unless the Borrower makes an election under paragraph (c) below, the Borrower shall make prepayments under Clause 9.5 (*Asset Sales*) promptly upon receipt of the relevant proceeds.

(c) Subject to paragraph (d) below, the Borrower may, by giving the Agent not less than three (3) Business Days' (or such shorter period as the Majority Lenders may agree) prior written notice, elect that any prepayment under Clause 9.5 (*Asset Sales*) be applied in prepayment of a Loan on the last day of the Interest Period relating to that Loan. If the Borrower makes such an election, then a proportion of the Loan equal to the amount of the relevant prepayment will be due and payable on the last day of its Interest Period.

(d) If the Borrower has made an election under paragraph (c) above but an Event of Default has occurred and is continuing, that election shall no longer apply and a proportion of the Loan in respect of which the election was made equal to the amount of the relevant prepayment shall be immediately due and payable (unless the Majority Lenders otherwise agree).

## 10. Restrictions

### 10.1 Notices of cancellation or prepayment

Any notice of cancellation or prepayment, authorisation or other election given by any Party under Clause 8 (*Illegality, voluntary prepayment and cancellation*) shall be irrevocable and, unless a contrary indication appears in this Agreement, any such notice shall specify the date or dates upon which the relevant cancellation or prepayment is to be made, the affected Facility (or Facilities) and Utilisations and the amount of that cancellation or prepayment.

### 10.2 Interest and other amounts

Any prepayment under this Agreement shall be made together with accrued interest on the amount prepaid and, subject to any Break Costs, without premium or penalty.

### 10.3 Reborrowing of Facilities

The Borrower shall not reborrow any part of Facility A which is prepaid. Unless a contrary indication appears in this Agreement, any part of the Revolving Facility which is repaid or voluntarily prepaid may be reborrowed in accordance with the terms of this Agreement.

### 10.4 Prepayment in accordance with Agreement

The Borrower shall not repay or prepay all or any part of the Utilisations or cancel all or any part of the Commitments except at the times and in the manner expressly provided for in this Agreement.

### 10.5 No reinstatement of Commitments

No amount of the Total Commitments cancelled under this Agreement may be subsequently reinstated.

### 10.6 Agent's receipt of notices

If the Agent receives a notice under Clause 8 (*Illegality, voluntary prepayment and cancellation*), it shall promptly forward a copy of that notice or election to either the Borrower or the affected Lender, as appropriate.

### 10.7 Prepayment notices

The Agent shall notify the Lenders as soon as possible of any proposed prepayment of that Facility under Clause 8.3 (*Voluntary prepayment*).

### 10.8 Effect of repayment and prepayment

If all or part of a Loan under the Revolving Facility is repaid or prepaid and is not available for redrawing (other than as may conditionally be the case pursuant to Clause 4.1 (*Utilisation conditions precedent*)), an amount of the Commitments (equal to the amount of the Loan which is repaid or prepaid) in respect of the Revolving Facility will be deemed to be cancelled on the date of repayment or prepayment. Any cancellation under this Clause 10.8 (save in connection with any repayment or, as the case may be, prepayment under paragraph (c) of Clause 8.1 (*Illegality*) or Clause 37.7 (*Cancellation and repayment of a Replaceable Lender (other than an Illegal Lender)*)) shall reduce the Commitments of the Lenders rateably under the Revolving Facility.

## SECTION 5
## COSTS OF UTILISATION

### 11. Interest

**11.1 Calculation of interest**

The rate of interest on each Loan for each Interest Period is the percentage rate per annum which is the aggregate of the applicable:

(a) Margin; and

(b) HIBOR.

**11.2 Payment of interest**

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

**11.3 Default interest**

(a) If an Obligor fails to pay any amount payable by it under a Finance Document on its due date, interest shall accrue on the Unpaid Sum from the due date up to the date of actual payment (both before and after judgment) at a rate which, subject to paragraph (b) below, is 2 per cent. higher than the rate which would have been payable if the Unpaid Sum had, during the period of non-payment, constituted a Loan in the currency of the Unpaid Sum for successive Interest Periods, each of a duration selected by the Agent (acting reasonably). Any interest accruing under this Clause 11.3 shall be immediately payable by the relevant Obligor on demand by the Agent.

(b) If any Unpaid Sum consists of all or part of a Loan which became due on a day which was not the last day of an Interest Period relating to that Loan:

(i) the first Interest Period for that Unpaid Sum shall have a duration equal to the unexpired portion of the current Interest Period relating to that Loan; and

(ii) the rate of interest applying to the Unpaid Sum during that first Interest Period shall be 2 per cent. higher than the rate which would have applied if the Unpaid Sum had not become due.

(c) Default interest (if unpaid) arising on an Unpaid Sum will be compounded with the Unpaid Sum at the end of each Interest Period applicable to that Unpaid Sum but will remain immediately due and payable.

**11.4 Notification of rates of interest**

The Agent shall promptly notify the Lenders and the relevant Borrower (or the Parent) of the determination of a rate of interest under this Agreement.

### 12. Interest Periods

**12.1 Selection of Interest Periods**

(a) The first Interest Period for the Facility A Loan shall be as set out in paragraph (b)(i)(C) of Clause 2.1 (*The Facilities*). The Borrower (or the Parent on behalf of the Borrower) may select a subsequent Interest Period for the Facility A Loan in a Selection Notice. The Borrower (or the Parent on behalf of the Borrower) may select an Interest Period for a Revolving Facility Loan in the Utilisation Request for that Revolving Facility Loan.

(b) Each Selection Notice for the Facility A Loan is irrevocable and must be delivered to the Agent by the Borrower (or the Parent on behalf of the Borrower) not later than 11.00 a.m. on the fifth Business Day prior to the commencement of the next Interest Period.

(c) If the Borrower (or the Parent) fails to deliver a Selection Notice to the Agent in accordance with paragraph (b) above, the relevant Interest Period in respect of the Facility A Loan will be one Month.

(d) Subject to this Clause 12, the Borrower (or the Parent) may select an Interest Period for a Loan of one, two, three or six Months or any other period agreed between the Borrower and the Agent (acting on the instructions of all the Lenders in relation to the relevant Loan).

(e) An Interest Period for a Loan shall not extend beyond the Termination Date applicable to its Facility.

(f) Subject to paragraph (b)(i)(C) of Clause 2.1 (*The Facilities*), each Interest Period for a Loan shall start on the Utilisation Date with respect to that Loan or (if already made) on the last day of its preceding Interest Period.

(g) A Revolving Facility Loan has one Interest Period only.

### 12.2 Non-Business Days

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

## 13. Changes to the calculation of interest

### 13.1 Absence of quotations

Subject to Clause 13.2 (*Market disruption*), if HIBOR is to be determined by reference to the Reference Banks but a Reference Bank does not supply a quotation by (in relation to HIBOR) 11:00 a.m. on the Quotation Date for HK dollars, HIBOR shall be determined on the basis of the quotations of the remaining Reference Banks.

### 13.2 Market disruption

(a) If a Market Disruption Event occurs in relation to a Loan for any Interest Period, then the rate of interest on each Lender’s share of that Loan for the Interest Period shall be the percentage rate per annum which is the sum of:

(i) the Margin; and

(ii) the rate notified to the Agent by that Lender as soon as practicable and in any event not less than the date falling two (2) Business Days after the Quotation Date (or, if earlier, on the date falling two (2) Business Days prior to the date on which interest is due to be paid in respect of that Interest Period), to be that which expresses as a percentage rate per annum the cost to that Lender of funding its participation in that Loan from whatever source it may reasonably select.

(b) In this Agreement "**Market Disruption Event**" means:

(i) at or about noon on the Quotation Date for the relevant Interest Period for the relevant Loan the Screen Rate is not available or the Screen Rate is zero or negative and none or only one of the Reference Banks supplies a rate to the Agent to determine HIBOR for the relevant currency and Interest Period; or

(ii) before close of business on the Quotation Date for the relevant Interest Period, the Agent receives notifications from a Lender or Lenders (whose aggregate participations in that Loan exceed 35 per cent. of that Loan) that the cost to it of obtaining matching deposits in the Relevant Interbank Market would be in excess of HIBOR.

(c) If a Market Disruption Event shall occur, the Agent shall promptly notify the Lenders and the Borrower thereof.

(d) If:

(i) the percentage rate per annum notified by a Lender pursuant to paragraph (a)(ii) above is less than HIBOR; or

(ii) a Lender has not notified the Agent of a percentage rate per annum notified by a Lender pursuant to paragraph (a)(ii) above,

the cost to that Lender of funding its participation in that Loan for that Interest Period shall be deemed, for the purposes of paragraph (a) above, to be HIBOR.

**13.3 Alternative basis of interest or funding**

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

(b) Any alternative basis agreed pursuant to paragraph (a) above shall, with the prior consent of all the Lenders and the Borrower, be binding on all Parties.

(c) For the avoidance of doubt, in the event that no substitute basis is agreed at the end of the thirty day period, the rate of interest shall continue to be determined in accordance with the terms of this Agreement.

**13.4 Break Costs**

(a) Each Borrower shall, within three (3) Business Days of demand by a Finance Party, pay to that Finance Party its Break Costs attributable to all or any part of a Loan or Unpaid Sum being paid by that Borrower on a day other than the last day of an Interest Period for that Loan or Unpaid Sum.

(b) Each Lender shall, as soon as reasonably practicable after a demand by the Agent, provide a certificate confirming the amount of its Break Costs for any Interest Period in which they accrue.

## 14. Fees

**14.1 Commitment fee**

(a) The Borrower shall pay to the Agent (for the account of each Lender under the Revolving Facility) a commitment fee in HK dollars that is computed at a rate of 35 per cent. of the Margin applicable to the Revolving Facility on that Lender's Available Commitment under the Revolving Facility for the period from (and including) the first date of the Availability Period applicable to the Revolving Facility to (but excluding) the last day of the Availability Period applicable to the Revolving Facility.

(b) The accrued commitment fee is payable on the last day of each successive period of three Months which ends during the relevant period specified in paragraph (a) above, on the last day of the relevant Availability Period and, if cancelled in full, on the cancelled amount of the relevant Lender's Commitment at the time such cancellation is effective.

(c) No commitment fee is payable to the Agent (for the account of a Lender) on any Available Commitment of that Lender for any day on which that Lender is a Defaulting Lender.

**14.2 Agent's fee**

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

**14.3 Interest, commission and fees on Ancillary Facilities**

The rate and time of payment of interest, commission, fees and any other remuneration in respect of each Ancillary Facility shall be determined by agreement between the relevant Ancillary Lender and the Borrower of that Ancillary Facility based upon normal market rates and terms.

## SECTION 6
## ADDITIONAL PAYMENT OBLIGATIONS

**15. Tax gross-up and indemnities**

**15.1 Definitions**

(a) In this Agreement:

"**Protected Party**" means a Finance Party which is or will be subject to any liability or required to make any payment for or on account of Tax in relation to a sum received or receivable (or any sum deemed for the purposes of Tax to be received or receivable) under a Finance Document.

"**Tax Credit**" means a credit against, relief or remission for, or repayment of, any Tax.

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

"**Tax Payment**" means either the increase in a payment made by an Obligor to a Finance Party under Clause 15.2 (*Tax gross-up*) or a payment under Clause 15.3 (*Tax indemnity*).

Unless a contrary indication appears, in this Clause 15 a reference to "**determines**" or "**determined**" means a determination made in the absolute discretion of the person making the determination.

**15.2 Tax gross-up**

(a) Each Obligor shall make all payments to be made by it under a Finance Document without any Tax Deduction, unless a Tax Deduction is required by law.

(b) The Borrower shall promptly upon an Obligor becoming aware that such Obligor must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Agent accordingly. Similarly, a Lender shall notify the Agent on becoming so aware in respect of a payment payable to that Lender. If the Agent receives such notification from a Lender it shall notify the Borrower and that relevant Obligor.

(c) If a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from that Obligor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

(d) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(e) Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Obligor making that Tax Deduction shall deliver to the Agent for the Finance Party entitled to the payment evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

**15.3 Tax indemnity**

(a) Without prejudice to Clause 15.2 (*Tax gross-up*), the Borrower shall (within five (5) Business Days of demand by the Agent) pay to a Protected Party an amount equal to the loss, liability or cost which that Protected Party determines will be or has been (directly or indirectly) suffered for or on account of Tax by that Protected Party in respect of a Finance Document or the transactions occurring under such Finance Document.

(b) Paragraph (a) above shall not apply:

(i) with respect to any Tax assessed on a Finance Party:

(A) under the law of the jurisdiction in which that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes; or

(B) under the law of the jurisdiction in which that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction,

if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Finance Party;

(ii) to the extent a loss, liability or cost is compensated for by an increased payment under Clause 15.2 (*Tax gross-up*); or

(iii) to the extent a loss, liability or cost relates to a FATCA Deduction required to be made by a Party.

(c) A Protected Party making, or intending to make a claim under paragraph (a) above shall notify the Agent of the event which will give, or has given, rise to the claim within 120 days after the date on which that Protected Party becomes aware of it (after which that Protected Party shall not be entitled to claim any indemnification or payment under this Clause 15.3), following which the Agent shall notify the Borrower.

(d) A Protected Party shall, on receiving a payment from an Obligor under this Clause 15.3, notify the Agent.

**15.4 Tax Credit**

If an Obligor makes a Tax Payment and the relevant Finance Party determines that:

(a) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part or to that Tax Payment; and

(b) that Finance Party has obtained, utilised and retained that Tax Credit,

the Finance Party shall pay an amount to the relevant Obligor which that Finance Party determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the relevant Obligor.

**15.5 Stamp taxes**

The Borrower shall pay and, within five (5) Business Days of demand, indemnify each Secured Party against any cost, loss or liability that Secured Party incurs in relation to all stamp duty, registration, excise and other similar Taxes payable in respect of any Finance Document or the transactions occurring under any of them.

## 15.6 Indirect tax

(a) All amounts set out or expressed in a Finance Document to be payable by any Party to a Finance Party shall be deemed to be exclusive of any Indirect Tax. If any Indirect Tax is chargeable on any supply made by any Finance Party to any Party in connection with a Finance Document, that Party shall pay to the Finance Party (in addition to and at the same time as paying the consideration) an amount equal to the amount of the Indirect Tax.

(b) Where a Finance Document requires any Party to reimburse a Finance Party for any costs or expenses, that Party shall also at the same time pay and indemnify the Finance Party against all Indirect Tax incurred by that Finance Party in respect of the costs or expenses to the extent that the Finance Party reasonably determines that it is not entitled to credit or repayment in respect of the Indirect Tax.

## 15.7 Survival of obligations

Without prejudice to the survival of any other section of this Agreement, the agreements and obligations of each Obligor and each Finance Party contained in this Clause 15 shall survive the payment in full by the Obligors of all obligations under this Agreement and the termination of this Agreement.

## 15.8 FATCA Information

(a) Subject to paragraph (c) below, each Party shall, within 10 Business Days of a reasonable request by another Party:

(i) confirm to that other Party whether it is:

(A) a FATCA Exempt Party; or

(B) not a FATCA Exempt Party;

(ii) supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA; and

(iii) supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party's compliance with any other law, regulation, or exchange of information regime.

(b) If a Party confirms to another Party pursuant to paragraph (a)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.

(c) Paragraph (a) above shall not oblige any Finance Party to do anything, and paragraph (a)(iii) above shall not oblige any other Party to do anything, which would or might in its reasonable opinion constitute a breach of:

(i) any law or regulation;

(ii) any fiduciary duty; or

(iii) any duty of confidentiality.

(d) If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with paragraph (a)(i) or (ii) above (including, for the avoidance of doubt, where paragraph (c) above applies), then such Party shall be treated for the purposes of the Finance Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

## 15.9 FATCA Deduction

(a) Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.

(b) Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), notify the Party to whom it is making the payment and, in addition, shall notify the Borrower and the Agent and the Agent shall notify the other Finance Parties.

# 16. Increased Costs

## 16.1 Increased costs

(a) Subject to Clause 16.3 (*Exceptions*) the Borrower shall, within five (5) Business Days of a demand by the Agent, pay for the account of a Finance Party the amount of any Increased Costs incurred by that Finance Party or any of its Affiliates as a result of:

(i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation after the date of this Agreement; or

(ii) compliance with any law or regulation made after the date of this Agreement.

The terms "law" and "regulation" in this paragraph (a) shall include, without limitation, any law or regulation concerning capital adequacy, prudential limits, liquidity, reserve assets or Tax.

(b) In this Agreement:

(i) "**Increased Costs**" means:

(A) a reduction in the rate of return from a Facility or on a Finance Party's (or its Affiliate's) overall capital (including, without limitation, as a result of any reduction in the rate of return on capital brought about by more capital being required to be allocated by such Finance Party);

(B) an additional or increased cost; or

(C) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by a Finance Party or any of its Affiliates to the extent that it is attributable to that Finance Party having entered into its Commitment or funding or performing its obligations under any Finance Document; and

(ii) "**Basel III**" means (A) the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision on 16 December 2010, each as amended, supplemented or restated, (B) the rules for global systemically important banks contained in "Global systemically important banks: assessment methodology and the additional loss absorbency requirement – Rules text" published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated and (C) any further guidance or standards published by the Basel Committee on Banking Supervision relating to "Basel III".

### 16.2 Increased cost claims

(a) A Finance Party intending to make a claim pursuant to Clause 16.1 (*Increased costs*) shall notify the Agent of the event giving rise to the claim within 120 days of the date on which that Finance Party becomes aware of it, following which the Agent shall promptly notify the Borrower.

(b) Each Finance Party shall, as soon as practicable after a demand by the Agent, provide a certificate confirming the amount of its Increased Costs.

### 16.3 Exceptions

(a) Clause 16.1 (*Increased costs*) does not apply to the extent any Increased Cost is:

(i) attributable to a Tax Deduction required by law to be made by an Obligor;

(ii) compensated for by Clause 15.3 (*Tax indemnity*) (or would have been compensated for under Clause 15.3 (*Tax indemnity*) but was not so compensated solely because any of the exclusions in paragraph (b) of Clause 15.3 (*Tax indemnity*) applied);

(iii) attributable to a FATCA Deduction required to be made by a Party;

(iv) attributable to the wilful breach by the relevant Finance Party or its Affiliates of any law or regulation; or

(v) attributable to the implementation or application of or compliance with the "International Convergence of Capital Measurement and Capital Standards, a Revised Framework" published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the date of this Agreement (but excluding any amendment arising out of Basel III) ("**Basel II**") or any other law or regulation which implements Basel II (whether such implementation, application or compliance is by a government, regulator, Finance Party or any of its Affiliates); or

(vi) not notified to the Agent by the Finance Party (that is claiming any indemnification or payment under this Clause 16 in respect of such Increased Cost) within 120 days of the date of such Finance Party becoming aware of the event giving rise to such Increased Costs in accordance with paragraph (a) of Clause 16.2 (*Increased Costs claims*).

(b) In this Clause 16.3, a reference to a "**Tax Deduction**" has the same meaning given to the term in Clause 15.1 (*Definitions*).

## 17. Other indemnities

### 17.1 Currency indemnity

(a) If any sum due from an Obligor under the Finance Documents (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:

(i) making or filing a claim or proof against that Obligor; or

(ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

that Obligor shall as an independent obligation, within five (5) Business Days of demand, indemnify each Finance Party to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

(b) Each Obligor waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.

### 17.2 Other indemnities

(a) The Borrower shall (or shall procure that an Obligor will), within five (5) Business Days of demand, indemnify each Finance Party against any cost, loss or liability incurred by it as a result of:

(i) the occurrence of any Event of Default;

(ii) any information produced or approved by any Obligor being or being alleged to be misleading and/or deceptive in any respect;

(iii) any enquiry, investigation, subpoena (or similar order) or litigation with respect to any Obligor or with respect to the transaction contemplated or financed under this Agreement;

(iv) a failure by an Obligor to pay any amount due under a Finance Document on its due date, including without limitation, any cost, loss or liability arising as a result of Clause 30 (*Sharing among the Finance Parties*);

(v) funding, or making arrangements to fund, its participation in a Loan requested in a Utilisation Request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence by that Finance Party alone); or

(vi) a Loan (or part of a Loan) not being prepaid in accordance with a notice of prepayment given by the Borrower or the Parent.

### 17.3 Indemnity to the Agent

The Borrower shall promptly indemnify the Agent against:

(a) any cost, loss or liability incurred by the Agent (acting reasonably) as a result of:

(i) investigating any event which it reasonably believes is a Default; and

(ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; and

(b) any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Agent (otherwise than by reason of the Agent's gross negligence or wilful misconduct) in acting as Agent under the Finance Documents.

## 18. Mitigation by the Lenders

### 18.1 Mitigation

(a) Each Finance Party shall, in consultation with the Borrower, take all reasonable steps to mitigate any circumstances which arise and which would result in any amount becoming payable under or pursuant to, or cancelled pursuant to, any of Clause 8.1 (*Illegality*), Clause 15 (*Tax gross-up and indemnities*) or Clause 16 (*Increased Costs*), including (but not limited to) transferring its rights and obligations under the Finance Documents to another Affiliate or Facility Office.

(b) Paragraph (a) above does not in any way limit the obligations of any Obligor under the Finance Documents.

### 18.2 Limitation of liability

(a) The Borrower shall indemnify each Finance Party for all costs and expenses reasonably incurred by that Finance Party as a result of steps taken by it under Clause 18.1 (*Mitigation*).

(b) A Finance Party is not obliged to take any steps under Clause 18.1 (*Mitigation*) if, in the opinion of that Finance Party (acting reasonably), to do so might be prejudicial to it.

## 19. Costs and expenses

### 19.1 Transaction expenses

The Borrower shall within five (5) Business Days (other than in respect of costs and expenses required to be paid as a condition to Utilisation) of demand pay (or shall procure that another member of the Group will pay) the Agent, the Common Security Agent and the POA Agent the amount of all costs and expenses (including legal fees but subject to any agreed caps) reasonably incurred by the Agent, the Common Security Agent or the POA Agent as applicable (and, in the case of the Common Security Agent and the POA Agent, by any Receiver or Delegate) in connection with the negotiation, preparation, printing, execution, syndication and perfection of any Finance Documents executed after the date of this Agreement.

### 19.2 Amendment costs

If (a) an Obligor requests an amendment, waiver or consent or (b) an amendment is required pursuant to Clause 31.10 (*Change of currency*), the Borrower shall, within five (5) Business Days of demand, reimburse (or shall procure that another member of the Group will reimburse) each of the Agent, the Common Security Agent and the POA Agent for the amount of all costs and expenses (including legal fees, disbursements and other out of pocket expenses) reasonably incurred or made by the Agent, the Common Security Agent or the POA Agent as applicable (and, in the case of the Common Security Agent and the POA Agent, by any Receiver or Delegate) in responding to, evaluating, negotiating or complying with that request or requirement.

**19.3 Common Security Agent's ongoing costs**

(a) In the event of (i) a Default or (ii) the Common Security Agent considering it necessary or expedient or (iii) the Common Security Agent being requested by an Obligor or the Majority Lenders to undertake duties which the Common Security Agent and the Borrower agree to be of an exceptional nature and/or outside the scope of the normal duties of the Common Security Agent under the Finance Documents, the Borrower shall pay (or shall procure that another member of the Group will pay) to the Common Security Agent any additional remuneration that may be agreed between them.

(b) If the Common Security Agent and the Borrower fail to agree upon the nature of the duties or upon any additional remuneration, that dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Common Security Agent and approved by the Borrower or, failing approval, nominated (on the application of the Common Security Agent) by the President for the time being of the Law Society of Hong Kong (the costs of the nomination and of the investment bank being payable by the Borrower) and the determination of any investment bank shall be final and binding upon the parties to this Agreement.

**19.4 Enforcement and preservation costs**

The Borrower shall, within five (5) Business Days of demand, pay (or shall procure that another member of the Group will pay) to each Secured Party the amount of all costs and expenses (including legal fees, disbursements and other out of pocket expenses) incurred by it in connection with the enforcement of or the preservation of any rights under any Finance Document and the Transaction Security and any proceedings instituted by or against the Common Security Agent or the POA Agent as a consequence of taking or holding the Transaction Security or enforcing these rights.

## SECTION 7
## GUARANTEE

### 20. Guarantee and indemnity

### 20.1 Guarantee and indemnity

Each Guarantor irrevocably and unconditionally jointly and severally:

(a) guarantees to each Finance Party punctual performance by each other Obligor of all that Obligor's obligations under the Finance Documents;

(b) undertakes with each Finance Party that whenever another Obligor does not pay any amount when due under or in connection with any Finance Document, that Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and

(c) agrees with each Finance Party that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Finance Party immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due. The amount payable by a Guarantor under this indemnity will not exceed the amount it would have had to pay under this Clause 20 if the amount claimed had been recoverable on the basis of a guarantee.

### 20.2 Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

### 20.3 Reinstatement

If for any reason (including, without limitation, as a result of insolvency, breach of fiduciary or statutory duties or any similar event):

(a) any payment to a Finance Party (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided, reduced or required to be restored, or

(b) any discharge, compromise or arrangement (whether in respect of the obligations of any Obligor or any security for any such obligation or otherwise) given or made wholly or partly on the basis of any payment, security or other matter which is avoided, reduced or required to be restored,

then:

(i) the liability of each Obligor shall continue (or be deemed to continue) as if the payment, discharge, compromise or arrangement had not occurred; and

(ii) each Finance Party shall be entitled to recover the value or amount of that payment or security from each Obligor, as if the payment, discharge, compromise or arrangement had not occurred.

### 20.4 Waiver of defences

The obligations of each Guarantor under this Clause 20 will not be affected by any act, omission, matter or thing which, but for this Clause 20, would reduce, release or prejudice any of its obligations under this Clause 20 (without limitation and whether or not known to it or any Finance Party) including:

(a) any time, waiver or consent granted to, or composition with, any Obligor or other person;

(b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;

(e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security;

(f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security;

(g) any insolvency or similar proceedings; or

(h) this Agreement or any other Finance Document not being executed by or binding against any other Guarantor or any other party.

**20.5 Guarantor intent**

Without prejudice to the generality of Clause 20.4 (*Waiver of defences*), each Guarantor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental and of whatsoever nature and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for or in connection with any purpose whatsoever, including without limitation, any of the following: any amendment or waiver contemplated under a Fee Letter, any Property or Site expansion; acquisitions of any nature; increasing working capital; enabling dividends or distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and expenses associated with any of the foregoing.

**20.6 Immediate recourse**

Each Guarantor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Guarantor under this Clause 20. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

**20.7 Appropriations**

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, each Finance Party (or any trustee or agent on its behalf) may:

(a) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Guarantor shall be entitled to the benefit of the same; and

(b) hold in an interest-bearing suspense account any moneys received from any Guarantor or on account of any Guarantor’s liability under this Clause 20.

### 20.8 Deferral of Guarantors' rights

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Agent otherwise directs, no Guarantor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Clause 20:

(a) to be indemnified by an Obligor;

(b) to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;

(d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Guarantor has given a guarantee, undertaking or indemnity under this Clause 20;

(e) to exercise any right of set off against any Obligor; and/or

(f) to claim or prove as a creditor of any Obligor in competition with any Finance Party.

If any Obligor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all the Secured Obligations to be repaid or discharged in full, on trust for the Finance Parties and shall promptly pay or transfer the same to the Agent or as the Agent may direct for application in accordance with Clause 31 (*Payment mechanics*).

### 20.9 Additional security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Finance Party.

## SECTION 8
## REPRESENTATIONS, UNDERTAKINGS AND EVENTS OF DEFAULT

### 21. Representations

Each Obligor makes the representations and warranties set out in this Clause 21 at the times set out herein.

### 21.1 Times when representations made

(a) All the representations and warranties in this Clause 21 (other than paragraph (a) of Clause 21.11 (*No Default*)) are made by each Obligor on the 2016 Amendment and Restatement Effective Date.

(b) The Repeating Representations are deemed to be made by each Obligor on:

(i) the date of each Utilisation Request;

(ii) each Utilisation Date; and

(iii) the first day of each Interest Period.

(c) The representations and warranties set out in paragraph (a) of Clause 21.14 (*Financial statements*) will cease to be made in respect of any financial statements on and from the date on which more recent financial statements are delivered to the Agent pursuant to Clause 22.4 (*Financial statements*).

(d) The Repeating Representations and each of the representations and warranties set out in Clause 21.9 (*No filing or stamp taxes*), Clause 21.10 (*Deduction of Tax*) and paragraph (a) of Clause 21.14 (*Financial statements*) (as if such representation applied to the financial statements delivered by that Additional Guarantor as a condition precedent to its accession to this Agreement) are deemed to be made by each Additional Guarantor on the day on which it becomes an Additional Guarantor.

(e) Each representation or warranty made or deemed to be made after the date of the 2016 Amendment and Restatement Effective Date shall be made or deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is made or deemed to be made.

### 21.2 Status

(a) Each Obligor is a limited liability corporation or company duly incorporated or organised, as the case may be, and validly existing under the law of its jurisdiction of incorporation or organisation, as the case may be.

(b) Each of the Obligors has the power to own its assets and carry on its business as it is being conducted.

### 21.3 Binding obligations

Subject to the Legal Reservations:

(a) the obligations expressed to be assumed by each Obligor in each Transaction Document to which it is a party are legal, valid, binding and enforceable obligations; and

(b) without limiting the generality of paragraph (a) above, each Transaction Security Document to which it is a party creates the security interests which that Transaction Security Document purports to create and those security interests are valid and effective.

### 21.4 Pari Passu

The payment obligations under the Finance Documents of each of the Obligors rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

### 21.5 Non-conflict with other obligations

The entry into and performance by each Obligor of, and the transactions contemplated by, the Transaction Documents and the granting of the Transaction Security do not and will not conflict with:

(a) any law or regulation applicable to such Obligor;

(b) its Constitutional Documents; or

(c) any agreement or instrument binding upon it or any of assets or constitute a default or termination event (however described) under any such agreement or instrument, except where a Material Adverse Effect does not or would not be reasonably expected to occur.

### 21.6 Power and authority

Each Obligor has the power to enter into, perform and deliver, and if that Obligor is a corporation has taken all necessary corporate action to authorise its entry into, performance and delivery of, the Transaction Documents to which it is or will be a party and the transactions contemplated by those Transaction Documents.

### 21.7 Validity and admissibility in evidence

(a) All Authorisations required:

(i) to enable each Obligor lawfully to enter into, exercise its rights and comply with its obligations under the Transaction Documents to which it is a party; and

(ii) to make the Transaction Documents to which it is a party admissible in evidence in its Relevant Jurisdictions,

have been obtained or effected and are in full force and effect.

(b) All Authorisations necessary for it to carry out its business, where the failure of obtaining such Authorisations has or would reasonably be expected to have a Material Adverse Effect, have been obtained or effected and are in full force and effect.

### 21.8 Governing law and enforcement

Subject to the Legal Reservations:

(a) the choice of governing law of the Finance Documents will be recognised and enforced in each Obligor’s Relevant Jurisdictions; and

(b) any judgment obtained in relation to a Finance Document in the jurisdiction of the governing law of that Finance Document will be recognised and enforced in its Relevant Jurisdictions.

### 21.9 No filing or stamp taxes

Subject to the Legal Reservations, under the laws of each Obligor's Relevant Jurisdictions it is not necessary that the Finance Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to the Finance Documents or the transactions contemplated by the Finance Documents (save for any stamp, registration, notarial or similar Tax which is referred to in any legal opinion of legal counsel in Macau SAR delivered to the Agent under the 2016 Amendment and Restatement Agreement, which will be made or paid promptly after the date of the relevant Finance Document).

### 21.10 Deduction of Tax

No Obligor is required under the laws of its Relevant Jurisdiction or at its address specified in accordance with this Agreement to make any deduction for or on account of Tax from any payment it may make under any Finance Document.

### 21.11 No default

(a) No Event of Default is continuing or would reasonably be expected to result from the making of any utilisation or the entry into, the performance of, or any transaction contemplated by, any Transaction Document.

(b) No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (however described) under any other agreement or instrument which is binding on any Obligor or to which its assets are subject which has or would reasonably be expected to have a Material Adverse Effect.

### 21.12 Taxation

No Obligor is materially overdue in the filing of any Tax returns nor is any Obligor overdue in the payment of any amount in respect of Tax, (a) where the failure to file or pay the Tax has or would reasonably be expected to have a Material Adverse Effect or (b) unless such payment is being contested in good faith by appropriate measures and sufficient reserves in cash or other liquid assets have been retained in accordance with GAAP in respect of such payment.

### 21.13 No misleading information

Except as disclosed to the Agent in writing, to the Borrower's knowledge (*provided that* such limitation by reference to the Borrower's knowledge shall not apply with respect to Information that solely relates to the Borrower and does not relate to any other member of the Group):

(a) any financial projection or forecast contained in the Financial Model (the "**Projections**") have been prepared in good faith on the basis of recent historical information and on the basis of assumptions believed by the Borrower to be reasonable (as at the time of preparation) and have been prepared, where applicable, in accordance with the applicable accounting principles as disclosed to the Lenders, it being understood that the Projections are subject to significant uncertainties and contingencies many of which are beyond the control of the Group and that no assurances can be given that the Projections will be realised;

(b) any written factual information provided by any member of the Group to a Finance Party in connection with the Financial Model or the 2016 Amended and Restatement Agreement is, taken as a whole, true, complete and accurate in all material respects and is, taken as a whole, not misleading in any respect (in each case) as at the date on which such information is provided; and

(c) all other written information provided by any member of the Group to a Finance Party pursuant to any express provision of any Finance Document on or after the 2016 Amendment and Restatement Effective Date is, taken as a whole, true, complete and accurate in all material respects and is, taken as a whole, not misleading in any respect (in each case) as at the date on which such information is provided.

**21.14 Financial statements**

(a) The most recent consolidated financial statements of the Parent delivered pursuant to Clause 22.4 (*Financial statements*) or otherwise pursuant to this Agreement prior to the 2016 Amendment and Restatement Agreement Effective Date:

(i) have been prepared in accordance with GAAP; and

(ii) give a true and fair view of (if audited) or fairly represent (if unaudited) its consolidated financial condition as at the end of, and consolidated results of operations for, the period to which they relate.

(b) The Projections supplied under this Agreement or in connection with the 2016 Amended and Restatement Agreement:

(i) were arrived at after careful consideration and have been prepared in good faith and with due care on the basis of recent historical information and on the basis of assumptions which were reasonable as at the date they were prepared and supplied; and

(ii) are consistent in all material respects with the provisions of the Transaction Documents (including Clause 22 (*Information undertakings*)) and the Original Financial Statements.

(c) Since 31 December 2015 there has been no material adverse change in the business, assets or financial condition of the Group.

**21.15 No proceedings started or threatened**

Save for any frivolous or vexatious claims (which, in the case of any such proceedings commenced in any jurisdiction other than Macau SAR, have been vacated, discharged, stayed or bonded pending appeal within 60 days of commencement) or save as otherwise disclosed to and accepted by the Agent, to the best of its knowledge and belief and having made due and careful enquiry, no litigation, arbitration, administrative proceedings or investigations of, or before, any court, arbitral body or other Governmental Authority which has or would reasonably be expected to have a Material Adverse Effect have been started or threatened against any Obligor.

**21.16 No breach of laws**

No Obligor has breached any law or regulation which breach has or would reasonably be expected to have a Material Adverse Effect.

**21.17 No breach of Environmental laws**

(a) Each Obligor is in compliance with Clause 23.4 (*Environmental compliance*) and to the best of its knowledge and belief (having made due and careful enquiry) no circumstances have occurred which would prevent such compliance in a manner or to an extent which has or would reasonably be expected to have a Material Adverse Effect.

(b) To the best of its knowledge and belief (having made due and careful enquiry), the Property does not contain any hazardous substances or antiquities or other obstructions whose presence affects or would reasonably be expected to affect any Obligor or the Property or the Phase II Project in any manner that would reasonably be expected to have a Material Adverse Effect.

**21.18 Ranking of Transaction Security**

Subject to the Legal Reservations (other than any qualification or reservation in a legal opinion as to the ranking of the Transaction Security which are not matters of law of general application), the Transaction Security has or (when granted) will have first ranking priority and it is not subject to any prior ranking or *pari passu* ranking Security.

**21.19 Good and marketable title to assets**

Each Obligor has good, valid and marketable title to, or valid leases or licences of or is otherwise permitted to use the assets necessary to carry on its business as currently conducted.

**21.20 Legal and beneficial ownership**

(a) Each of the Obligors is or will be (as the case may be) the sole legal and beneficial owner of the respective assets over which it purports to grant Security in each case free from any claims, third party rights or competing interests other than any Permitted Lien.

(b) Propco is the sole legal and beneficial holder of, and has good title to, or has a valid leasehold right in, the land described in the Amended Land Concession.

**21.21 Shares**

The shares of any Obligor which are or will be subject to the Transaction Security are fully paid and not subject to any option to purchase or similar rights. Neither the Constitutional Documents of companies whose shares are subject to the Transaction Security nor any other Legal Requirement can or do restrict or inhibit any transfer or other disposal of those shares on creation or enforcement of the Transaction Security except that the Constitutional Documents of the Macau Obligors contain certain preferential rights in case of a voluntary or judicial transfer of shares. There are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any share or loan capital of any Obligor (including any option or right of pre-emption or conversion), other than as permitted by the Finance Documents).

**21.22 Insurance**

(a) Each Obligor is insured by insurers of recognised financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses and in the jurisdiction in which it is or proposed to be engaged.

(b) To the best knowledge and belief of each Obligor (after having made due and careful enquiry), no event or circumstance has occurred (including any omission to disclose any fact) which could validly entitle the relevant insurers in respect of any such insurance to terminate, rescind or otherwise avoid or reduce its liability under such insurance to the extent such termination, rescission, avoidance or reduction has or would reasonably be expected to have a Material Adverse Effect.

**21.23 Amended Land Concession**

(a) The Agent has received a true, complete and correct copy of the Amended Land Concession in effect or required to be in effect as of the date of this representation is made (including all exhibits, schedules, disclosure letters, modifications and amendments referred to therein or delivered or made pursuant thereto, if any).

(b) The Amended Land Concession is in full force and effect and enforceable against the parties thereto in accordance with its terms, subject only to the Legal Reservations.

### 21.24 Labour disputes

There are no strikes, lockouts, stoppages, slowdowns or other labour disputes against any Obligor pending or, to the best of the knowledge and belief (having made all due and proper enquiry) of each Obligor, threatened that (individually or in the aggregate) have or would be reasonably expected to have a Material Adverse Effect.

### 21.25 Anti-terrorism laws

(a) To the best of the Obligors' knowledge, no Obligor nor any Affiliate thereof: (i) is, or is controlled by, a Restricted Party; (ii) has received funds or other property from a Restricted Party; or (iii) is in breach of or is the subject of any action or investigation under any Anti-Terrorism Law.

(b) Each Obligor and, to the best of the Obligors' knowledge, each Affiliate thereof has taken reasonable measures to ensure compliance with the Anti-Terrorism Laws.

### 21.26 Acting as principal

Save for the Parent when acting in its capacity as Obligors' Agent, each Obligor is acting as principal for its own account and not as agent or trustee in any capacity on behalf of any person in relation to the Finance Documents.

## 22. Information undertakings

### 22.1 Content

The Obligors undertake to each Finance Party that they shall comply with the covenants set out in this Clause 22 (*Information undertakings*).

### 22.2 Duration

The covenants in this Clause 22 (*Information undertakings*) remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

### 22.3 Definitions

In this Agreement:

"**Annual Financial Statements**" means the financial statements for a Financial Year delivered pursuant to paragraph (a) of Clause 22.4 (*Financial statements*);

"**Financial Quarter**" means the period commencing on the day after one Quarter Date and ending on the next Quarter Date;

"**Financial Year**" means the annual accounting period of the Group ending on or about 31 December in each year;

"**Quarter Date**" means each of 31 March, 30 June, 30 September and 31 December in each Financial Year; and

"**Quarterly Financial Statements**" means the financial statements delivered pursuant to paragraph (b) of Clause 22.4 (*Financial statements*).

"**Officer**" means the Chairman of the Board, Chief Executive Officer, Chief Financial Officer, President, any Executive Vice President, Senior Vice President or Vice President, Treasurer or Secretary of the Borrower or the Parent or MCE (as the case may be), or any Directors of the Board or any person acting in that capacity, in each case acting with due authority.

**22.4 Financial statements**

The Parent shall supply to the Agent in sufficient copies for all the Lenders:

(a) as soon as they are available, but in any event within 120 days after the end of each of its Financial Years the audited consolidated financial statements for that Financial Year of the Parent reported on by the Auditors commencing with the Financial Year ending 31 December 2016; and

(b) as soon as they are available, but in any event within 60 days after the end of each of first three Financial Quarters of each of its Financial Years, the unaudited consolidated financial statements for that Financial Quarter of the Parent commencing with the Financial Quarter ending 31 March 2017.

**22.5 Requirements as to financial statements**

(a) The Parent shall procure that each set of Annual Financial Statements and Quarterly Financial Statements which provides for a consolidation of all members of the Parent includes a balance sheet, profit and loss account and cashflow statement. In addition the Parent shall procure that:

(i) each set of Annual Financial Statements of the Parent shall be audited by the Auditors; and

(ii) each set of Quarterly Financial Statements includes equivalent figures for the Financial Year to date and each set of Annual Financial Statements and Quarterly Financial Statements also sets forth in comparative form figures for the previous year (if any and to the extent only such periods, in each case, are covered by financial statements required to be delivered under paragraphs (a) and (b) of Clause 22.4 (*Financial statements*) above).

(b) Each set of financial statements delivered pursuant to Clause 22.4 (*Financial statements*):

(i) shall be certified by an Officer of the Parent as giving a true and fair view of (in the case of Annual Financial Statements for any Financial Year), or fairly representing (in other cases), its financial condition and operations as at the date as at which those financial statements were drawn up, and in the case of its audited Original Financial Statements and the Annual Financial Statements, fairly representing (as at the time such financial statements are delivered) its consolidated financial condition and results of operations and give a true and fair view of its consolidated financial condition and results of operations; and

(ii) shall be prepared using GAAP, accounting practices and financial reference periods substantially consistent with those applied in the preparation of the Financial Model and the Original Financial Statements unless the Parent notifies the Agent that there has been a change in GAAP, or the accounting practices, in which case, it shall deliver to the Agent:

(A) a description of any change necessary for those financial statements to reflect GAAP, or accounting practices upon which the Financial Model, the Original Financial Statements or, as the case may be, any subsequent financial statements were prepared; and

(B) sufficient information, in form and substance as may be reasonably required by the Agent, to enable the Lenders to make an accurate comparison between the financial position indicated in those financial statements and the Financial Model, the Original Financial Statements or, as the case may be, any subsequent financial statements.

(c) If the Parent notifies the Agent of any change in accordance with paragraph (b)(ii) above, the Parent and Agent shall enter into negotiations in good faith with a view to agreeing:

(i) whether or not the change might result in any material alteration in the commercial effect of any of the terms of this Agreement; and

(ii) if so, any amendments to this Agreement which may be necessary to ensure that the change does not result in any material alteration in the commercial effect of those terms,

and, if any amendments are agreed they shall take effect and be binding on each of the Parties in accordance with their terms. If no such agreement is reached within 30 days of that notification of change, the Agent shall (if so requested by the Majority Lenders) instruct the Auditors or independent accountants (approved by the Parent or, in the absence of such approval within 5 days of request by the Agent of such approval, a firm with recognised expertise) to determine any amendments to any terms of this Agreement which the Auditors or, as the case may be, accountants (acting as experts and not arbitrators) consider appropriate to ensure the change does not result in any material alteration in the commercial effect of the terms of this Agreement. Those amendments shall take effect when so determined by the Auditors, or as the case may be, accountants. The cost and expense of the Auditors or accountants shall be for the account of the Borrower.

**22.6 Pari Passu Debt Liabilities**

The Parent shall supply to the Agent (in sufficient copies for all the Lenders, if the Agent so requests) at the same time as sent to the relevant Pari Passu Debt Creditors:

(a) any notification of (together with an invitation to each Lender to attend but not participate at) any noteholder or lender meeting, presentation, conference call or other material event announced publicly; and

(b) any other notice, document or information provided by an Obligor to any Pari Passu Debt Creditor in connection with any Pari Passu Debt Documents or Pari Passu Debt Liabilities.

**22.7 Year-end**

The Parent shall not change its Financial Year-end or Financial Quarter-end and shall procure that each Financial Year-end of each member of the Group and each other Obligor falls on 31 December and each Financial Quarter-end of each member of the Group and each other Obligor falls on the relevant Quarter Date.

**22.8 Information: miscellaneous**

The Parent shall supply to the Agent (in sufficient copies for all the Lenders, if the Agent so requests):

(a) promptly, details of any insurance claim or series of related insurance claims by any Obligor under any insurance policies required to be maintained under this Agreement which exceed, in aggregate, US$50,000,000 (or its equivalent), details of material changes in the insurance cover under any insurance policies required to be maintained under this Agreement in respect of the Group and, upon request by the Agent, copies of insurance policies or certificates of insurance in respect of the Group under any insurance policies required to be maintained under this Agreement or such other evidence of the existence of those policies as may be reasonably acceptable to the Agent;

(b) a copy of each written notice which is delivered under or in connection with the Amended Land Concession to or from the Macau SAR Government or any Governmental Authority (if material to the interests of the Finance Parties) promptly upon despatch or receipt of such notice;

(c) at the same time as they are dispatched, copies of all documents dispatched by the Parent to its shareholders generally (or any class of them in their capacity as shareholders) or dispatched by the Parent to its creditors generally (or any class of them) (other than in the ordinary course of business);

(d) promptly upon becoming aware of them, the details of any material litigation, arbitration or investigation by a Governmental Authority or other administrative proceedings other than any frivolous or vexatious proceedings which are current, threatened or pending against any Obligor which would involve a loss, liability, or a potential or alleged loss or liability which, if adversely determined, has or would reasonably be expected to have a Material Adverse Effect, or any material development in any such proceedings and details of any material updates to the status of the arbitration proceedings in respect of the Phase I Construction Contract, in each case together with such other information concerning such proceedings as the Agent may reasonably require;

(e) promptly upon becoming aware of them, the details of any disposal or other facts and circumstances which may result in a prepayment under Clause 9.4 (*Notes Repurchases*) or Clause 9.5 (*Asset Sales*);

(f) a copy of any filing made by MCE with any stock exchange or regulatory authority in respect of circumstances that could give rise to a Change of Control at the same time as that filing is made;

(g) promptly, such information as the Common Security Agent may reasonably require about the Charged Property and compliance of the Obligors with the terms of any Transaction Security Documents;

(h) promptly on request, such further information regarding the financial condition, assets and operations of any Obligor or an updated Group structure chart as any Finance Party through the Agent may reasonably request; and

(i) promptly and for information purpose only, a copy of (A) the project budget for the Phase II Project following its approval by an Officer of MCE; and (ii) any information in respect of Phase II delivered to the creditors of any Financial Indebtedness incurred under clause (b)(i)(a)(y) of Section 4 (*Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*) of Schedule 10 (*Covenants*) for the purposes of funding the Phase II Project.

**22.9 Notification of default**

(a) Each Obligor shall notify the Agent of any continuing Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence (unless that Obligor is aware that a notification has already been provided by another Obligor).

(b) Promptly upon a request by the Agent, the Borrower shall supply to the Agent a certificate signed by two authorised signatories (one of whom is a director of the Parent) on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

(c) Each Obligor shall notify the Agent of the occurrence promptly upon becoming aware thereof of an event of default (however described) under or in respect of the High Yield Notes, the Additional High Yield Notes or, following any High Yield Note Refinancing or Additional High Yield Notes Refinancing, the high yield notes issued pursuant to the High Yield Note Refinancing or Additional High Yield Notes Refinancing (as the case may be) (unless that Obligor is aware that a notification has already been provided by another Obligor).

(d) Each Obligor shall notify the Agent of the occurrence promptly upon becoming aware thereof of an event of default (however described) under or in respect of any Pari Passu Debt Document (unless that Obligor is aware that a notification has already been provided by another Obligor).

**22.10 "Know your customer" checks**

(a) If:

(i) any existing law or regulation or the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;

(ii) any change in the status of an Obligor or the composition of the shareholders of an Obligor after the date of this Agreement; or

(iii) a proposed assignment or transfer by a Lender of any of its rights and/or obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,

obliges the Agent or any Lender (or, in the case of paragraph (iii) above, any prospective new Lender) to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, each Obligor shall promptly upon the request of the Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in paragraph (iii) above, on behalf of any prospective new Lender) in order for the Agent, such Lender or, in the case of the event described in paragraph (iii) above, any prospective new Lender to carry out and be satisfied with the results of all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

(b) Each Lender shall promptly upon the request of the Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself) in order for the Agent to carry out and be satisfied with the results of all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

(c) The Parent shall, by not less than 10 Business Days' prior written notice to the Agent, notify the Agent (which shall promptly notify the Lenders) of its intention to request that one of its Subsidiaries becomes an Additional Guarantor pursuant to Clause 27 (*Changes to the Obligors*).

(d) Following the giving of any notice pursuant to paragraph (c) above, if the accession of such Additional Guarantor obliges the Agent or any Lender to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Borrower shall promptly upon the request of the Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or any Lender (for itself or on behalf of any prospective new Lender) in order for the Agent or such Lender or any prospective new Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the accession of such Subsidiary to this Agreement as an Additional Guarantor.

### 22.11 Unrestricted Subsidiaries

If any Subsidiaries of the Borrower have been designated as Unrestricted Subsidiaries, the information delivered under Clause 22.4 (*Financial statements*) will include reasonably detailed information as to the financial condition of the Group separate from that of the Unrestricted Subsidiaries.

## 23. General undertakings

The undertakings in this Clause 23 shall continue for so long as any amount is outstanding under the Finance Documents or any Revolving Commitment is in force.

### 23.1 Notes covenants

In addition to the undertakings set out below in this Clause 23, below, each Obligor shall (and the Parent shall ensure that each member of the Group will) comply with each of the covenants set out in Schedule 10 (*Covenants*).

### 23.2 Permits

Each Obligor shall promptly:

(a) when necessary obtain, comply with and do all that is necessary to maintain in full force and effect; and

(b) upon request by the Agent supply certified copies to the Agent of,

any Permit (including any amendments, supplements or other modifications thereto) and any Authorisation required under any law or regulation of a Relevant Jurisdiction to:

(i) enable it to perform its obligations under the Transaction Documents;

(ii) ensure the legality, validity, enforceability or admissibility in evidence of any Transaction Document; and

(iii) enable it to own its assets and to carry on its business (including any assets owned and business conducted or proposed to be owned or conducted in connection with the Property),

where failure to obtain or comply with those Permits or Authorisations would reasonably be expected to have a Material Adverse Effect and shall promptly deliver to the Agent:

(A) any notice that any Governmental Authority may condition approval of, or any application for, any of those Permits or Authorisations held by it on terms and conditions that are materially burdensome to the Obligor, or to the operation of any of its businesses or any assets owned by it to the extent comprised in the Property, in each case in a manner not previously contemplated; and

(B) such other documents and information as from time to time may reasonably be requested by the Agent in relation to any of the matters referred to in this paragraph Clause 23.2.

### 23.3 Compliance with laws

Each Obligor shall comply in all respects with all Legal Requirements (where failure to do so has or would be reasonably expected to have a Material Adverse Effect) and its Constitutional Documents and will comply with (and conduct its business in compliance with) all applicable anti-money laundering, non-corruption, counter-terrorism financing, economic or trade sanctions laws and regulations in each case applicable to an Obligor (including, without limitation, each Anti-Terrorism Law), will not directly or indirectly use the proceeds of the Facilities in a manner which would breach any such laws and regulations and will maintain policies and procedures designed to promote and achieve compliance with such laws and regulations.

### 23.4 Environmental compliance

Each Obligor shall:

(a) comply in all material respects with all Environmental Laws applicable to it;

(b) obtain, maintain and ensure compliance in all material respects with all requisite Environmental Permits;

(c) implement procedures to monitor compliance with and to prevent liability under any Environmental Law,

where failure to do so has or would reasonably be expected to have a Material Adverse Effect.

### 23.5 Environmental claims

Each Obligor shall (through the Parent) inform the Agent in writing as soon as reasonably practicable upon its becoming aware of:

(a) any Environmental Claim that has commenced or been threatened against any member of the Group which is current, pending or threatened (including copies of any notices from any Governmental Authority of non compliance with any material Environmental Law or Environmental Permit to which the Property is subject and any other notices of Environmental Claims); or

(b) any facts or circumstances which results in or would reasonably be expected to result in any Environmental Claim being commenced or threatened against any member of the Group,

in each case where such Environmental Claim has or would reasonably be expected, if determined against that member of the Group, to have a Material Adverse Effect.

### 23.6 Taxation

(a) Each Obligor shall duly and punctually pay and discharge all Taxes required to be paid by it when due within the time period allowed without incurring penalties unless and only to the extent that:

(i) such payment is being contested in good faith;

(ii) adequate reserves are being maintained for those Taxes or other obligations and the costs required to contest them; and

(iii) such payment can be lawfully withheld and failure to pay those Taxes or other obligations does not have and would not reasonably be expected to have a Material Adverse Effect.

(b) No Obligor may change its residence for Tax purposes.

**23.7 No substantial change to the general nature of the business of the Group**

The Borrower shall procure that no substantial change is made to the general nature of the business of the Group taken as a whole from that carried on as at 9 November 2016.

**23.8 Holding companies**

None of the Parent, the Borrower shall trade, carry on any business or own any assets or incur any liabilities except for:

(a) (in the case of the Parent) ownership of shares in the Borrower and (in the case of the Borrower), ownership of shares in other Obligors;

(b) intra-Group debit balances, intra-Group credit balances and other credit balances in bank accounts, Cash and Cash Equivalent Investments and Permitted Investments but only if those shares, credit balances, Cash and Cash Equivalent Investments and Permitted Investments are subject to the Transaction Security,

(c) making of intra-Group loans not otherwise restricted by this Agreement (including pursuant to Clause 23.1 (*Notes covenants*));

(d) the incurrence of intra-Group financial indebtedness not otherwise restricted by this Agreement (including pursuant to Clause 23.1 (*Notes covenants*));

(e) provisions of administrative, treasury, legal, accounting and similar services to the other Obligors;

(f) any liabilities under the Finance Documents, the High Yield Note Documents, and Additional High Yield Note Documents or the Pari Passu Debt Documents (and, following any High Yield Note Refinancing or Additional High Yield Note Refinancing (as the case may be), the documents or instruments relating thereto), in each case, to which it is a party and the performance of any obligation thereunder; and/or

(g) professional fees and administration costs in the ordinary course of business as a holding company.

**23.9 Pari passu ranking**

Each Obligor shall ensure that at all times any unsecured and unsubordinated claims of a Finance Party against it under the Finance Documents rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies.

**23.10 Insurance**

(a) Each Obligor shall maintain in full force and effect at all times insurances and reinsurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.

(b) All such insurances and reinsurances must be with reputable independent insurance companies or underwriters.

### 23.11 Access

Each Obligor shall:

(a) keep proper books of record and account in which full, true and correct entries in conformity with GAAP and all Legal Requirements are made;

(b) subject to prior reasonable request and notice (but notice only where a Default is continuing), procure that the Agent, the Common Security Agent, accountants or other professional advisers or contractors of the Agent or the Common Security Agent be allowed reasonable rights of inspection and access during normal business hours to the Property and any other premises or assets of any member of the Group, to the Auditors and other senior officers of any member of the Group and to the books, accounts and records, and any other documents relating to the Property or any Obligor as they may reasonably require, and so as not unreasonably to interfere with their operations or those of any counterparty to Amended Land Concession or Gaming Subconcession, and to take copies of any documents inspected.

### 23.12 Intellectual Property

Each Obligor shall:

(a) preserve and maintain the subsistence and validity of the Intellectual Property necessary for the business of the Obligor or Group member for or in connection with the Property; and

(b) in carrying on its business, not knowingly infringe any Intellectual Property of any third party, and shall prevent any infringement of the Intellectual Property required by it in connection with the Property;

(c) make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property necessary for its business in full force and effect and record its interest in that Intellectual Property;

(d) not use or permit the Intellectual Property necessary for or in connection with the Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may affect the existence or value of the Intellectual Property or imperil the right of any Obligor or member of the Group to use such property; and

(e) not discontinue the use of the Intellectual Property necessary for or in connection with the Property,

where failure to do so, in the case of paragraphs (a) to (c) above, or, in the case of paragraphs (d) and (e) above, such use, permission to use, omission or discontinuation, has or would reasonably be expected to have a Material Adverse Effect.

### 23.13 Hedging and Treasury Transactions

No Obligor shall enter into any Treasury Transaction, other than:

(a) interest rate and/or foreign exchange hedging arrangements entered into in the ordinary course of business and not for speculative purposes (including hedging in respect of actual or projected exposures in relation to the Facilities or any Pari Passu Debt Liabilities);

(b) spot and forward delivery foreign exchange contracts entered into in the ordinary course of business and not for speculative purposes; and

(c) any Treasury Transaction entered into for the hedging of actual or projected real exposures arising in the ordinary course of trading activities of a member of the Group for a period of not more than 12 months and not for speculative purposes.

**23.14 High Yield Note Documents**

The Parent shall procure that none of the High Yield Note Documents and none of the Additional High Yield Note Documents and (following any High Yield Note Refinancing or Additional High Yield Note Refinancing) none of the documents or instruments relating to (or in respect of) any high yield notes issued pursuant to the High Yield Note Refinancing or Additional High Yield Note Refinancing (as the case may be) are amended, varied, novated, assigned, supplemented, superseded, waived or (other than in accordance with their terms) terminated in any respect without the prior written consent of the Agent (acting on, in the case of any amendment, variation, novation, assignment, supplement, supersession or waiver which relates to the manner of or mechanism for the release of the High Yield Note Guarantees or Additional High Yield Note Guarantees (or equivalent in connection with any applicable High Yield Note Refinancing or Additional High Yield Note Refinancing) (or the circumstances in which such release is permitted) (each, a "**HY Guarantee Matter**"), the instructions of all the Lenders and otherwise on the instructions of the Majority Lenders (acting reasonably)), save for any amendment, variation, novation, assignment, supplement, supersession or waiver which does not adversely affect the interests of the Finance Parties.

**23.15 Notes Repurchase condition**

(a) No member of the Group may make a legally binding commitment or offer for a Notes Repurchase unless:

(i) the aggregate outstanding principal amount of the Notes immediately following any Notes Repurchase is or would exceed 50 per cent. of the original principal amount of all components of the Notes on the issue or incurrence date of each component (each an "**Issue Date**"); or

(ii) the aggregate outstanding principal amount of the Notes immediately following any Notes Repurchase is or would be less than 50 per cent. of the sum of the original principal amount of all components of the Notes on each relevant Issue Date and:

(A) Revolving Facility Commitments are at the time of completion of the Notes Repurchase cancelled in the same proportion as (y) the amount by which the aggregate principal amount then outstanding of the Notes is less than 50 per cent. of the sum of the original principal amount of all components of the Notes on each relevant Issue Date bears to (z) 50 per cent. of the original aggregate principal amount of the Notes on each relevant Issue Date; and

(B) following such cancellation the Borrower promptly (and by no later than three (3) Business Days after such cancellation) makes such prepayment(s) of Revolving Facility Loans necessary to ensure that the Base Currency amount of all Revolving Facility Loans do not exceed the then Total Revolving Facility Commitments (less any Ancillary Commitments); or

(iii) such Notes Repurchase constitutes or is otherwise part of a permitted refinancing (including pursuant to a debt exchange, non-cash rollover or other similar or equivalent transaction); or

(iv) such Notes Repurchase is funded directly or indirectly by New Shareholder Injections, *provided* that no New Shareholder Injections funded directly or indirectly for such purpose shall be repaid prior to the Termination Date applicable to the Revolving Facility unless, at the same time as such repayment, the Revolving Facility Commitments are cancelled and the Revolving Facility Loans are prepaid in accordance with paragraph (ii) above; or

(v) such Notes Repurchase is made following the occurrence of a Change of Control to the extent that the obligations in paragraph (a) of Clause 9.2 (*Change of Control and Disposal Prepayment Event*) have been complied with; or

(vi) such Notes Repurchase is funded directly or indirectly with the proceeds of any Indebtedness (other than the proceeds of a Utilisation), so long as the incurrence of that Indebtedness is not prohibited by Schedule 10 (*Covenants*),

and in each case no Event of Default has occurred and is continuing nor would arise from such Notes Repurchase, in each case, at the time such member of the Group contracts to make such Notes Repurchase nor would arise from such Notes Repurchase.

(b) The Borrower shall procure that any Notes subject of a Notes Repurchase are, subject to the terms of the Notes, extinguished at the time of such Notes Repurchase unless it elects not to do so for the purpose of mitigating tax costs in the Group.

(c) In no circumstances will the Total Revolving Facility Commitments be required to be reduced below US$10,000,000 (or its equivalent) pursuant to this Clause 23.15 (and accordingly the restrictions set out in paragraphs (a) and (b) above (other than the requirement that no Event of Default shall have occurred or be continuing) shall then cease to apply).

**23.16 Accounts**

(a) No Obligor shall, or allow any other member of the Group to, deposit any amount to any Pari Passu Facility Debt Service Reserve Account or Pari Passu Notes Interest Accrual Account (each as defined in the Intercreditor Agreement) other than amounts that would be customary for an account substantially of that nature or as required by any Senior Secured Creditor pursuant to any Pari Passu Debt Document (each as defined in the Intercreditor Agreement) in line with market norms for substantially similar types of accounts.

(b) In the event that any Pari Passu Facility Debt Service Reserve Account or Pari Passu Notes Interest Accrual Account does not secure the Liabilities of the Obligors under the Finance Documents to the Finance Parties and the Secured Obligations that were secured by such account have been fully and finally discharged, the relevant Obligor in whose name the account is held shall (or the Parent shall procure that the relevant member of the Group will) as soon as reasonably practicable:

(i) deposit the amount standing to the credit of that account into an account subject to the Transaction Security securing the Liabilities of the Obligors under the Finance Documents to the Finance Parties and close that account; or

(ii) grant, in favour of the Common Security Agent, Security over that account in respect of the Secured Obligations,

*provided* that there shall be no restrictions on the withdrawals of any amount so deposited into any account subject to Security in accordance with paragraphs (i) or (ii) above and, subject to compliance with the other terms of the Finance Documents, there shall be no restrictions on the application of any such amount.

**23.17 Release Condition**

(a) In this Clause 23.17 (*Release condition*), "**Release Condition**" means (and shall be satisfied if):

(i) there are no Revolving Facility Loans outstanding;

(ii) the Revolving Facility Commitments have been cancelled in full and the Total Revolving Facility Commitments are nil; and

(iii) the amount standing to the credit of the Facility A Cash Collateral Account is not less than the Facility A Cash Collateral Minimum Balance.

(b) Notwithstanding anything to the contrary in this Agreement or any other Finance Document, during the period (if any) that the Release Condition is satisfied (and only during such period):

(i) the representations under (and including) Clause 21.11 (*No default*) to Clause 21.24 (*Labour disputes*) and Clause 21.26 (*Acting as principal*) shall not be deemed to be made by any Obligor pursuant to paragraphs (b) and (d) of Clause 21.1 (*Time when representations are made*);

(ii) the following obligations and restrictions shall be suspended and shall not apply:

(A) the requirement to make mandatory prepayments under Clause 9.3 (*High Yield Notes and Bondco Loans*), Clause 9.4 (*Notes Repurchases*) and Clause 9.5 (*Asset Sales*);

(B) the requirement to deliver financial statements as contemplated under Clause 22.4 (*Financial statements*) and the representation at paragraph (a) of Clause 21.14 (*Financial statements*) shall not be deemed to be made by any Obligor pursuant to paragraph (c) of Clause 21.1 (*Time when representations are made*)

(C) and the requirement not to change its Finance Year-end under Clause 22.7 (*Year-end*);

(D) the requirement to supply information under Clause 22.8 (*Information: miscellaneous*) other than under paragraphs (f) and (g) of Clause 22.8 (*Information: miscellaneous*);

(E) the requirements and restrictions under Clause 23 (*General undertakings*) other than Clause 23.3 (*Compliance with laws*) and this Clause 23.17 (*Revolving Facility Release Condition*);

(iii) the following Events of Default will cease to apply:

(A) Clause 24.8 (*Unlawfulness or invalidity of Finance Document*) to the extent it relates to any Transaction Security (other than the Facility A Cash Collateral);

(B) Clause 24.9 (*Amended Land Concession and Gaming Subconcession*);

(C) Clause 24.10 (*Permits*);

(D) paragraph (a) of Clause 24.13 (*Repudiation or rescission of Finance Documents*) to the extent it relates to any Transaction Security (other than the Facility A Cash Collateral);

(E) paragraph (b) of Clause 24.13 (*Repudiation or rescission of Finance Documents*) other than with respect to the Intercreditor Agreement;

(F) Clause 24.14 (*Litigation*);

(G) Clause 24.15 (*Material Adverse Change*);

(H) Clause 24.16 (*Services and Right to Use Agreement*); and

(I) Clause 24.17 (*Melco Crown Notification*).

(c) If, at any time after the Release Condition has been satisfied, the Release Condition subsequently ceases to be satisfied, any breach of this Agreement or any other Finance Document that arises as a result of any of the obligations, restrictions or other terms referred to in paragraph (b) above ceasing to be suspended shall not (*provided* that it did not constitute a breach, Default or Event of Default at the time the relevant event or occurrence took place) constitute (or result in) a breach of any term of this Agreement or any other Finance Documents, a Default or an Event of Default.

## 24. Events of Default

Each of the events or circumstances set out in this Clause 24 (*Events of Default*) (save for Clause 24.18 (*US bankruptcy of Obligors*) and Clause 24.19 (*Acceleration*)) is an Event of Default.

### 24.1 Non-payment

An Obligor does not pay on the due date any amount payable pursuant to a Finance Document to which it is a party at the place at and in the currency in which it is expressed to be payable unless its failure to pay is caused by administrative or technical error or a Disruption Event and payment is made within three (3) Business Days of its due date.

### 24.2 Breach of other undertakings

(a) An Obligor or Grantor does not comply with any provision of the Finance Documents (other than those referred to in Clause 24.1 (*Non-payment*) above).

(b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of remedy and is remedied within 30 days of the Agent giving notice to the Borrower or relevant Obligor or Grantor or the Borrower, an Obligor or Grantor becoming aware of the failure to comply.

### 24.3 Misrepresentation

(a) Any representation or statement made or deemed to be made by an Obligor or Grantor in the Finance Documents to which it is a party or any other document delivered by or on behalf of any Obligor or Grantor under or in connection with any Finance Document is or proves to have been incorrect or misleading when made or deemed to be made.

(b) No Event of Default under paragraph (a) above will occur if the misrepresentation is capable of remedy and is remedied within 30 days of the Agent giving notice to the Borrower or relevant Obligor or Grantor or the Borrower, and Obligor or Grantor becoming aware of the misrepresentation.

**24.4 Cross default**

(a) Any Financial Indebtedness of any Obligor or other member of the Group is not paid when due nor within any applicable grace period.

(b) Any Financial Indebtedness of any Obligor or other member of the Group is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).

(c) Any commitment for any Financial Indebtedness of any Obligor or other member of the Group is cancelled or suspended by a creditor of any Obligor or other member of the Group as a result of an event of default (however described).

(d) Any creditor of any Obligor or other member of the Group becomes entitled to declare any Financial Indebtedness (other than Intra-Group Liabilities) of any Obligor or other member of the Group due and payable prior to its specified maturity as a result of an event of default (however described).

(e) No Event of Default will occur under this Clause 24.4 if the aggregate amount of Financial Indebtedness or commitments for Financial Indebtedness falling within paragraphs (a) to (d) above is less than US$15,000,000 (or its equivalent).

**24.5 Insolvency**

(a) A Grantor, an Obligor or other member of the Group is unable or admits inability to pay its debts as they fall due or is deemed or declared to be unable to pay its debts under applicable law or, by reason of actual or anticipated financial difficulties, suspends or threatens to suspend making payments on any of its debts or commences negotiations with one or more of its creditors generally (other than the Secured Parties (as defined in the Intercreditor Agreement) in such capacites) with a view to rescheduling any of its indebtedness.

(b) The value of the assets of the Group (on a consolidated basis) is less than the liabilities of the Group (on a consolidated basis).

(c) A moratorium is declared in respect of any indebtedness of any Grantor, Obligor or other member of the Group. If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium.

**24.6 Insolvency proceedings**

(a) Any corporate action, legal proceedings or other procedure or formal step is taken in relation to:

(i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Grantor, Obligor or other member of the Group;

(ii) a composition, compromise, assignment or arrangement with any creditor of any Grantor, Obligor or other member of the Group;

(iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Grantor, Obligor or other member of the Group or any of its assets (other than assets that are in any way part of a Joint Venture and which do not form part of, and are not otherwise necessary for the operation of, the Property); or

(iv) enforcement of any Security over any assets (other than assets that are in any way part of a Joint Venture and which do not form part of, and are not otherwise necessary for the operation of, the Property) of any Grantor, Obligor or other member of the Group,

or any analogous procedure or step is taken in any jurisdiction.

(b) Paragraph (a) and Clause 24.18 (*US bankruptcy of Obligors*) below shall not apply to:

(i) any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 60 days of commencement or, if earlier, the date on which it is advertised; or

(ii) any voluntary action, proceedings, step or procedure which relates to or constitutes any action, proceedings, step or procedure taken in connection with a transaction regulated but not prohibited by Section 13 (*Merger, Consolidation, or Sale of Assets*) of Schedule 10 (*Covenants*) pursuant to Clause 23.1 (*Notes covenants*).

**24.7 Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Obligor or other member of the Group (other than assets that are in any way part of a Joint Venture and which do not form part of, and are not otherwise necessary for the operation of, the Property) having an aggregate value of at least US$15,000,000 (or its equivalent) and is not discharged within (in the case of any process in a jurisdiction other than Macau SAR) 30 days and (in the case of any process in Macau SAR) 60 days.

**24.8 Unlawfulness or invalidity of Finance Document**

(a) It is or becomes unlawful for a Grantor, Obligor or any other member of the Group to perform any of its obligations under the Finance Documents or any Transaction Security created or expressed to be created or evidenced by the Transaction Security Documents ceases to be effective or any subordination created under the Intercreditor Agreement is or becomes unlawful.

(b) Any obligation or obligations of any Grantor, Obligor or any other member of the Group under any of the Finance Documents are not (subject to the Legal Reservations) or cease to be legal, valid, binding or enforceable.

(c) Any Finance Document ceases to be in full force and effect or any Transaction Security or any subordination created or expressed to be created under the Intercreditor Agreement (including the subordination of any Sponsor Group Loans and any Intra-Group Liabilities) is not or ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to it (other than a Finance Party) to be ineffective.

**24.9 Amended Land Concession and Gaming Subconcession**

(a) The Amended Land Concession (i) is terminated or rescinded without further judicial or administrative appeal being permitted or the Macau SAR takes any formal measure seeking any termination of the Amendment Land Concession in respect of the part of the Site comprising the Property; or (ii) the Auditors of the Parent qualify the audited annual consolidated financial statements of the Parent with a "going concern" or like qualification or exception on grounds relating to material concerns with the Amended Land Concession.

(b) The Gaming Subconcession (i) is terminated or rescinded without further judicial or administrative appeal being permitted or the Macau SAR takes any formal measure seeking termination of the Gaming Subconcession; or (ii) the Auditors of the Parent qualify the audited annual consolidated financial statements of the Parent with a "going concern" or like qualification or exception on grounds relating to material concerns with the Gaming Subconcession.

## 24.10 Permits

(a) Any Obligor fails to observe, satisfy or perform, or there is a violation or breach of, any of the terms, provisions, agreements, covenants or conditions attaching to or under the issuance to such person of any Permit or any such Permit or any provision thereof is suspended, revoked, cancelled, terminated or materially and adversely modified or fails to be in full force and effect or any Governmental Authority challenges or seeks to revoke any such Permit if such failure to perform, violation, breach, suspension, revocation, cancellation, termination, modification, failure to be in full force and effect, challenge or seeking revocation would reasonably be expected to have a Material Adverse Effect.

(b) For the avoidance of doubt, paragraph (a) above does not apply in relation to any Permit required solely in respect of a Joint Venture or which is otherwise not required for, and is not otherwise necessary for the operation of, the Property.

## 24.11 Cessation of business

Any Obligor or other member of the Group suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business and such event has or would reasonably be expected to have a Material Adverse Effect.

## 24.12 Expropriation

The authority or ability of any Obligor or other member of the Group to (other than in respect of any business solely related to any Joint Venture or assets that relate to or are in any way part of any Joint Venture and which do not form part of, and are not otherwise necessary for the operation of, the Property) conduct its business or enjoy the use of all or any material part of its assets is wholly or substantially limited or curtailed by any seizure, expropriation, nationalisation, intervention, restriction or other action (including as a result of any change in (or in the interpretation, administration or application of), or the introduction of, any Legal Requirement) by or on behalf of any Governmental Authority or other person in relation to any member of the Group or any of its assets and, in the case of any such seizure, expropriation, intervention, restriction or other action which is capable of remedy, such seizure, expropriation, intervention, restriction or other action or the effects thereof, are not remedied, removed or stayed within 45 days of the occurrence of such seizure, expropriation, intervention, restriction or other action.

## 24.13 Repudiation or rescission of Finance Documents

(a) A Grantor, Obligor or other member of the Group (or any other relevant party) rescinds or purports to rescind or repudiates or purports to repudiate a Finance Document or any of the Transaction Security or evidences an intention to rescind or repudiate a Finance Document or any Transaction Security.

(b) Any party to any of the other Transaction Documents rescinds or purports to rescind or repudiates or purports to repudiate any of those Transaction Documents in whole or in part where (other than in the case of the Amended Land Concession or any Gaming Subconcession) to do so has or would, in the reasonable opinion of the Majority Lenders, have a Material Adverse Effect.

### 24.14 Litigation

Any litigation, arbitration, administrative, governmental, regulatory or other investigations or proceedings are commenced or threatened in relation to a Transaction Document or the transactions contemplated in a Transaction Document or against any Obligor or other member of the Group or its assets which has or would reasonably be expected to have a Material Adverse Effect, other than such litigation, arbitration, administrative, governmental, regulatory or other investigations or proceedings which are frivolous or vexatious (and, in the case of any such proceedings commenced in any jurisdiction other than Macau SAR, which are discharged, stayed or dismissed within 60 days of commencement or, if earlier, the date on which it is advertised).

### 24.15 Material adverse change

Any event or circumstance occurs which has or is reasonably likely to have a Material Adverse Effect.

### 24.16 Services and Right to Use Agreement

(a) Melco Crown suspends performance of its obligations under each of the Services and Right to Use Agreement and the Reimbursement Agreement for more than 7 days.

(b) The Services and Right to Use Agreement or the Reimbursement Agreement is terminated, becomes invalid or illegal or otherwise ceases to be in full force and effect prior to its stated termination.

### 24.17 Melco Crown Notification

Melco Crown notifies any Secured Party in writing of its intention to terminate the Services and Right to Use Agreement (whether or not any such notification has any effect on the “Funding Date” definition of the Services and Right to Use Agreement).

### 24.18 US bankruptcy of Obligors

Notwithstanding Clause 24.19 (*Acceleration*), if any Obligor commences a voluntary case concerning itself under the US Bankruptcy Code, or an involuntary case is commenced under the US Bankruptcy Code against any Obligor and the petition is not dismissed or stayed within forty five (45) days after commencement of the case, or a custodian (as defined in the US Bankruptcy Code) is appointed for, or takes charge of, all or substantially all of the property of any Obligor, or any order of relief or other order approving any such case or proceeding is entered, the Revolving Facility shall cease to be available to such Obligor, all obligations of such Obligor under Clause 20 (*Guarantee and indemnity*) or any other provision of this Agreement or any other Finance Document to which such Obligor is a party shall become immediately due and payable and such Obligor shall be required to provide cash cover for the full amount of each letter of credit issued for its account, in each case automatically and without any further action by any Party.

### 24.19 Acceleration

On and at any time after the occurrence of an Event of Default which is continuing the Agent may, and shall if so directed by the Majority Lenders, by notice to the Borrower:

(a) cancel the Total Commitments, whereupon they shall immediately be cancelled;

(b) subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, declare that all or part of the Utilisations, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon they shall become immediately due and payable;

(c) subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, declare that all or part of the Utilisations be payable on demand, whereupon they shall immediately become payable on demand by the Agent on the instructions of the Majority Lenders;

(d) notify the Intercreditor Agent that an Event of Default has occurred and continuing and instruct the Intercreditor Agent or the Common Security Agent (through the Intercreditor Agent) to issue one or more Enforcement Notices; and/or

(e) exercise or direct the Intercreditor Agent or the Common Security Agent (through the Intercreditor Agent) to exercise any or all of its rights, remedies, powers or discretions under any of the Finance Documents and/or the High Yield Note Documents and/or (if the High Yield Note Refinancing has occurred) any document or instrument in respect of the high yield notes issued pursuant to the High Yield Note Refinancing and/or any document or instrument in respect of the high yield notes issued pursuant to the Additional High Yield Notes and/or (if the Additional High Yield Note Refinancing has occurred) pursuant to the Additional High Yield Note Refinancing (in each case, including, following the issue of an Enforcement Notice, any such rights, remedies, powers or discretions which first require the issue of such a notice).

## SECTION 9
## CHANGES TO PARTIES

### 25. Changes to the Lenders

### 25.1 Assignments and transfers by the Lenders

Subject to this Clause 25 and to Clause 26 (*Restriction on Debt Purchase Transactions*), a Lender (the "**Existing Lender**") may:

(a) assign any of its rights; or

(b) transfer by novation any of its rights and obligations,

under any Finance Document to a Permitted Transferee (in each case, the "**New Lender**").

### 25.2 Conditions of assignment or transfer

(a) Any Transfer by an Existing Lender of all or any part of its Commitment must:

(i) subject to paragraph (b) below, not be made or entered into without the prior written consent of the Borrower (such consent not to be unreasonably withheld or delayed);

(ii) if the Transfer is of a commitment or participation in the Revolving Facility, the New Lender has a rating of at least BBB by Standard & Poor's Rating Services (or an equivalent rating); and

(iii) in the case of a Transfer relating to the Revolving Facility, if the Transfer is only of part of (instead of all of) an Existing Lender's participation in respect of the Revolving Facility, immediately after such the Transfer:

(A) the amount of that Existing Lender's remaining Revolving Facility Commitments (when aggregated with its Affiliates' and Related Funds' Revolving Facility Commitments) is at least a minimum amount of HK$40,000,000; and

(B) the amount of that New Lender's Revolving Facility Commitments (when aggregated with its Affiliates' and Related Funds' Revolving Facility Commitments) is at least a minimum amount of HK$40,000,000.

(b) Notwithstanding paragraph (a)(i) above (and, for the avoidance of doubt, subject to paragraphs (a)(ii) and (iii) above), a Transfer entered into in respect of any Commitment or amount outstanding under this Agreement shall not require the prior written consent of the Borrower pursuant to paragraph (a)(i) above if:

(i) the Transfer is to another Lender or an Affiliate of a Lender;

(ii) if the Existing Lender is a fund, the Transfer is to, or the sub-participation is with, a fund which is a Related Fund of that Existing Lender;

(iii) an Event of Default has occurred and is continuing; or

(iv) the Transfer is of a Participation which is not a Voting Participation.

(c) The Borrower shall be deemed to have provided its written consent in accordance with paragraph (a) above if it has not responded to the relevant Existing Lender's request for such Transfer within 10 Business Days of such request having been made.

(d) A Transfer entered into in respect of any Commitment or amount outstanding under this Agreement shall in no circumstances (including pursuant to paragraph (b) above) be made to a Conflicted Lender without the prior written consent of the Borrower (in its sole discretion). If requested to do so by a Lender, the Borrower shall as soon as reasonably practicable (but allowing a reasonable period of time for the Borrower to satisfy itself) confirm to that Lender whether or not a potential New Lender identified to the Borrower is a Conflicted Lender.

(e) An assignment will only be effective if the procedure set out in Clause 25.6 (*Procedure for assignment*) is complied with and will only be effective on:

(i) receipt by the Agent (whether in the Assignment Agreement and Lender Accession Undertaking or otherwise) of written confirmation from the New Lender (in form and substance satisfactory to the Agent) that the New Lender will assume the same obligations to the other Finance Parties and the other Secured Parties as it would have been under if it was an Original Lender;

(ii) the New Lender entering into the documentation required for it to accede as a party to the Intercreditor Agreement; and

(iii) performance by the Agent of all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to such assignment to a New Lender, the completion of which the Agent shall promptly notify to the Existing Lender and the New Lender.

(f) A transfer will only be effective if the procedure set out in Clause 25.5 (*Procedure for transfer*) is complied with and the New Lender enters into the documentation required for it to accede as a party to the Intercreditor Agreement.

(g) An Existing Lender may not assign or transfer any or all of its rights or obligations under the Finance Documents or change its Facility Office if such assignment or transfer would give rise to a requirement to prepay any Loan (or any part thereof) or cancel any Commitment (or any part thereof) pursuant to Clause 8.1 (*Illegality*) in relation to the New Lender or such Existing Lender acting through the new Facility Office.

(h) If:

(i) a Lender assigns or transfers any of its rights or obligations under the Finance Documents or changes its Facility Office; and

(ii) as a result of circumstances existing at the date the assignment, transfer or change occurs, an Obligor would be obliged to make a payment to the New Lender or Lender acting through its new Facility Office under Clause 15 (*Tax gross-up and indemnities*) or Clause 16 (*Increased Costs*),

then the New Lender or Lender acting through its new Facility Office is only entitled to receive payment under those Clauses to the same extent as the Existing Lender or Lender acting through its previous Facility Office would have been if the assignment, transfer or change had not occurred.

(i) Each New Lender, by executing the relevant Transfer Certificate or Assignment Agreement and Lender Accession Undertaking, confirms, for the avoidance of doubt, that the Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the transfer or assignment becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as the Existing Lender would have been had it remained a Lender

(j) If an Existing Lender assigns or transfers any of its rights or obligations under the Finance Documents to a New Lender, (A) such Existing Lender shall (unless agreed with such New Lender) bear its own fees, costs and expenses in connection with, or resulting from, such assignment or transfer (including any legal fees, taxes, notarial and security registration or perfection fees) and (B) no Obligor or any member of the Group will be required to pay to or for the account of such New Lender, or reimburse or indemnify such New Lender for, any fees, costs, Taxes, expenses, indemnity payments, Tax Payments, Increased Costs or other payments under a Finance Document in excess of what that Obligor would have been required to pay to such Existing Lender immediately prior to such transfer or assignment being effected, *provided that*, notwithstanding the foregoing:

(i) the Borrower shall pay such New Lender in full any amount expressed to be payable by it to such New Lender under Clause 19.4 (*Enforcement and preservation costs*); and

(ii) in respect of costs, fees and expenses only, the amount thereof payable or reimbursable shall be calculated by reference to the amount of such costs, fees and expenses which such Obligor is able to demonstrate it would have been required to pay to such Existing Lender immediately prior to such transfer or assignment being effected.

(k) The Agent shall, promptly upon request from the Borrower, provide to the Borrower information in reasonable detail regarding the identities and participations of each of the Lenders.

(l) An Existing Lender will enter into a Confidentiality Undertaking with any potential New Lender (that is not already a Lender) prior to providing such New Lender with any information about the Finance Documents or the Group. This Confidentiality Undertaking may be amended, if necessary, to ensure that it is capable of being relied upon by the Borrower without requiring its signature, and may not be materially amended without the consent of the Borrower. A copy of that Confidentiality Undertaking must be provided to the Borrower promptly after being entered into.

**25.3 Assignment or transfer fee**

Unless the Agent otherwise agrees and excluding an assignment or transfer (i) to an Affiliate of a Lender or (ii) to a Related Fund, the New Lender shall, on the date upon which an assignment, transfer or accession takes effect, pay to the Agent (for its own account) a fee of US$3,500 in respect of any New Lender.

**25.4 Limitation of responsibility of Existing Lenders**

(a) Unless expressly agreed to the contrary, an Existing Lender makes no representation or warranty and assumes no responsibility to a New Lender for:

(i) the legality, validity, effectiveness, adequacy or enforceability of the Transaction Documents, the Transaction Security or any other documents;

(ii) the financial condition or other circumstances of the Site or the Phase II Project, any Obligor or any other person;

(iii) the performance and observance by any Obligor or any other person of its obligations under the Transaction Documents or any other documents; or

(iv) the accuracy of any statements (whether written or oral) made in or in connection with any Transaction Document or any other document,

and any representations or warranties implied by law are excluded.

(b) Each New Lender confirms to the Existing Lender, the other Finance Parties and the Secured Parties that it:

(i) has made (and shall continue to make) its own independent investigation and assessment of the financial and other condition, circumstances and affairs of the Site and the Phase II Project, each Obligor and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Lender or any other Finance Party in connection with any Transaction Document or the Transaction Security; and

(ii) will continue to make its own independent appraisal of the creditworthiness of each Obligor and its related entities whilst any amount is or may be outstanding under the Finance Documents or any Commitment is in force.

(c) Nothing in any Finance Document obliges an Existing Lender to:

(i) accept a re-transfer or re-assignment from a New Lender of any of the rights and obligations assigned or transferred under this Clause 25; or

(ii) support any losses directly or indirectly incurred by the New Lender by reason of the non-performance by any Obligor of its obligations under the Transaction Documents or otherwise.

**25.5 Procedure for transfer**

(a) Subject to the conditions set out in Clause 25.2 (*Conditions of assignment or transfer*) a transfer is effected in accordance with paragraph (c) below when the Agent executes an otherwise duly completed Transfer Certificate delivered to it by the Existing Lender and the New Lender. The Agent shall, subject to paragraph (b) below, as soon as reasonably practicable after receipt by it of a duly completed Transfer Certificate appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Transfer Certificate.

(b) The Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Lender and the New Lender once it is satisfied it has complied with all necessary "know your customer" or other similar other checks under all applicable laws and regulations in relation to the transfer to such New Lender.

(c) On the Transfer Date:

(i) to the extent that in the Transfer Certificate the Existing Lender seeks to transfer by novation its rights and obligations under the Finance Documents and in respect of the Transaction Security, each of the Obligors and the Existing Lender shall be released from further obligations towards one another under the Finance Documents and in respect of the Transaction Security and their respective rights against one another under the Finance Documents and in respect of the Transaction Security shall be cancelled (being the "**Discharged Rights and Obligations**");

(ii) each of the Obligors and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as that Obligor or other member of the Group and the New Lender have assumed and/or acquired the same in place of that Obligor and the Existing Lender;

(iii) the Agent, the Common Security Agent, the POA Agent, the New Lender and the other Lenders shall acquire the same rights and assume the same obligations between themselves and in respect of the Transaction Security as they would have acquired and assumed had the New Lender been an Original Lender with the rights, and/or obligations acquired or assumed by it as a result of the transfer and to that extent the Agent, the Common Security Agent, the POA Agent and the Existing Lender shall each be released from further obligations to each other under the Finance Documents; and

(iv) the New Lender shall become a Party as a "Lender".

### 25.6 Procedure for assignment

(a) Subject to the conditions set out in Clause 25.2 (*Conditions of assignment or transfer*) an assignment may be effected in accordance with paragraph (c) below when the Agent executes an otherwise duly completed Assignment Agreement and Lender Accession Undertaking delivered to it by the Existing Lender and the New Lender.The Agent shall, subject to paragraph (d) below, as soon as reasonably practicable after receipt by it of a duly completed Assignment Agreement and Lender Accession Undertaking appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Assignment Agreement and Lender Accession Undertaking.

(b) The Agent shall only be obliged to execute an Assignment Agreement and Lender Accession Undertaking delivered to it by the Existing Lender and the New Lender upon its completion of all "know your customer" or other checks relating to any person that it is required to carry out in relation to the assignment to such New Lender.

(c) On the Transfer Date:

(i) the Existing Lender will assign absolutely to the New Lender its rights under the Finance Documents and in respect of the Transaction Security expressed to be the subject of the assignment in the Assignment Agreement and Lender Accession Undertaking;

(ii) the Existing Lender will be released from the obligations (the "**Relevant Obligations**") expressed to be the subject of the release in the Assignment Agreement and Lender Accession Undertaking (and any corresponding obligations by which it is bound in respect of the Transaction Security); and

(iii) the New Lender shall become a Party as a "Lender" and will be bound by obligations equivalent to the Relevant Obligations.

(d) Lenders may utilise procedures other than those set out in this Clause 25.6 to assign their rights under the Finance Documents, *provided that* they comply with the conditions set out in Clause 25.2 (*Conditions of assignment or transfer*).

(e) The procedure set out in this Clause 25.6 shall not apply to any right or obligation under any Finance Document (other than this Agreement) if and to the extent its terms, or any laws or regulations applicable thereto, provide for or require a different means of assignment of such right or release or assumption of such obligation or prohibit or restrict any assignment of such right or release or assumption of such obligation, unless such prohibition or restriction shall not be applicable to the relevant assignment, release or assumption or each condition of any applicable restriction shall have been satisfied.

### 25.7 Copy of assignments, transfer and accession documents to the Borrower and Parent

The Agent shall, as soon as reasonably practicable after it has executed a Transfer Certificate or an Assignment Agreement and Lender Accession Undertaking, send to the Borrower and the Parent a copy of that Transfer Certificate or Assignment Agreement and Lender Accession Undertaking.

### 25.8 Security interests over Lenders' rights

In addition to the other rights provided to Lenders under this Clause 25, each Lender may without consulting with or obtaining consent from any Obligor, at any time charge, assign or otherwise create Security in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of that Lender including, without limitation:

(a) any charge, assignment or other Security to secure obligations to a federal reserve or central bank; and

(b) in the case of any Lender which is a fund, any charge, assignment or other Security granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by that Lender as security for those obligations or securities,

except that no such charge, assignment or other Security shall:

(i) release a Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or other Security for the Lender as a party to any of the Finance Documents; or

(ii) require any payments to be made by an Obligor or grant to any person any more extensive rights than those required to be made or granted to the relevant Lender under the Finance Documents.

### 25.9 Exclusion of Agent's liability

In relation to any assignment or transfer pursuant to this Clause 25, each Party acknowledges and agrees that the Agent shall not be obliged to enquire as to the accuracy of any representation or warranty made by a New Lender in respect of its eligibility as a Lender.

## 26. Restriction on Debt Purchase Transactions

### 26.1 Prohibition on Debt Purchase Transactions by the Group

The Parent and Borrower shall not and shall procure that each other member of the Group shall not may (i) enter into any Debt Purchase Transaction or (ii) beneficially own all or any part of the share capital of a company that is a Lender or a party to a Debt Purchase Transaction of the type referred to in paragraphs (b) or (c) of the definition of "Debt Purchase Transaction".

### 26.2 Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates

(a) For so long as a Sponsor Affiliate:

(i) beneficially owns a Commitment; or

(ii) has entered into a sub-participation agreement relating to a Commitment or other agreement or arrangement having a substantially similar economic effect and such agreement or arrangement has not been terminated,

in ascertaining:

(A) the Majority Lenders; or

(B) whether:

(1) any given percentage (other than in relation to decisions requiring the consent of all of the Lenders) of the Total Commitments; or

(2) the agreement of any specified group of Lenders (other than in relation to decisions requiring the consent of all of the Lenders),

has been obtained to approve any request for a consent, waiver, amendment or other vote under the Finance Documents,

such Commitment shall be deemed to be zero and such Sponsor Affiliate or the person with whom it has entered into such sub-participation, other agreement or arrangement shall be deemed not to be a Lender for the purposes of paragraphs (A) and (B) above (unless in the case of a person not being a Sponsor Affiliate it is a Lender by virtue otherwise than by beneficially owning the relevant Commitment), *provided that* such consent, waiver, amendment or other vote is not materially detrimental (in comparison to the other Lenders) to the rights and/or interests of that Sponsor Affiliate solely in its capacity as a Lender (and, for the avoidance of doubt, excluding its interests as a holder of equity in the Borrower (whether directly or indirectly)), and each Sponsor Affiliate upon becoming a Party expressly agrees and acknowledges that the operation of this Clause 26.2 shall not of itself be so detrimental to it in comparison to the other Lenders or otherwise; and

(b) Each Lender shall, unless such Debt Purchase Transaction is an assignment or transfer, promptly notify the Agent in writing if it knowingly enters into a Debt Purchase Transaction with a Sponsor Affiliate (a "**Notifiable Debt Purchase Transaction**"), such notification to be substantially in the form set out in Part 1 of Schedule 8 (*Forms of Notifiable Debt Purchase Transaction Notice*). A Lender shall promptly notify the Agent if a Notifiable Debt Purchase Transaction to which it is a party:

(i) is terminated; or

(ii) ceases to be with a Sponsor Affiliate,

such notification to be substantially in the form set out in Part 2 of Schedule 8 (*Forms of Notifiable Debt Purchase Transaction Notice*)).

(c) Each Sponsor Affiliate that is a Lender agrees that:

(i) in relation to any meeting or conference call to which all the Lenders are invited to attend or participate, it shall not attend or participate in the same if so requested by the Agent or, unless the Agent otherwise agrees, be entitled to receive the agenda or any minutes of the same; and

(ii) in its capacity as Lender, unless the Agent otherwise agrees, it shall not be entitled to receive any report or other document prepared at the behest of, or on the instructions of, the Agent or one or more of the Lenders, in each case, unless the Agent otherwise agrees or it relates to matters in which the Sponsor Affiliate is entitled to vote in accordance with this Clause 26.

## 27. Changes to the Obligors

### 27.1 Assignment and transfers by Obligors

No Obligor may assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

### 27.2 Additional Guarantors

(a) Subject to compliance with the provisions of paragraphs (c) and (d) of Clause 22.10 ("*Know your customer*" *checks*), the Borrower may request that any of its wholly owned Subsidiaries become an Additional Guarantor.

(b) The Borrower shall procure that any other member of the Group shall, as soon as possible after becoming a member of the Group, become an Additional Guarantor and grant such Security as the Agent may require.

(c) A member of the Group shall become an Additional Guarantor if:

(i) the Borrower and the proposed Additional Guarantor deliver to the Agent a duly completed and executed Accession Letter; and

(ii) the Agent has received all of the documents and other evidence listed in Schedule 2 (*Conditions precedent required to be delivered by an Additional Guarantor*) in relation to that Additional Guarantor, each in form and substance satisfactory to the Agent.

(d) The Agent shall notify the Borrower and the Lenders promptly upon being satisfied that it has received (in form and substance satisfactory to it) all the documents and other evidence listed in Schedule 2 (*Conditions precedent required to be delivered by an Additional Guarantor*).

(e) The Lenders authorise the Agent to give the notification described in paragraph (d) above. The Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.

### 27.3 Repetition of representations

Delivery of an Accession Letter constitutes confirmation by the relevant Subsidiary that the representations and warranties referred to in paragraph (d) of Clause 21.1 (*Times when representations made*) are true and correct in relation to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

### 27.4 Resignation of a Guarantor

(a) The Borrower may request that a Guarantor (other than the Parent or the Borrower) ceases to be a Guarantor by delivering to the Agent a Resignation Letter if:

(i) that Guarantor is being (or shares or equity interests in that Guarantor are being) disposed of (directly or indirectly) by way of a sale or disposal or reorganisation where such sale or disposal or reorganisation is expressly permitted under this Agreement or any other Finance Document in circumstances where that Guarantor ceases to be a Group Member, and the Borrower has confirmed to the Agent and the Intercreditor Agent that this is the case; or

(ii) the Lenders have consented to the resignation of that Guarantor.

(b) Subject to clause 25.17 (*Resignation of a Debtor*) of the Intercreditor Agreement, the Agent shall accept a Resignation Letter and notify the Borrower and the Lenders of its acceptance if:

(i) no Event of Default is continuing or would result from that Guarantor ceasing to be a Guarantor (and the Borrower has confirmed to the Agent and the Intercreditor Agent that this is the case); and

(ii) no payment is due from that Guarantor under Clause 20.1 (*Guarantee and indemnity*).

(c) Subject to paragraph (d) below, upon notification by the agent to the Borrower and the Lender of its acceptance of the resignation of the Guarantor, that entity shall cease to be a Guarantor and shall have no further rights or obligations under the Finance Documents as a Guarantor.

(d) The resignation of that Guarantor shall not be effective until the date of the relevant sale or disposal or reorganisation.

## SECTION 10
## THE FINANCE PARTIES

### 28. Role of the Agent and others

#### 28.1 Appointment of the Agent

(a) Each of the Lenders appoints the Agent to act as its agent under and in connection with the Finance Documents.

(b) Each of the Lenders authorises the Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.

#### 28.2 Instructions

(a) The Agent shall:

(i) unless a contrary indication appears in a Finance Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Agent in accordance with any instructions given to it by all Lenders if the relevant Finance Document stipulates the matter is an all Lender decision and, otherwise, the Majority Lenders; and

(ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with paragraph (i) above

(b) The Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or, if applicable, the Lenders) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Agent may refrain from acting unless and until it receives those instructions or that clarification.

(c) Unless a contrary indication appears in a Finance Document, any instructions given to the Agent by the Majority Lenders shall override any conflicting instructions given by any other Parties and will be binding on all Finance Parties save for the Common Security Agent and the POA Agent.

(d) The Agent may refrain from acting in accordance with any instructions of any Lender (or group of Lenders) until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability which it may incur in complying with those instructions.

(e) In the absence of instructions, the Agent may act (or refrain from acting) as it considers to be in the best interest of the Lenders.

(f) The Agent is not authorised to act on behalf of a Lender (without first obtaining that Lender’s consent) in any legal or arbitration proceedings relating to any Finance Document. This paragraph (f) shall not apply to any legal or arbitration proceeding relating to the perfection, preservation or protection of rights under the Transaction Security Documents or enforcement of the Transaction Security or Transaction Security Documents.

### 28.3 Duties of the Agent

(a) The Agent's duties under the Finance Documents are solely mechanical and administrative in nature. The Agent shall have no duties save as expressly provided under or in connection with any Finance Document.

(b) Subject to paragraph (c) below, the Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Agent for that Party by any other Party.

(c) Without prejudice to Clause 25.7 (*Copy of assignments, transfer and accession documents to the Borrower and Parent*), paragraph (b) above shall not apply to any Transfer Certificate, any Assignment Agreement and Lender Accession Undertaking or any Increase Confirmation.

(d) Except where a Finance Document specifically provides otherwise, the Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.

(e) If the Agent receives notice from a Party referring to this Agreement, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the other Finance Parties.

(f) If the Agent is aware of the non-payment of any principal, interest, commitment fee or other fee payable to a Finance Party (other than the Agent, the Common Security Agent or the POA Agent) under this Agreement it shall promptly notify the other Finance Parties.

(g) The Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied.

(h) The Agent shall provide to the Borrower promptly upon request by the Borrower (but no more frequently than once in any three month period), a list (which may be in electronic form) setting out the names of the Lenders as at the date of that request, their respective Commitments, the address and fax number (and the department or officer, if any, for whose attention any communication is to be made) of each Lender for any communication to be made or document to be delivered under or in connection with the Finance Documents, the electronic mail address and/or any other information required to enable the sending and receipt of information by electronic mail or other electronic means to and by each Lender to whom any communication under or in connection with the Finance Documents may be made by that means and the account details of each Lender for any payment to be distributed by the Agent to that Lender under the Finance Documents.

### 28.4 No fiduciary duties

(a) Nothing in any Finance Document constitutes the Agent as a trustee or fiduciary of any other person.

(b) The Agent shall not be bound to account to any Lender for any sum or the profit element of any sum received by it for its own account.

### 28.5 Business with the Group

The Agent may accept deposits from, lend money to and generally engage in any kind of banking or other business with any member of the Group.

**28.6 Rights and discretions**

(a) The Agent may:

(i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised and shall have no duty to verify any signature on any document;

(ii) assume that:

(A) any instructions received by it from the Majority Lenders, any Lenders or any group of Lenders are duly given in accordance with the terms of the Finance Documents; and

(B) unless it has received notice of revocation, that those instructions have not been revoked;

(iii) rely on a certificate from any person:

(A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or

(B) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate; and

(iv) rely on any statement made or purportedly made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify.

(b) The Agent may assume (unless it has received notice to the contrary in its capacity as agent for the Lenders) that:

(i) no Default has occurred (unless it has actual knowledge of a Default arising under Clause 24 (*Events of Default*));

(ii) any right, power, authority or discretion vested in any Party or the Majority Lenders or any group of Lenders has not been exercised;

(iii) any notice or request made by the Borrower (other than a Utilisation Request or Selection Notice) is made on behalf of and with the consent and knowledge of all the Obligors; and

(iv) no Notifiable Debt Purchase Transaction:

(A) has been entered into;

(B) has been terminated; or

(C) has ceased to be with a Sponsor Affiliate.

(c) The Agent may engage, pay for and rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.

(d) Without prejudice to the generality of paragraph (c) above, the Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Agent (and so separate from any lawyers instructed by the Lenders) if the Agent in its reasonable opinion deems this to be desirable.

(e) The Agent may act in relation to the Finance Documents through its officers, employees and agents and the Agent shall not:

(i) be liable for any error of judgment made by any such person; or

(ii) be bound to supervise, or be in any way responsible for, any loss incurred by reason of misconduct, omission or default on the part of any such person,

unless such error or such loss was directly caused by the Agent’s gross negligence or wilful misconduct.

(f) Unless a Finance Document expressly provides otherwise, the Agent may disclose to any other Party any information it reasonably believes it has received as agent under this Agreement.

(g) Without prejudice to the generality of paragraph (f) above, the Agent:

(i) may disclose; and

(ii) on the written request of the Borrower or the Majority Lenders shall, as soon as reasonably practicable, disclose,

the identity of a Defaulting Lender to the Borrower and the other Finance Parties.

(h) Notwithstanding any other provision of any Finance Document to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.

(i) Notwithstanding any other provision of any Finance Document to the contrary, the Agent may not disclose to any Finance Party any details of the rate notified to the Agent by any Lender or the identity of any such Lender for the purpose of paragraph (a)(ii) of clause 13.2 (*Market disruption*).

(j) Notwithstanding any provision of any Finance Document to the contrary, the Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

**28.7 Responsibility for documentation**

The Agent is and shall not be responsible for:

(a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Agent, an Obligor or any other person given in or in connection with any Finance Document or the transactions contemplated in the Finance Documents or the transactions contemplated in the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;

(b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document or the Transaction Security or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Transaction Security; or

(c) any determination as to whether any information provided or to be provided to any Finance Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

## 28.8 No duty to monitor

(a) The Agent shall not be bound to enquire:

(i) whether or not any Default has occurred;

(ii) as to the performance, default or any breach by any Party of its obligations under any Finance Document; or

(iii) whether any other event specified in any Finance Document has occurred.

## 28.9 Exclusion of liability

(a) Without limiting paragraph (b) below (and without prejudice to any other provision of any Finance Document excluding or limiting the liability of the Agent), the Agent will not be liable (including, without limitation, for negligence or any other category of liability whatsoever) for:

(i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Finance Document or the Transaction Security, unless directly caused by its gross negligence or wilful misconduct;

(ii) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Finance Document, the Transaction Security or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Finance Document or the Transaction Security; or

(iii) without prejudice to the generality of paragraphs (i) and (ii) above, any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of:

(A) any act, event or circumstance not reasonably within its control; or

(B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

(b) No Party (other than the Agent) may take any proceedings against any officer, employee or agent of the Agent in respect of any claim it might have against the Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document or any Transaction Document and any officer, employee or agent of the Agent may rely on this Clause subject to Clause 1.3 (*Third party rights*) and the provisions of the Third Parties Act.

(c) The Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Agent if the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.

(d) Nothing in this Agreement shall oblige the Agent to carry out (i) any "know your customer" or other checks in relation to any person or (ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Lender, on behalf of any Lender and each Lender confirms to the Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Agent.

(e) Without prejudice to any provision of any Finance Document excluding or limiting the Agent's liability, any liability of the Agent arising under or in connection with any Finance Document or the Transaction Security shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Agent or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Agent at any time which increase the amount of that loss. In no event shall the Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Agent has been advised of the possibility of such loss or damages

**28.10 Lenders' indemnity to the Agent**

(a) Each Lender shall (in the proportion that the Liabilities due to it bear to the aggregate of the Liabilities due to all the Lenders for the time being (or, if the Liabilities due to the Lenders are zero, immediately prior to their being reduced to zero)), indemnify the Agent, within three (3) Business Days of demand, against any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Agent (otherwise than by reason of the Agent's gross negligence or wilful misconduct) (or, in the case of any cost, loss or liability pursuant to Clause 31.11 (*Disruption to payment systems, etc.*), notwithstanding the Agent's negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent in acting as Agent under the Finance Documents (unless the Agent has been reimbursed by an Obligor pursuant to a Finance Document),

(b) If the Borrower is required to reimburse or indemnify any Lender for any payment that Lender makes to the Agent pursuant to paragraph (a) above in accordance with the Finance Documents, the Borrower shall, within 10 Business Days of demand in writing by the relevant Lender, indemnify such Lender for the amount of such payment actually made pursuant to paragraph (a) above.

(c) Paragraph (b) above shall not apply to the extent that the indemnity payment in respect of which the Lender claims reimbursement relates to a liability of the Agent to an Obligor.

**28.11 Resignation of the Agent**

(a) The Agent may resign and appoint one of its Affiliates acting through an office in Hong Kong or Macau as successor by giving notice to the Lenders and the Borrower.

(b) Alternatively the Agent may resign by giving notice to the Lenders and the Borrower, in which case the Majority Lenders (after consultation with the Borrower) may appoint a successor Agent.

(c) If the Majority Lenders have not appointed a successor Agent in accordance with paragraph (b) above within 30 days after notice of resignation was given, the Agent (after consultation with the Borrower) may appoint a successor Agent (acting through an office in Hong Kong or Macau).

(d) If the Agent wishes to resign because (acting reasonably) it has concluded that it is no longer appropriate for it to remain as agent and the Agent is entitled to appoint a successor Agent under paragraph (c) above, the Agent may (if it concludes (acting reasonably) that it is necessary to do so in order to persuade the proposed successor Agent to become a party to this Agreement as Agent) agree with the proposed successor Agent amendments to this Clause 28 and any other term of this Agreement dealing with the rights or obligations of the Agent consistent with then current market practice for the appointment and protection of corporate trustees

(e) The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.

(f) The Agent's resignation notice shall only take effect upon the appointment of a successor in accordance with the Finance Documents (including such successor's accession to the Intercreditor Agreement in the capacity as Agent).

(g) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (e) above) but shall remain entitled to the benefit of Clause 17.3 (*Indemnity to the Agent*) and this Clause 28 (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date). Its successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

(h) The Agent shall resign in accordance with paragraph (b) above (and, to the extent applicable, shall use reasonable endeavours to appoint a successor Agent pursuant to paragraph (b) above) if on or after the date which is three months before the earliest FATCA Application Date relating to any payment to the Agent under the Finance Documents, either:

(i) the Agent fails to respond to a request under Clause 15.8 (*FATCA Information*) and the Borrower or a Lender reasonably believes that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;

(ii) the information supplied by the Agent pursuant to Clause 15.8 (*FATCA Information*) indicates that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date; or

(iii) the Agent notifies the Borrower and the Lenders that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;

and (in each case) the Borrower or a Lender reasonably believes that a Party will be required to make a FATCA Deduction that would not be required if the Agent were a FATCA Exempt Party, and the Borrower or that Lender, by notice to the Agent, requires it to resign.

### 28.12 Replacement of the Agent

(a) After consultation with the Borrower, the Majority Lenders may, by giving 30 days' notice to the Agent (or, at any time the Agent is an Impaired Agent, by giving any shorter notice determined by the Majority Lenders) replace the Agent by appointing a successor Agent (acting through an office in Hong Kong or Macau).

(b) The retiring Agent shall (at its own cost if it is an Impaired Agent and otherwise at the expense of the Lenders) make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.

(c) The appointment of the successor Agent shall take effect on the date specified in the notice from the Majority Lenders to the retiring Agent (or, if later, on its accession to the Intercreditor Agreement in the capacity as Agent). As from this date, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (b) above) but shall remain entitled to the benefit of Clause 17.3 (*Indemnity to the Agent*) and this Clause 28 (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date).

(d) Any successor Agent and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

### 28.13 Confidentiality

(a) In acting as agent for the Finance Parties, the Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.

(b) If information is received by another division or department of the Agent, it may be treated as confidential to that division or department and the Agent shall not be deemed to have notice of it.

(c) Notwithstanding any other provision of any Finance Document to the contrary, the Agent shall not be obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would or might in its reasonable opinion constitute a breach of any law or a breach of a fiduciary duty.

(d) The Agent shall not be obliged to disclose to any Finance Party any information supplied to it by the Borrower or any Affiliates of the Borrower on a confidential basis and for the purpose of evaluating whether any waiver or amendment is or may be required or desirable in relation to any Finance Document.

### 28.14 Relationship with the Lenders

(a) The Agent may treat each person shown in its records as a Lender at the opening of business (in the place of the Agent's principal office as notified to the Finance Parties from time to time) as the Lender acting through its Facility Office:

(i) entitled to or liable for any payment due under any Finance Document on that day; and

(ii) entitled to receive and act upon any notice, request, document or communication or make any decision or determination under any Finance Document made or delivered on that day,

unless it has received not less than five (5) Business Days prior notice from that Lender to the contrary in accordance with the terms of this Agreement.

(b) Each Lender shall supply the Agent with any information that the Intercreditor Agent or Common Security Agent may reasonably specify (through the Agent) as being necessary or desirable to enable the Intercreditor Agent or Common Security Agent (as applicable) to perform its functions as Intercreditor Agent or Common Security Agent (as applicable). Each Lender shall deal with the Intercreditor Agent and the Common Security Agent exclusively through the Agent and shall not deal directly with the Intercreditor Agent or the Common Security Agent.

(c) Each Lender may by notice to the Agent appoint a person to receive on its behalf all notices, communications, information and documents to be made or despatched to that Lender under the Finance Documents. Such notice shall contain the address, fax number and (where communication by electronic mail or other electronic means is permitted under Clause 33.6 (*Electronic communication*)) electronic mail address and/or any other information required to enable the sending and receipt of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, fax number, electronic mail address, department and officer by that Lender for the purposes of Clause 33.2 (*Addresses*) and paragraph (a)(ii) of Clause 33.6 (*Electronic communication*) and the Agent shall be entitled to treat such person as the person entitled to receive all such notices, communications, information and documents as though that person were that Lender.

**28.15 Credit appraisal by the Lenders**

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Finance Document, each Lender confirms to the Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

(a) the financial condition, status and nature of each member of the Group;

(b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document and the Transaction Security and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Transaction Security;

(c) whether that Secured Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Finance Document, the Transaction Security or the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Transaction Security;

(d) the adequacy, accuracy and/or completeness any information provided by the Agent, the Common Security Agent, any Party or by any other person under or in connection with any Finance Document, the transactions contemplated by any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; and

(e) the right or title of any person in or to, or the value or sufficiency of any part of the Charged Property, the priority of any of the Transaction Security or the existence of any Security affecting the Charged Property.

**28.16 Reference Banks**

The Agent may at any time and from time to time (in consultation with the Borrower) appoint any Lender or an Affiliate of a Lender to replace any Reference Bank that is not (or which is not an Affiliate of) a Lender.

**28.17 Agent's management time**

(a) Any amount payable to the Agent under Clause 17.3 (*Indemnity to the Agent*), Clause 19 (*Costs and expenses*) and Clause 28.10 (*Lenders' indemnity to the Agent*) shall include the cost of utilising the Agent's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Agent may notify to the Borrower and the Lenders, and is in addition to any fee paid or payable to the Agent under Clause 14 (*Fees*).

(b) Any cost of utilising the Agent's management time or other resources shall include, without limitation, any such costs in connection with Clause 26.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates*).

**28.18 Deduction from amounts payable by the Agent**

If any Party owes an amount to the Agent under the Finance Documents the Agent may, after giving notice to that Party, deduct an amount not exceeding that amount from any payment to that Party which the Agent would otherwise be obliged to make under the Finance Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that Party shall be regarded as having received any amount so deducted.

**28.19 Reliance and engagement letters**

Each Finance Party and Secured Party confirms that the Agent has authority to accept on its behalf and ratifies the acceptance on its behalf of any letters or reports already accepted by the Agent, the terms of any reliance letter or engagement letters relating to any reports or letters provided by any advisers in connection with the Finance Documents or the transactions contemplated in the Finance Documents and to bind it in respect of those reports or letters and to sign such letters on its behalf and further confirms that it accepts the terms and qualifications set out in such letters.

**28.20 Saving provision**

Notwithstanding anything expressly stated in or omitted from this Agreement, all residual rights and obligations (including in respect of any contingent liabilities) under any Finance Document of any person that was a Party to this Agreement in its capacity as Bookrunner Mandated Lead Arranger, Mandated Lead Arranger, Arranger, Senior Manager or Manager and which rights were not terminated, released, relinquished or otherwise did not expire on or before the 2016 Amendment and Restatement Effective Date (whether pursuant to the transactions contemplated in connection with the 2016 Amendment and Restatement Agreement or otherwise) continue and, as may be necessary, such person may rely on this Clause 28.20 subject to Clause 1.3 (*Third party rights*) and the provisions of the Third Parties Act.

## 29. Conduct of business by the Finance Parties

No provision of this Agreement will:

(a) interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;

(b) oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim;

(c) oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax; or

(d) oblige any Finance Party to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any applicable anti-money laundering, economic or trade sanctions laws or regulations.

## 30. Sharing among the Finance Parties

### 30.1 Payments to Finance Parties

If a Finance Party (a "**Recovering Finance Party**") receives or recovers any amount from an Obligor other than in accordance with Clause 31 (*Payment mechanics*) and applies that amount to a payment due under the Finance Documents then:

(a) the Recovering Finance Party shall, within three (3) Business Days, notify details of the receipt or recovery, to the Agent;

(b) the Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Agent and distributed in accordance with Clause 31 (*Payment mechanics*), without taking account of any Tax which would be imposed on the Agent in relation to the receipt, recovery or distribution; and

(c) the Recovering Finance Party shall, within three (3) Business Days of demand by the Agent, pay to the Agent an amount (the "**Sharing Payment**") equal to such receipt or recovery less any amount which the Agent determines may be retained by the Recovering Finance Party as its share of any payment to be made, in accordance with Clause 31.6 (*Partial payments*).

### 30.2 Redistribution of payments

The Agent shall treat the Sharing Payment as if it had been paid by the relevant Obligor and distribute it between the Finance Parties (other than the Recovering Finance Party) (the "**Sharing Finance Parties**") in accordance with Clause 31.6 (*Partial payments*) towards the obligations of that Obligor to the Sharing Finance Parties.

### 30.3 Recovering Finance Party's rights

(a) On a distribution by the Agent under Clause 30.2 (*Redistribution of payments*), the Recovering Finance Party will be subrogated to the rights of the Finance Parties which have shared in the redistribution.

(b) If and to the extent that the Recovering Finance Party is not able to rely on its rights under paragraph (a) above, the relevant Obligor shall be liable to the Recovering Finance Party for a debt equal to the Sharing Payment which is immediately due and payable.

**30.4 Reversal of redistribution**

If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

(a) each Finance Party which has received a share of the relevant Sharing Payment pursuant to Clause 30.2 (*Redistribution of payments*) shall, upon request of the Agent, pay to the Agent for account of that Recovering Finance Party an amount equal to the appropriate part of its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Finance Party for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay); and

(b) that Recovering Finance Party's rights of subrogation in respect of any reimbursement shall be cancelled and the relevant Obligor will be liable to the reimbursing Finance Party for the amount so reimbursed.

**30.5 Exceptions**

(a) This Clause 30 shall not apply to the extent that the Recovering Finance Party would not, after making any payment pursuant to this Clause, have a valid and enforceable claim against the relevant Obligor.

(b) A Recovering Finance Party is not obliged to share with any other Finance Party any amount which the Recovering Finance Party has received or recovered as a result of taking legal or arbitration proceedings, if:

(i) it notified the other Finance Party of the legal or arbitration proceedings; and

(ii) the other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

## SECTION 11
## ADMINISTRATION

### 31. Payment mechanics

### 31.1 Payments to the Agent

(a) On each date on which an Obligor or a Lender is required to make a payment under a Finance Document that Obligor or Lender shall make the same available to the Agent (unless a contrary indication appears in a Finance Document) for value on the due date or such other date at the time and in such funds specified by the Agent as being customary at the time for settlement of transactions in the relevant currency in the place of payment.

(b) In the case of payments to be made in Patacas, Hong Kong dollars or US dollars, payment shall be made to such account in the Macau SAR (or, if specified by way of written notice to the Parent and the Lenders by any successor to the Agent on or about the time of its becoming Agent, such other location as it shall select (acting reasonably)) with such bank as the Agent specifies.

(c) In the case of payments to be made in any other currency, payment shall be made to such account in the principal financial centre of the country of that currency (or, if specified by way of written notice to the Parent and the Lenders by any successor to the Agent on or about the time of its becoming Agent, such other location as it shall select (acting reasonably)) with such bank as the Agent specifies.

### 31.2 Distributions by the Agent

(a) Each payment received by the Agent under the Finance Documents for another Party shall, subject to Clause 31.3 (*Distributions to an Obligor*) and Clause 31.4 (*Clawback*) be made available by the Agent as soon as practicable after receipt to the Party entitled to receive payment in accordance with this Agreement (in the case of a Lender, for the account of its Facility Office), to such account as that Party may notify to the Agent by not less than five (5) Business Days' notice with a bank specified by that Party in the principal financial centre of the country of that currency (which, in the case of Hong Kong dollars is Hong Kong).

(b) The Agent shall distribute payments received by it in relation to all or any part of a Loan to the Lender indicated in the records of the Agent as being so entitled on that date, *provided that* the Agent is authorised to distribute payments to be made on the date on which any transfer becomes effective pursuant to Clause 25 (*Changes to the Lenders*) to the Lender so entitled immediately before such transfer took place regardless of the period to which such sums relate.

### 31.3 Distributions to an Obligor

The Agent may (with the consent of the Obligor or in accordance with Clause 32 (*Set off*)) apply any amount received by it for that Obligor in or towards payment (on the date and in the currency and funds of receipt) of any amount due from that Obligor under the Finance Documents or in or towards purchase of any amount of any currency to be so applied.

### 31.4 Clawback

(a) Where a sum is to be paid to the Agent under the Finance Documents for another Party, the Agent is not obliged to pay that sum to that other Party (or to enter into or perform any related exchange contract) until it has been able to establish to its satisfaction that it has actually received that sum.

(b) Unless paragraph (c) below applies, if the Agent pays an amount to another Party and it proves to be the case that the Agent had not actually received that amount, then the Party to whom that amount (or the proceeds of any related exchange contract) was paid by the Agent shall on demand refund the same to the Agent together with interest on that amount from the date of payment to the date of receipt by the Agent, calculated by the Agent to reflect its cost of funds.

(c) If the Agent has notified the Lenders that it is willing to make available amounts for the account of the Borrower before receiving funds from the Lenders then if and to the extent that the Agent does so but it proves to be the case that it does not then receive funds from a Lender in respect of a sum which it paid to the Borrower:

(i) the Agent shall notify the Borrower of that Lender's identity and the Borrower shall on demand refund it to the Agent; and

(ii) the Lender by whom those funds should have been made available or, if that Lender fails to do so in circumstances where the Borrower had requested that the Agent make available amounts for the account of the Borrower before receiving funds from the Lenders only, the Borrower, shall on demand pay to the Agent the amount (as certified by the Agent) which will indemnify the Agent against any funding cost incurred by it as a result of paying out that sum before receiving those funds from that Lender.

**31.5 Impaired Agent**

(a) If, at any time, the Agent becomes an Impaired Agent, an Obligor or a Lender which is required to make a payment under the Finance Documents to the Agent in accordance with Clause 31.1 (*Payments to the Agent*) may instead either:

(i) pay that amount direct to the required recipient(s); or

(ii) if, in its absolute discretion, it considers that it is not reasonably practicable to pay that amount direct to the required recipient(s), pay that amount or the relevant part of that amount to an interest-bearing account held with an Acceptable Bank within the meaning of paragraph (a) of the definition of "Acceptable Bank" and in relation to which no Insolvency Event has occurred and is continuing, in the name of the Obligor or the Lender making the payment (the "**Paying Party**") and designated as a trust account for the benefit of the Party or Parties beneficially entitled to that payment under the Finance Documents (the "**Recipient Party**" or "**Recipient Parties**").

In each case such payments must be made on the due date for payment under the Finance Documents.

(b) All interest accrued on the amount standing to the credit of the trust account shall be for the benefit of the Recipient Party or Recipient Parties *pro rata* to their respective entitlements.

(c) A Party which has made a payment in accordance with this Clause 31.5 shall be discharged of the relevant payment obligation under the Finance Documents and shall not take any credit risk with respect to the amounts standing to the credit of the trust account.

(d) Promptly upon the appointment of a successor Agent in accordance with Clause 28.12 (*Replacement of the Agent*), each Paying Party shall (other than to the extent that that Party has given an instruction pursuant to paragraph (e) below) give all requisite instructions to the bank with whom the trust account is held to transfer the amount (together with any accrued interest) to the successor Agent for distribution to the Recipient Party or Recipient Parties in accordance with Clause 31.2 (*Distributions by the Agent*).

(e) A Paying Party shall, promptly upon request by a Recipient Party and to the extent that:

(i) that it has not given an instruction pursuant to paragraph (d) above; and

(ii) that it has been provided with the necessary information by that Recipient Party,

give all requisite instructions to the bank with whom the trust account is held to transfer the relevant amount (together with any accrued interest) to that Recipient Party.

**31.6 Partial payments**

(a) If the Agent receives a payment for application against amounts due in respect of any Finance Documents that is insufficient to discharge all the amounts then due and payable by an Obligor under those Finance Documents, the Agent shall apply that payment towards the obligations of that Obligor under those Finance Documents in the following order:

(i) *firstly*, following the delivery of an Enforcement Notice, in payment of all costs and expenses incurred by or on behalf of the Agent, the Common Security Agent, the POA Agent or the Intercreditor Agent in connection with such enforcement or recovery and which have been certified, in writing, as having been incurred by the Agent, the Common Security Agent, the POA Agent or the Intercreditor Agent;

(ii) *secondly*, in or towards payment *pro rata* of any unpaid fees, costs and expenses of the Agent, the Common Security Agent, the POA Agent and the Intercreditor Agent under those Finance Documents;

(iii) *thirdly*, in payment *pro rata* of all amounts paid by any Secured Party under Clause 28.10 (*Lenders' indemnity to the Agent*) but which have not been reimbursed by the Borrower;

(iv) *fourthly*, in or towards payment *pro rata* of all accrued interest, costs, fees and expenses due and payable to the Lenders under the Finance Documents;

(v) *fifthly*, in or towards payment *pro rata* of:

(A) subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, any principal due and payable under the Term Loan Facility to the extent due and payable to the Lenders; and

(B) any principal due but unpaid under the Revolving Facility; and

(vi) *sixthly*, in or towards payment *pro rata* of any other sum due but unpaid under the Finance Documents.

(b) Subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, the Agent shall, if so directed by the Lenders, vary the order set out in paragraphs (a)(iii) to (vi) above.

(c) Paragraphs (a) and (b) above will override any appropriation made by an Obligor.

### 31.7 No set off by Obligors

All payments to be made by an Obligor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set off or counterclaim.

### 31.8 Business Days

(a) Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

(b) During any extension of the due date for payment of any principal or Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.

### 31.9 Currency of account

(a) Subject to paragraphs (b) to (e) below, HK dollars is the currency of account and payment for any sum due from an Obligor under any Finance Document.

(b) A repayment of a Utilisation or Unpaid Sum or a part of a Utilisation or Unpaid Sum shall be made in the currency in which that Utilisation or Unpaid Sum is denominated on its due date.

(c) Each payment of interest shall be made in the currency in which the sum in respect of which the interest is payable was denominated when that interest accrued.

(d) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.

(e) Any amount expressed to be payable in a currency other than HK dollars shall be paid in that other currency.

### 31.10 Change of currency

(a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:

 (i) any reference in the Finance Documents to, and any obligations arising under the Finance Documents in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Agent (after consultation with the Borrower); and

 (ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Agent (acting reasonably).

(b) If a change in any currency of a country occurs, this Agreement will, to the extent the Agent (acting reasonably and after consultation with the Borrower) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the Relevant Interbank Market and otherwise to reflect the change in currency.

### 31.11 Disruption to payment systems, etc.

If the Agent determines (in its discretion) that a Disruption Event has occurred or the Agent is notified by the Borrower that a Disruption Event has occurred:

(a) the Agent may, and shall if requested to do so by the Borrower, consult with the Borrower with a view to agreeing with the Borrower such changes to the operation or administration of the Facilities as the Agent may deem necessary in the circumstances;

(b) the Agent shall not be obliged to consult with the Borrower in relation to any changes mentioned in paragraph (a) above if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes;

(c) the Agent may consult with the Finance Parties in relation to any changes mentioned in paragraph (a) above but shall not be obliged to do so if, in its opinion, it is not practicable to do so in the circumstances;

(d) any such changes agreed upon by the Agent and the Borrower shall (whether or not it is finally determined that a Disruption Event has occurred) be binding upon the Parties as an amendment to (or, as the case may be, waiver of) the terms of the Finance Documents notwithstanding the provisions of Clause 37 (*Amendments and waivers*);

(e) the Agent shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever (including, without limitation for negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this Clause 31.11; and

(f) the Agent shall notify the Finance Parties of all changes agreed pursuant to paragraph (d) above.

## 32. Set off

Subject to the terms of Clause 30 (*Sharing among the Finance Parties*), a Finance Party may set off any matured obligation due from an Obligor under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to that Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set off.

## 33. Notices

### 33.1 Communications in writing

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax or letter.

### 33.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Finance Documents is:

(a) in the case of the Borrower and each other Obligor that is a Party as at the 2016 Amendment and Restatement Date, that identified with its name in the signing pages to the Intercreditor Agreement;

(b) in the case of the Original Lender and the Agent, that identified with its name in the signing pages to the Intercreditor Agreement;

(c) in the case of the Common Security Agent and the POA Agent, that identified with its name in the signing pages to the Intercreditor Agreement; and

(d) in the case of each other Lender and each other Obligor, that notified in writing to the Agent on or prior to the date on which it becomes a Party,

or any substitute address, fax number or department or officer as the Party may notify to the Agent (or the Agent may notify to the other Parties, if a change is made by the Agent) by not less than 10 Business Days' notice.

**33.3 Delivery**

(a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:

(i) if by way of fax, when received in legible form; or

(ii) if by way of letter, when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 33.2 (*Addresses*), if addressed to that department or officer.

(b) Any communication or document to be made or delivered to the Agent, the POA Agent or the Common Security Agent will be effective only when actually received by the Agent, the POA Agent or Common Security Agent (as applicable) and then only if it is expressly marked for the attention of the department or officer identified with the Agent's, POA Agent's or Common Security Agent's signature in the 2016 Amendment and Restatement Agreement or Intercreditor Agreement (as applicable) (or any substitute department or officer as the Agent, the POA Agent or Common Security Agent (as applicable) shall specify for this purpose).

(c) All notices from or to an Obligor shall be sent through the Agent.

(d) Any communication or document made or delivered to the Borrower in accordance with this Clause 33.3 will be deemed to have been made or delivered to each of the Obligors.

**33.4 Notification of address and fax number**

Promptly upon changing its own address or fax number, the Agent shall notify the other Parties.

**33.5 Communication when Agent is Impaired Agent**

If the Agent is an Impaired Agent the Parties may, instead of communicating with each other through the Agent, communicate with each other directly and (while the Agent is an Impaired Agent) all the provisions of the Finance Documents which require communications to be made or notices to be given to or by the Agent shall be varied so that communications may be made and notices given to or by the relevant Parties directly. This provision shall not operate after a replacement Agent has been appointed.

**33.6 Electronic communication**

(a) Any communication to be made between the Agent, the POA Agent or the Common Security Agent and a Lender under or in connection with the Finance Documents may be made by electronic mail or other electronic means, if the Agent, the POA Agent, the Common Security Agent (as applicable) and the relevant Lender:

(i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;

(ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and

(iii) notify each other of any change to their address or any other such information supplied by them.

(b) Any electronic communication made between the Agent and a Lender, the POA Agent or the Common Security Agent will be effective only when actually received in readable form and in the case of any electronic communication made by a Lender to the Agent, the POA Agent or the Common Security Agent only if it is addressed in such a manner as the Agent, the POA Agent or Common Security Agent (as applicable) shall specify for this purpose.

(c) Notwithstanding the foregoing, each Party hereto agrees that the Agent may make information, documents and other materials that any Obligor is obligated to furnish to the Agent pursuant to the Finance Documents (together, "**Communications**") available to any Finance Party by posting the Communications on IntraLinks or another relevant website, if any, to which such Finance Party has access (whether a commercial, third-party website or whether sponsored by the Agent) (the "**Platform**"). Nothing in this Clause 33.6 shall prejudice the right of the Agent to make the Communications available to any Finance Party in any other manner specified in this Agreement or any other Finance Documents.

(d) Each Finance Party agrees that e-mail notice to it (at the address provided pursuant to the next sentence and deemed delivered as provided in the next paragraph) specifying that Communications have been posted to the Platform shall constitute effective delivery of such Communications to such Finance Party for purposes of this Agreement and the other Finance Documents. Each Finance Party agrees:

(i) to notify the Agent in writing (including by electronic communication) from time to time to ensure that the Agent has on record an effective e-mail address for such Finance Party to which the foregoing notice may be sent by electronic transmission; and

(ii) that the foregoing notice may be sent to such e-mail address.

(e) Notwithstanding paragraph (f) below, each Party hereto agrees that any electronic communication referred to in this Clause 33.6 shall be deemed delivered upon the posting of a record of such communication (properly addressed to such party at the e-mail address provided to the Agent) as "sent" in the e-mail system of the sending party or, in the case of any such communication to the Agent, upon the posting of a record of such communication as "received" in the e-mail system of the Agent; *provided that* if such communication is not so received by a Finance Party in the place of receipt on a Business day or is not so received by a Finance Party on before 5.00 pm in the place of receipt on a Business Day, such communication shall be deemed delivered at the opening of business on the next Business Day for that Finance Party.

(f) Each Party hereto acknowledges that:

(i) the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution;

(ii) the Communications and the Platform are provided "as is" and "as available";

(iii) none of the Agent, its affiliates nor any of their respective officers, directors, employees, agents, advisors or representatives (collectively, the "**Agency Parties**") warrants the adequacy, accuracy or completeness of the Communications or the Platform, and each Agency Party expressly disclaims liability for errors or omissions in any Communications or the Platform; and

(iv) no representation or warranty of any kind, express, implied or statutory, including any representation or warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by any Agency Party in connection with any Communications or the Platform.

(g) Each Obligor hereby acknowledges that from time to time certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to MPEL, any of its Subsidiaries or their respective securities) (each, a "**Public Lender**"). Each Obligor hereby agrees that:

(i) Communications that are to be made available on the Platform to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof;

(ii) by marking Communications "PUBLIC," each Obligor shall be deemed to have authorised the Finance Parties to treat such Communications as either publicly available information or not-material information (although it may be sensitive and proprietary) with respect to MPEL, any of its Subsidiaries or their respective securities for purposes of US federal and state securities laws;

(iii) all Communications marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Lender"; and

(iv) the Agent shall be entitled to treat any Communications that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Lender".

**33.7 English language**

(a) Any notice given under or in connection with any Finance Document must be in English.

(b) All other documents provided under or in connection with any Finance Document must be:

(i) in English; or

(ii) if not in English, and if so required by the Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document or is required by law to be in one of the Macau SAR official languages (Chinese or Portuguese) and/or is to be filed with any Macau SAR Governmental Authority, in which case a Chinese or Portuguese version (as applicable) shall prevail.

## 34. Calculations and certificates

### 34.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by a Finance Party are *prima facie* evidence of the matters to which they relate.

### 34.2 Certificates and determinations

Any certification or determination by a Finance Party of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

### 34.3 Day count convention

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days.

### 34.4 Personal liability

No director, officer, employee or other individual acting (or purporting to act) on behalf of the Parent, any member of the Group (or any Affiliate of a member of the Group) shall be personally liable for:

(a) any representation, certification or statement made or deemed to be made by him or her, the Parent or any other member of the Group in any Finance Document; or

(b) any certificate, notice or other document required to be delivered under, or in connection with, any Finance Document, whether or not signed by that director, officer, employee or other individual,

where such representation, certification, statement, certificate, notice or other document proves to be incorrect or misleading, unless that individual acted fraudulently, recklessly or with an intention to mislead, in which case any liability will be determined in accordance with applicable law. Any director, officer, employee or other individual to whom this Clause 34.4 is expressed to apply may rely on this Clause 34.4, subject to Clause 1.3 (*Third party rights*) and the provisions of the Third Parties Act.

## 35. Partial invalidity

If, at any time, any provision of a Finance Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

## 36. Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Finance Party or Secured Party, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any Finance Document. No election to affirm any Finance Document on the part of any Finance Party or Secured Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Finance Documents are cumulative and not exclusive of any rights or remedies provided by law.

**37. Amendments and waivers**

**37.1 Intercreditor Agreement**

This Clause 37 is subject to the terms of the Intercreditor Agreement.

**37.2 Required consents**

(a) Subject to Clause 37.3 (*Exceptions*) and paragraphs (b) and (d) below, any term of the Finance Documents (other than the Mandate Documents and the Fee Letters) may be amended or waived only with the consent of the Majority Lenders and the Parent and any such amendment or waiver will be binding on all Parties.

(b) The Agent may effect, on behalf of any Finance Party:

(i) any amendment or waiver or enter into any document or do any other act or thing permitted by this Clause 37 and any other provision of the Finance Documents; and

(ii) pursuant to paragraph (a) of Clause 28.2 (*Instructions*), any amendment or waiver of, or in respect of, such matters as it determines to be of a minor technical or administrative nature or of a non-credit related nature or to correct a manifest error.

(c) Without prejudice to the generality of paragraphs (c) and (d) of Clause 28.6 (*Rights and discretions*), the Agent may engage, pay for and rely on the services of lawyers in determining the consent level required for and effecting any amendment, waiver of consent under the Finance Documents.

(d) Each Obligor agrees to any such amendment or waiver permitted by this Clause 37 which is agreed to by the Parent, including any amendment or waiver which would, but for this paragraph (d), require the consent of all of the Guarantors.

**37.3 Exceptions**

(a) An amendment, consent or waiver that has the effect of changing or which relates to:

(i) the definition of “Change of Control” or “Majority Lenders” in Clause 1.1 (*Definitions*) and Schedule 11 (*Definitions*);

(ii) an extension to the date of payment of any amount under the Finance Documents;

(iii) a reduction in the Margin or a reduction in the amount of any payment of principal, interest, fees or commission payable;

(iv) a change in currency of payment of any amount under the Finance Documents;

(v) an increase in or an extension of any Commitment or the Total Commitments;

(vi) a change to the Borrower;

(vii) a change to the Guarantors, other than in accordance with Clause 27 (*Changes to the Obligors*);

(viii) any provision which expressly requires the consent of all the Lenders;

(ix) Clause 2.3 (*Finance Parties' rights and obligations*), Clause 8.1 (*Illegality*), Clause 9 (*Mandatory prepayment*) (save for an amendment, waiver or other exercise of any right, power or discretion in respect of Clause 10 (*Restrictions*)), Clause 25 (*Changes to the Lenders*), Clause 30 (*Sharing among the Finance Parties*), Clause 31.6 (*Partial payments*) or this Clause 37;

(x) the nature or scope of the guarantee and indemnity granted under Clause 20 (*Guarantee and indemnity*);

(xi) the nature or scope of the Charged Property or the manner in which the proceeds of enforcement of the Transaction Security are distributed (except in each case insofar as it relates to a sale or disposal of an asset which is the subject of the Transaction Security where such sale or disposal is expressly permitted under this Agreement or any other Finance Document);

(xii) the release of any guarantee and indemnity granted under Clause 20 (*Guarantee and indemnity*) or of any Transaction Security unless permitted under this Agreement or any other Finance Document or relating to a sale or disposal or reorganisation of an asset which is the subject of the Transaction Security where such sale or disposal or reorganisation is expressly permitted under this Agreement or any other Finance Document;

(xiii) any requirement that a cancellation of Commitments (in respect of any Facility) reduces the Commitments of the Lenders (in respect of such Facility) rateably;

(xiv) a change to the governing law or jurisdiction provisions of any Finance Document;

(xv) any amendment to the order of priority or subordination under the Intercreditor Agreement or the manner in which the proceeds of enforcement of the Transaction Security are to be distributed; or

(xvi) any amendment to Clause 23.14,

shall not be made without the prior consent of all the Lenders.

(b) The Transaction Security Documents may be amended, varied, waived or modified with the agreement of the relevant Obligor or Security Provider and the Common Security Agent (acting in accordance with the Intercreditor Agreement).

(c) An amendment or waiver which relates to the rights or obligations of the Agent, the POA Agent, any Ancillary Lender or the Common Security Agent may not be effected without the consent of the Agent, the POA Agent, that Ancillary Lender or the Common Security Agent (as applicable).

(d) Any amendment or waiver which:

(i) relates only to the rights or obligations applicable to a particular class of Lender(s) or group of Lenders; and

(ii) would not reasonably be expected to materially and adversely affect the rights or interests of Lenders in respect of another class or group of Lender(s),

may be made in accordance with this Clause 37 but as if references in this Clause 37 to the specified proportion of Lenders (including, for the avoidance of doubt, all the Lenders) whose consent would, but for this paragraph (d), be required for that amendment or waiver were to that proportion of the Lenders participating in forming part of that particular class.

(e) An amendment, consent or waiver which relates to a prepayment to a Lender which is required under Clause 8.1 (*Illegality*), paragraph (a) of Clause 9.2 (*Change of Control and Disposal Prepayment Event*) or Clause 9.3 (*High Yield Notes and Bondco Loans*) shall only require the consent of the Borrower and the Lender to which that amount has become payable under such provision.

**37.4 Disenfranchisement of Conflicted Lenders, Defaulting Lenders and Non-Responding Lenders**

(a) In ascertaining the Majority Lenders or whether any given percentage (including, for the avoidance of doubt, unanimity) of the Total Commitments or Total Revolving Credit Facility Commitments and/or participations in the Facility A Loan has been obtained to approve any request for a consent, waiver, amendment or other vote under the Finance Documents, the Commitments and participations of any Conflicted Lender, any Defaulting Lender or any Non-Responding Lender will be deemed to be zero and its status as a Lender ignored.

(b) For the purposes of this Clause 37.4, the Agent may assume that the following Lenders are Conflicted Lenders or Defaulting Lenders (as applicable):

(i) any Lender which has notified the Agent that it has become a Conflicted Lender or Defaulting Lender;

(ii) any Lender in relation to which it is aware that any of the events or circumstances referred to in paragraphs (a), (b) or (c) of the definition of "Defaulting Lender",

unless it has received notice to the contrary from the Lender concerned (together with any supporting evidence reasonably requested by the Agent) or the Agent is otherwise aware that the Lender has ceased to be a Conflicted Lender or a Defaulting Lender.

**37.5 Replaceable Lenders**

Subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, if at any time a Lender has become and continues to be a Replaceable Lender, the Borrower may by giving 10 Business Days' prior written notice to the Agent and such Lender:

(a) replace such Lender by requiring such Lender to (and, to the extent permitted by law, such Lender shall) transfer pursuant to Clause 25 (*Changes to the Lenders*) all (and not part only) of its rights and obligations under this Agreement to a Lender or other bank, financial institution, trust, fund or other entity (other than a member of the Group) (a "**Replacement Lender**") selected by the Borrower which confirms its willingness to assume and does assume all the obligations or all the relevant obligations of the transferring Lender in accordance with Clause 25 (*Changes to the Lenders*) (including the assumption of the transferring Lender's participations or unfunded participations (as the case may be) on the same basis as the transferring Lender) for a purchase price in cash payable at the time of transfer in an amount equal to the outstanding principal amount of such Lender's participation in the outstanding Utilisations and all accrued interest and Break Costs and other amounts payable in relation thereto under the Finance Documents (without other premium or penalty); or

(b) (in the case of any Replaceable Lender other than an Illegal Lender) give the Agent notice of the cancellation of the Commitment(s) of that Replaceable Lender and its intention to procure the prepayment of that Replaceable Lender's participation in the Revolving Facility Loan(s) (a "**Cancellation Notice**") subject to the payment of any fees, costs, expenses then due and payable under the Finance Documents to that Replaceable Lender, provided that such Cancellation Notice is note delivered to the Agent later than 60 days after the date on which the Borrower first became aware that such Lender become a Replaceable Lender.

### 37.6 Conditions of replacement of a Replaceable Lender

(a) Any transfer of rights and obligations of a Replaceable Lender pursuant to paragraph (a) of Clause 37.5 (*Replaceable Lenders*) shall be subject to the following conditions:

(i) the Borrower shall have no right to replace the Agent, Common Security Agent or the POA Agent;

(ii) neither the Agent nor the Replaceable Lender shall have any obligation to the Borrower to find a Replacement Lender;

(iii) the transfer must take place no later than 60 days after the date on which the Borrower first became aware that such Lender become a Replaceable Lender;

(iv) in no event shall the Replaceable Lender be required to pay or surrender to the Replacement Lender any of the fees received by such Replaceable Lender pursuant to the Finance Documents;

(v) the Replaceable Lender shall only be obliged to transfer its rights and obligations pursuant to paragraph (a) of Clause 37.5 (*Replaceable Lenders*) once it is satisfied that it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to that transfer to the Replacement Lender.

(b) The Replaceable Lender shall perform the checks described in paragraph (a)(v) above as soon as reasonably practicable following delivery of a notice referred to in paragraph (a) of Clause 37.5 (*Replaceable Lenders*) and shall notify the Agent and the Borrower when it is satisfied that it has complied with those checks.

### 37.7 Cancellation and repayment of a Replaceable Lender (other than an Illegal Lender)

In the case where the Borrower gives a Cancellation Notice in respect of a Replacement Lender pursuant to paragraph (b) of Clause 37.5 (*Replaceable Lenders*):

(a) upon such Cancellation Notice becoming effective (as specified in such Cancellation Notice), the Commitment of that Replaceable Lender in respect of each Facility shall immediately be reduced to zero, *provided that* the Total Commitments may (at the Borrower's option) be simultaneously with or subsequent to that cancellation be increased in accordance with Clause 2.2 (*Increase*); and

(b) to the extent that such Replaceable Lender's participation in a Utilisation has not been transferred pursuant to paragraph (a) of Clause 37.5 (*Replaceable Lenders*), the Borrower shall, on the last day of the first Interest Period (relating to such Revolving Facility Loan(s)) which ends after the Borrower delivered such Cancellation Notice (or, if earlier, the date specified by the Borrower in that Cancellation Notice) repay that Replaceable Lender's participation in such Revolving Facility Loan(s) together with all interest thereon and other amounts accrued under the Finance Documents in relation thereto (together with Break Costs and other amounts payable),

*provided that* any such repayment may only be funded with amounts that could, at the time of such repayment (and on a *pro forma* basis as if such payment were a Restricted Payment), be paid as a Restricted Payment in accordance with Section 2 (*Limitation on Restricted Payments*) of Schedule 10 (*Covenants*) pursuant to Clause 23.1 (*Notes covenants*).

## 38. Disclosure of information

### 38.1 Confidential Information

Each Finance Party agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by Clause 38.2 (*Disclosure of information*), and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to its own confidential information.

### 38.2 Disclosure of Confidential Information

Any Finance Party may disclose:

(a) to any of its Affiliates, head office and any other branch and Related Funds and any of its or their officers, directors, employees, professional advisers, Representatives and (unless it relates to any Services and Right to Use Agreement Confidential Information) auditors such Confidential Information as that Finance Party shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph (a) is informed in writing of (x) its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information and (y) in the case of any Services and Right to Use Agreement Confidential Information, that the Borrower Group is subject to a duty of confidentiality to the government and/or the relevant public regulatory authorities of the Macau SAR;

(b) to any person:

(i) to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents or succeeds (or which may potentially succeed) it as Agent or Common Security Agent or POA Agent, and in each case, to any of that person's Affiliates, head office and any other branch, Related Funds, Representatives and professional advisers;

(ii) with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Finance Documents and/or one or more Obligors and to any of that person's Affiliates, Related Funds, representatives and professional advisers;

(iii) appointed by any Finance Party or by a person to whom sub paragraph (i) or (ii) above applies to receive communications, notices, information or documents delivered pursuant to the Finance Documents on its behalf (including, without limitation, any person appointed under paragraph (c) of Clause 28.14 (*Relationship with the Lenders*));

(iv) who invests in or otherwise finances (or may potentially invest in or otherwise finance), directly or indirectly, any transaction referred to in paragraph (i) or (ii) above;

(v) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;

(vi) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes;

(vii) to whom or for whose benefit that Finance Party charges, assigns or otherwise creates Security (or may do so) pursuant to Clause 25.8 (*Security Interests over Lenders' rights*);

(viii) who is a Party; or

(ix) with the prior written consent of the Borrower,

in each case, such Confidential Information as that Finance Party shall consider appropriate if:

(A) in relation to paragraphs (b)(i), (ii) and (iii) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking except that there shall be no requirement for a Confidentiality Undertaking if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the Confidential Information;

(B) in relation to paragraph (b)(iv) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking or is otherwise bound by requirements of confidentiality in relation to the Confidential Information they receive and is informed that some or all of such Confidential Information may be price-sensitive information;

(C) in relation to paragraphs (b)(v), (vi) and (vii) above, the person to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of that Finance Party, it is not practicable so to do in the circumstances;

(c) to any person appointed by that Finance Party or by a person to whom paragraph (b)(i) or (ii) above applies to provide administration or settlement services in respect of one or more of the Finance Documents including without limitation, in relation to the trading of participations in respect of the Finance Documents, such Confidential Information as may be required to be disclosed to enable such service provider to provide any of the services referred to in this paragraph (c) if the service provider to whom the Confidential Information is to be given has entered into a confidentiality agreement substantially in the form of the LMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Borrower and the relevant Finance Party;

(d) to any rating agency (including its professional advisers) such Confidential Information as may be required to be disclosed to enable such rating agency to carry out its normal rating activities in relation to the Finance Documents and/or the Obligors if the rating agency to whom the Confidential Information is to be given is informed of (x) its confidential nature and that some or all of such Confidential Information may be price-sensitive information and (y) in the case of any Services and Right to Use Agreement Confidential Information, that the Group is subject to a duty of confidentiality to the government and/or the relevant public regulatory authorities of the Macau SAR; and

(e) to the International Swaps and Derivatives Association, Inc. ("ISDA") or any Credit Derivatives Determination Committee or sub-committee of ISDA where such disclosure is required by them in order to determine whether the obligations under the Finance Documents will be, or in order for the obligations under the Finance Documents to become, deliverable under a credit derivative transaction or other credit linked transaction which incorporates the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement or other provisions substantially equivalent thereto if ISDA is informed of (x) its confidential nature and that some or all of such Confidential Information may be price-sensitive information and (y) in the case of any Services and Right to Use Agreement Confidential Information, that the Borrower Group is subject to a duty of confidentiality to the government and/or the relevant public regulatory authorities of the Macau SAR.

**38.3 Disclosure to numbering service providers**

(a) Any Finance Party may disclose to any national or international numbering service provider appointed by that Finance Party to provide identification numbering services in respect of this Agreement, the Facilities and/or one or more Obligors the following information:

(i) names of Obligors;

(ii) country of domicile of Obligors;

(iii) place of incorporation of Obligors;

(iv) date of this Agreement;

(v) Clause 41 (Governing Law):

(vi) the name of the Agent;

(vii) date of each amendment and restatement of this Agreement;

(viii) amounts of, and names of, the Facilities (and any tranches):

(ix) amount of Total Commitments;

(x) currencies of the Facilities;

(xi) type of Facilities;

(xii) ranking of Facilities;

(xiii) Termination Date for Facilities;

(xiv) changes to any of the information previously supplied pursuant to paragraphs (i) to (xiii) above; and

(xv) such other information agreed between such Finance Party and the Borrower,

to enable such numbering service provider to provide its usual syndicated loan numbering identification services.

(b) The Parties acknowledge and agree that each identification number assigned to this Agreement, the Facilities and/or one or more Obligors by a numbering service provider and the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider.

(c) The Borrower represents that none of the information set out in paragraphs (i) to (xv) of paragraph (a) above is, nor will at any time be, unpublished price-sensitive information.

(d) The Agent shall notify the Borrower and the other Finance Parties of:

(i) the name of any numbering service provider appointed by the Agent in respect of this Agreement, the Facilities and/or one or more Obligors; and

(ii) the number or, as the case may be, numbers assigned to this Agreement, the Facilities and/or one or more Obligors by such numbering service provider.

**38.4 Entire agreement**

This Clause 38 constitutes the entire agreement between the Parties in relation to the obligations of the Finance Parties under the Finance Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

**38.5 Inside information**

Each of the Finance Parties acknowledges that some or all of the Confidential Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and each of the Finance Parties undertakes not to use any Confidential Information for any unlawful purpose.

**38.6 Notification of disclosure**

Each of the Finance Parties agrees (to the extent permitted by law and regulation) to inform the Borrower:

(a) of the circumstances of any disclosure of Confidential Information made pursuant to paragraph (b)(v) of Clause 38.2 (*Disclosure of Confidential Information*) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and

(b) upon becoming aware that Confidential Information has been disclosed in breach of this Clause 38.

**38.7 Continuing obligations**

The obligations in this Clause 38 are continuing and, in particular, shall survive and remain binding on each Finance Party for a period of twelve months from the earlier of:

(a) the date on which all amounts payable by the Obligors under or in connection with the Finance Documents have been paid in full and all Commitments have been cancelled or otherwise cease to be available; and

(b) the date on which such Finance Party otherwise ceases to be a Finance Party.

## 38.8 Tax Disclosure

Notwithstanding any of the provisions of the Finance Documents, the Obligors and the Finance Parties hereby agree that each Party and each employee, representative or other agent of each Party may disclose to any and all persons, without limitation of any kind, the "tax structure" and "tax treatment" (in each case within the meaning of the U.S. Treasury Regulation Section 1.6011-4) of the Facility and any materials of any kind (including opinions or other tax analyses) that are provided to any of the foregoing relating to such tax structure and tax treatment to the extent, but only to the extent, necessary for the transaction to avoid being considered a confidential transaction for purposes of U.S. Treasury Regulation section 1.6011-4(b)(3).

## 39. Counterparts

Each Finance Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Finance Document.

## 40. USA Patriot Act

Each Lender hereby notifies each Obligor that pursuant to the requirements of the USA Patriot Act, such Lender is required to obtain, verify and record information that identifies such Obligor, which information includes the name and address of such Obligor and other information that will allow such Lender to identify such Obligor in accordance with the USA Patriot Act.

## SECTION 12
## GOVERNING LAW AND ENFORCEMENT

**41. Governing law**

**41.1 Governing law**

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

**41.2 Schedule 10 (*Covenants*) and Schedule 11 (*Definitions*)**

Without prejudice to Clause 41.1 (*Governing law*), the Parties agree that Schedule 10 (*Covenants*) and Schedule 11 (*Definitions*) shall be construed in accordance with New York law.

**42. Enforcement**

**42.1 Jurisdiction of English courts**

(a) The courts of England have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a "**Dispute**").

(b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

(c) This Clause 42.1 is for the benefit of the Finance Parties and Secured Parties only. As a result, no Finance Party or Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties and Secured Parties may take concurrent proceedings in any number of jurisdictions.

**42.2 Service of process**

(a) Without prejudice to any other mode of service allowed under any relevant law, each Obligor:

(i) irrevocably appoints Law Debenture Corporate Service Limited as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and

(ii) agrees that failure by an agent for service of process to notify the relevant Obligor of the process will not invalidate the proceedings concerned.

(b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Borrower (on behalf of all the Obligors) must immediately (and in any event within three (3) Business Days of such event taking place) appoint another agent on terms acceptable to the Agent. Failing this, the Agent may appoint another agent for this purpose.

**This Agreement has been entered into on the date stated at the beginning of this Agreement.**

**Schedule 1**
**Original Parties**

**Part 1**
**Original Facility A Lender**

| Name of Original Facility A Lender | Facility A Participation (HK$) |
|---|---|
| Bank of China Limited, Macau Branch | 1,000,000 |
| *Total* | 1,000,000 |

**Part 2**
**Original Revolving Facility Lender**

| Name of Original Revolving Facility Lender | Revolving Facility Commitment (HK$) |
|---|---|
| Bank of China Limited, Macau Branch | 233,000,000 |
| *Total* | 233,000,000 |

**Part 3**
**Original Guarantors**

| Original Guarantor | Jurisdiction of incorporation | Registration Number (or equivalent) |
|---|---|---|
| Studio City Investments Limited | British Virgin Islands | 1673083 |
| Studio City Holdings Two Limited | British Virgin Islands | 402572 |
| Studio City Holdings Three Limited | British Virgin Islands | 1746781 |
| Studio City Holdings Four Limited | British Virgin Islands | 1746782 |
| SCP Holdings Limited | British Virgin Islands | 1697577 |
| SCP One Limited | British Virgin Islands | 1697795 |
| SCP Two Limited | British Virgin Islands | 1697797 |
| SCIP Holdings Limited | British Virgin Islands | 1789810 |
| Studio City Entertainment Limited | Macau SAR | 27610 |
| Studio City Services Limited | Macau SAR | 40053 |
| Studio City Hotels Limited | Macau SAR | 41334 |
| Studio City Hospitality and Services Limited | Macau SAR | 40168 |
| Studio City Developments Limited | Macau SAR | 14311 |
| Studio City Retail Services Limited | Macau SAR | 45208 |

**Schedule 2**
**Conditions precedent required to be delivered by an Additional Guarantor**

1. An Accession Letter executed by the Additional Guarantor and the Borrower.

2. A copy of the Constitutional Documents of the Additional Guarantor.

3. In the case of any Additional Guarantor who is a US Person, a copy of a good standing certificate (including verification of tax status) or equivalent with respect to the Additional Guarantor, issued as of a recent date by the Secretary of State or other relevant State or other Governmental Authority.

4. A copy of a resolution of the board of directors or sole director of the Additional Guarantor:

   (a) approving the terms of, and the transactions contemplated by, the Accession Letter and the Transaction Documents to which it is a party and resolving that it execute, deliver and perform the Accession Letter and any other Transaction Documents to which it is a party;

   (b) authorising a specified person or persons to execute the Accession Letter and other Transaction Documents on its behalf; and

   (c) authorising the Borrower to act as its agent in connection with the Finance Documents.

5. A specimen of the signature of each person authorised by the resolution referred to in paragraph 4 above.

6. A copy of a resolution signed by all the holders of the issued shares in each Additional Guarantor, approving the terms of, and the transactions contemplated by, the Transaction Documents to which it is a party.

7. A certificate of the Additional Guarantor (signed by a director) confirming that borrowing or guaranteeing or securing, as appropriate, the Total Commitments or the entry into or performance under any of the Transaction Documents to which it is a party would not cause any borrowing, guarantee, security or similar limit or any other Legal Requirement binding on it to be exceeded.

8. A certificate of an authorised signatory of the Additional Guarantor certifying that each document, copy document and other evidence listed in this Schedule 2 is correct, complete and in full force and effect and has not been amended or superseded as at a date no earlier than the date of the Accession Letter.

9. The following legal opinions:

   (a) A legal opinion of the legal advisers to the Agent and the Common Security Agent, as to English law.

   (b) If the Additional Guarantor is incorporated in a jurisdiction other than England and Wales or is executing a Finance Document which is governed by a law other than English law, a legal opinion of the legal advisers to the Agent and the Common Security Agent in each of those jurisdictions.

10. Evidence that the agent for service of process specified in Clause 42.2 (*Service of process*) has accepted its appointment in relation to the proposed Additional Guarantor.

11. Any Transaction Security Documents which are required by the Agent to be executed by the proposed Additional Guarantor (and which are in form and substance substantially equivalent to those entered into by the existing Obligors).

12. Any notices, requests for undertakings or other documents required to be given or executed under the terms of those Transaction Security Documents, together with, where relevant, their due acknowledgement and agreement by the addressee or any other person expressed to be a party thereto.

13. Evidence that promptly after the execution of any Transaction Security Document by a company incorporated in the British Virgin Islands (a "**BVI Company**"), such BVI Company has instructed (i) its registered agent in the British Virgin Islands to create and maintain a Register of Charges that complies with the BVI Business Companies Act, 2004 (as amended) (the "**BBCA**"), (ii) to enter particulars of the security created pursuant to such Transaction Security Document in such Register of Charges, and (iii) its registered agent to effect registration of such Transaction Security Document at the Registry pursuant to Section 163 of the BBCA.

14. Evidence that within 10 Business Days after the date of execution of any relevant Transaction Security Documents relating to shares in a BVI Company, (i) a notation of the security created by such Transaction Security Document has been made in the relevant Register of Members of such BVI Company pursuant to section 66(8) of the BBCA and (ii) a copy of such annotated Register of Members has been filed with the Registry.

15. A certified copy of each of the Registers of Members referred to and as annotated as set out in paragraph 14 above.

**Schedule 3**
**Requests and notices**

**Part 1**
**Utilisation Request**
**Revolving Facility**

From: Studio City Company Limited as Borrower

To: [*Agent*]

Date:

Dear Sirs

**Studio City Company Limited—Facilities Agreement originally dated 28 January 2013 (as amended and amended and restated from time to time) (the "Facilities Agreement")**

1. We refer to the Facilities Agreement. This is a Utilisation Request. Terms defined in the Facilities Agreement have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.

2. We wish to borrow a Revolving Facility Loan on the following terms:

| | |
|---|---|
| Proposed Utilisation Date: | [●]<br>(or, if that is not a Business Day, the next Business Day) |
| Currency of Loan: | HK dollars |
| Amount: | [●] or, if less, the Available Facility |
| Interest Period: | [●] |
| Purpose: | [●] |

3. We confirm that:

   (a) the purpose specified above complies with the permitted use of the Revolving Facility under the Facilities Agreement and the restrictions set out in of Clause 5.5 (*Limitations on utilisations*) of the Facilities Agreement and no part of the Loan will be applied otherwise than in accordance with such purpose; and

   (b) each condition specified in Clause 4.1 (*Utilisation conditions precedent*) is satisfied on the date of this Utilisation Request.

4. [This Revolving Facility Loan is to be made in [whole]/[part] for the purpose of refinancing [*identify maturing Revolving Facility Loan*].]/[The proceeds of this Loan should be credited to [*account*]].

5. This Utilisation Request is irrevocable.

Yours faithfully

______________________________

authorised signatory
for and on behalf of
**Studio City Company Limited**

**Part 2**

**Selection Notice**

From: Studio City Company Limited as Borrower

To: [*Agent*]

Date:

Dear Sirs

**Studio City Company Limited—Facilities Agreement originally dated 28 January 2013**
**(as amended and amended and restated from time to time) (the "Facilities Agreement")**

1. We refer to the Facilities Agreement. This is a Selection Notice. Terms defined in the Facilities Agreement have the same meaning in this Selection Notice unless given a different meaning in this Selection Notice.

2. The current Interest Period for the Facility A Loan will end on [●].

3. We request that the next Interest Period for the Facility A Loan is [●].

4. This Selection Notice is irrevocable.

Yours faithfully

______________________________

authorised signatory
for and on behalf of
**Studio City Company Limited**

**Schedule 4**
**Form of Transfer Certificate**

To: [●] as Agent and [●] as Intercreditor Agent

From: [*The Existing Lender*] (the "**Existing Lender**") and [*The New Lender*] (the "**New Lender**")

Dated:

Dear Sirs

**Studio City Company Limited—Facilities Agreement originally dated 28 January 2013**
**(as amended and amended and restated from time to time) (the "Facilities Agreement")**

1. We refer to the Facilities Agreement and to the Intercreditor Agreement (as defined in the Facilities Agreement). This agreement (the "**Agreement**") shall take effect as a Transfer Certificate for the purpose of the Facilities Agreement and as a Creditor/Creditor Representative Accession Undertaking for the purposes of the Intercreditor Agreement (and as defined in the Intercreditor Agreement). Terms defined in or construed for the purposes of the Facilities Agreement have the same meaning in this Agreement unless given a different meaning in this Agreement.

2. We refer to Clause 25.5 (*Procedure for transfer*) of the Facilities Agreement:

   (a) The Existing Lender and the New Lender agree to the Existing Lender transferring to the New Lender by novation all or part of the Existing Lender's Commitment(s) and/or all or part of the Existing Lender's participation(s) in Loan(s), rights and obligations referred to in the Schedule in accordance with Clause 25.5 (*Procedure for transfer*).

   (b) The Existing Lender transfers to the New Lender all the rights of the Existing Lender under the Onshore Security Documents and in respect of the Transaction Security created or expressed to be created thereunder which correspond to that portion of the Existing Lender's Commitment, rights and obligations referred to (if any) under the Onshore Security Documents in the Schedule.

   (c) The Existing Lender is released from all the obligations of the Existing Lender which correspond to that portion of the Existing Lender's Commitment, rights and obligations referred to (if any) under the Onshore Security Documents in the Schedule.

   (d) The proposed Transfer Date is [●].

   (e) The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of Clause 33.2 (*Addresses*) are set out in the Schedule.

3. The New Lender expressly acknowledges:

   (a) the limitations on the Existing Lender's obligations set out in paragraph (c) of Clause 25.4 (*Limitation of responsibility of Existing Lenders*); and

   (b) that it is the responsibility of the New Lender to ascertain whether any document is required or any formality or other condition requires to be satisfied to effect or perfect the transfer contemplated by this Transfer Certificate or otherwise to enable the New Lender to enjoy the full benefit of each Finance Document.

4. The New Lender confirms that it is a "New Lender" within the meaning of Clause 25.1 (*Assignments and transfers by the Lenders*).

5. The New Lender confirms that it [is]/[is not] a Sponsor Affiliate.

6. We refer to clauses 25.5 (*Change of Credit Facility Lender or Pari Passu Lender under an Existing Credit Facility or Pari Passu Facility*) and 25.14 (*Creditor/Creditor Representative Accession Undertaking*) of the Intercreditor Agreement:

   In consideration of the New Lender being accepted as a Credit Facility Lender (as defined in the Intercreditor Agreement) for the purposes of the Intercreditor Agreement, the Increase Lender confirms that, as from the Increase Date, it intends to be party to the Intercreditor Agreement as a Credit Facility Lender and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a Credit Facility Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.

7. This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on such counterparts were on a single copy of this Agreement.

8. This Agreement and any non-contractual obligations arising out of or in connection with it are governed by the laws of England and Wales.

**The execution of this Transfer Certificate may not entitle the New Lender to a proportionate share of the Transaction Security in all jurisdictions. It is the responsibility of the New Lender to ascertain whether any other documents or other formalities are required in any jurisdiction and, if so, to arrange for execution of those documents and completion of those formalities.**

**THE SCHEDULE**

**Commitment/rights and obligations to be transferred**

[*insert relevant details*]

[*Facility Office address, fax number and attention details for notices and account details for payments,*]

[*Existing Lender*]

By:

[*New Lender*]

By:

This Agreement is accepted as a Transfer Certificate for the purposes of the Facilities Agreement by the Agent and as a Creditor/Agent Accession Undertaking for the purposes of and as defined in the Intercreditor Agreement by the Intercreditor Agent, and the Transfer Date is confirmed as [●].

Agent

By:

Intercreditor Agent

By:

***Note: It is the New Lender's responsibility to ascertain whether any other document is required, or any formality or other condition is required to be satisfied, to effect or perfect the transfer contemplated in this Transfer Certificate or to give the New Lender full enjoyment of all the Finance Documents.***

**Schedule 5**
**Form of Assignment Agreement and Lender Accession Undertaking**

To: [●] as Agent and [●] as Intercreditor Agent

From: [*The Existing Lender*] (the "**Existing Lender**") and [*The New Lender*] (the "**New Lender**")

Dated:

Dear Sirs

**Studio City Company Limited—Facilities Agreement originally dated 28 January 2013**
**(as amended and amended and restated from time to time) (the "Facilities Agreement")**

1. We refer to the Facilities Agreement and to the Intercreditor Agreement (as defined in the Facilities Agreement). This is an Assignment Agreement and Lender Accession Undertaking. This agreement (the "**Agreement**") shall take effect as an Assignment Agreement and Lender Accession Undertaking for the purpose of the Facilities Agreement and as a Creditor/Creditor Representative Accession Undertaking for the purposes of the Intercreditor Agreement (and as defined in the Intercreditor Agreement). Terms defined in or construed for the purposes of the Facilities Agreement have the same meaning in this Agreement unless given a different meaning in this Agreement.

   (a) We refer to Clause 25.6 (*Procedure for assignment*) of the Facilities Agreement.

   (b) The Existing Lender assigns absolutely to the New Lender all the rights of the Existing Lender under the Facilities Agreement, the other Finance Documents (excluding the Onshore Security Documents) and under the Onshore Security Documents and in respect of the Transaction Security created or expressed to be created thereunder which correspond to that portion of the Existing Lender's Commitment(s) and/or all or part of the Existing Lender's participation(s) in Loan(s) under the Facilities Agreement and its rights and obligations referred to (if any) under the Onshore Security Documents in the Schedule.

   (c) The Existing Lender is released from all the obligations of the Existing Lender which correspond to that portion of the Existing Lender's Commitment(s) and/or all or part of the Existing Lender's participation(s) in Loan(s) under the Facilities Agreement and its rights and obligations referred to (if any) under the Onshore Security Documents in the Schedule.

2. The proposed Transfer Date is [●].

3. On the Transfer Date the New Lender becomes:

   (a) party to the relevant Finance Documents (other than the Intercreditor Agreement) as a Lender; and

   (b) party to the Intercreditor Agreement as a Credit Facility Lender.

4. The New Lender expressly acknowledges the limitations on the Existing Lender's obligations set out in paragraph (c) of Clause 25.4 (*Limitation of responsibility of Existing Lenders*).

5. The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of Clause 33.2 (*Addresses*) are set out in the Schedule.

6. The New Lender confirms that it [is]/[is not] a Sponsor Affiliate.

7. We refer to clauses 25.5 (*Change of Credit Facility Lender or Pari Passu Lender under an Existing Credit Facility or Pari Passu Facility*) and 25.14 (*Creditor/Creditor Representative Accession Undertaking*) of the Intercreditor Agreement:

   In consideration of the New Lender being accepted as a Credit Facility Lender (as defined in the Intercreditor Agreement) for the purposes of the Intercreditor Agreement, the Increase Lender confirms that, as from the Increase Date, it intends to be party to the Intercreditor Agreement as a Credit Facility Lender and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a Credit Facility Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.

8. This Agreement acts as notice to the Agent (on behalf of each Finance Party) and, upon delivery to the Borrower and the Parent in accordance with Clause 25.7 (*Copy of assignments, transfer and accession documents to the Borrower and Parent*), to the Borrower and to the Parent (for itself and for and on behalf of each other Obligor) of the assignment referred to in this Agreement.

9. This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

10. This Agreement and any non-contractual obligations arising out of or in connection with it are governed by the laws of England and Wales.

**The execution of this Assignment Agreement and Lender Accession Undertaking may not entitle the New Lender to a proportionate share of the Transaction Security in all jurisdictions. It is the responsibility of the New Lender to ascertain whether any other documents or other formalities are required in any jurisdiction and, if so, to arrange for execution of those documents and completion of those formalities.**

**THE SCHEDULE**

**Commitment/rights and obligations to be transferred by assignment, release and accession**

[*insert relevant details*]

[*Facility office address, fax number and attention details for notices and account details for payments*]

[*Existing Lender*]

By:

[*New Lender*]

By:

This Agreement is accepted as an Assignment Agreement and Lender Accession Undertaking for the purposes of the Facilities Agreement by the Agent and as a Creditor/Agent Accession Undertaking for the purposes of and as defined in the Intercreditor Agreement by the Intercreditor Agent, and the Transfer Date is confirmed as [●].

Signature of this Agreement by the Agent constitutes confirmation by the Agent of receipt of notice of the assignment referred to herein, which notice the Agent receives on behalf of each Finance Party.

Agent

By:

Intercreditor Agent

By:

***Note: It is the New Lender's responsibility to ascertain whether any other document is required, or any formality or other condition is required to be satisfied, to effect or perfect the transfer contemplated in this Assignment Agreement and Lender Accession Undertaking or to give the New Lender full enjoyment of all the Finance Documents.***

**Schedule 6**
**Form of Accession Letter**

To: [●] as Agent and [●] as Intercreditor Agent

From: [*Subsidiary*] and Studio City Company Limited

Dated:

Dear Sirs

**Studio City Company Limited—Facilities Agreement originally dated 28 January 2013**
**(as amended and amended and restated from time to time) (the "Facilities Agreement")**

1. We refer to the Facilities Agreement and to the Intercreditor Agreement (as defined in the Facilities Agreement). This deed (the "**Accession Deed**") shall take effect as an Accession Letter for the purpose of the Facilities Agreement and as a Debtor Accession Deed for the purposes of the Intercreditor Agreement (and as defined in the Intercreditor Agreement). Terms defined in the Facilities Agreement have the same meaning in paragraphs 1 to 4 of this Accession Deed unless given a different meaning in this Accession Deed.

2. [*Subsidiary*] agrees to become an Additional Guarantor and to be bound by the terms of the Facilities Agreement and the other Finance Documents (other than the Intercreditor Agreement) as an Additional Guarantor pursuant to Clause 27.2 (*Additional Guarantors*) of the Facilities Agreement. [*Subsidiary*] is a company duly incorporated under the laws of [*name of relevant jurisdiction*] and is a limited liability company with registered number [●].

3. [*Subsidiary's*] administrative details are as follows:

   Address:

   Fax No.:

   Attention

4. The Borrower and the Subsidiary make the Repeating Representations to the Finance Parties on the date of this Accession Deed.

5. [*Subsidiary*] (for the purposes of this paragraph 5, the "**Acceding Debtor**") intends to give a guarantee, indemnity or other assurance against loss in respect of liabilities under the following documents:

   [*Insert details (date, parties and description) of relevant documents*]

   the "**Relevant Documents**".

   **It is agreed** as follows:

   (a) Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Agreement, bear the same meaning when used in this paragraph 5.

   (b) The Acceding Debtor and the Common Security Agent agree that the Common Security Agent shall hold:

      (i) [any Security in respect of Liabilities created or expressed to be created pursuant to the Relevant Documents;

(ii) all proceeds of that Security; and]*

(iii) all obligations expressed to be undertaken by the Acceding Debtor to pay amounts in respect of the Liabilities to the Common Security Agent as trustee for the Secured Parties (in the Relevant Documents or otherwise) and secured by the Transaction Security together with all representations and warranties expressed to be given by the Acceding Debtor (in the Relevant Documents or otherwise) in favour of the Common Security Agent as trustee for the Secured Parties,

on trust for the Secured Parties on the terms and conditions contained in the Intercreditor Agreement.

(c) The Acceding Debtor confirms that it intends to be party to the Intercreditor Agreement as a Debtor, undertakes to perform all the obligations expressed to be assumed by a Debtor under the Intercreditor Agreement and agrees that it shall be bound by all the provisions of the Intercreditor Agreement as if it had been an original party to the Intercreditor Agreement.

(d) [In consideration of the Acceding Debtor being accepted as an Intra-Group Lender for the purposes of the Intercreditor Agreement, the Acceding Debtor also confirms that it intends to be party to the Intercreditor Agreement as an Intra-Group Lender, and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by an Intra-Group Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement].**

6. This Accession Deed and any non-contractual obligations arising out of or in connection with it are governed by the laws of England and Wales.

This Accession Deed has been signed on behalf of the Intercreditor Agent and the Common Security Agent (each, for the purposes of paragraphs 5 and 6 above, only), signed by the Borrower and executed as a deed by [*Subsidiary*] and is delivered on the date stated above.

---

* Include to the extent that the Security created in the Relevant Documents is expressed to be granted to the Security Agent as trustee for the Secured Parties.

** Include this paragraph in the relevant Accession Deed if the Acceding Debtor is also to accede as an Intra-Group Lender to the Intercreditor Agreement.

**[*Subsidiary*]**

[**Executed** as a **Deed**
By: [*Full name of Subsidiary*]

Director

Director/Secretary]

***or***

[**Executed** as a **Deed**
By: [*Full name of Subsidiary*]

Signature of Director

Name of Director

In the presence of:

Signature of witness:

Name of witness:

Address of witness:

Occupation of witness]:

Address for notices:

Address:

Fax:

**Studio City Company Limited**

---

By:

Date:

**The Intercreditor Agent**
[*Full name of current Intercreditor Agent*]

---

By:

Date:

**The Common Security Agent**
[*Full name of current Common Security Agent*]

---

By:

Date:

**Schedule 7**
**Form of Resignation Letter**

To: [●] as Agent and [●] as Intercreditor Agent

From: [*resigning Obligor*] and Studio City Company Limited

Dated:

Dear Sirs

**Studio City Company Limited—Facilities Agreement originally dated 28 January 2013**
**(as amended and amended and restated from time to time) (the "Facilities Agreement")**

1. We refer to the Facilities Agreement. This is a Resignation Letter. Terms defined in or construed for the purposes of the Facilities Agreement have the same meaning in this Resignation Letter unless given a different meaning in this Resignation Letter.

2. Pursuant to clause 27.4 (*Resignation of a Guarantor*) of the Facilities Agreement, we request that [*resigning Obligor*] be released from its obligations as a Guarantor under the Facilities Agreement and the Finance Documents.

3. We confirm that:

   (a) [such release is conditional upon repayment or prepayment in full of the Facilities and the payment of all other amounts then due and payable under the Finance Documents and the cancellation of all Commitments under the Finance Documents;]

   (b) [the Resigning Guarantor is being (or shares or equity interests in the Resigning Guarantor are being) disposed of (directly or indirectly) by way of a sale or disposal or reorganisation where such sale or disposal or reorganisation is expressly permitted under the Facilities Agreement or any other Finance Document in circumstances where the Resigning Guarantor will cease to be a Group Member;] [or]

   (c) [the Lenders have consented to the resignation of the Resigning Guarantor]; [or]

4. We confirm that no Event of Default is continuing.

5. This Resignation Letter and any non-contractual obligations arising out of or in connection with it are governed by the laws of England and Wales.

| **Studio City Company Limited** | **[*Resigning* Obligor]** |
|---|---|
| ______________________________ | ______________________________ |
| By: | By: |
| Date: | Date: |

**Schedule 8**
**Forms of Notifiable Debt Purchase Transaction Notice**

**Part 1**

**Form of Notice on Entering into Notifiable Debt Purchase Transaction**

To: [●] as Agent

From: [*The Lender*]

Dated:

Dear Sirs

**Studio City Company Limited—Facilities Agreement originally dated 28 January 2013**
**(as amended and amended and restated from time to time) (the "Facilities Agreement")**

1. We refer to paragraph (b) of Clause 26.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates*) of the Facilities Agreement. Terms defined in the Facilities Agreement have the same meaning in this notice unless given a different meaning in this notice.

2. We have entered into a Notifiable Debt Purchase Transaction.

3. The Notifiable Debt Purchase Transaction referred to in paragraph 2 above relates to the amount of our Commitment(s) as set out below.

| Commitment | Amount of our Commitment to which Notifiable Debt Purchase Transaction relates (HK$) |
|---|---|
| Revolving Facility Commitment | [*insert amount of that Commitment to which the relevant Debt Purchase Transaction applies*] |

[Lender]

By:

**Part 2**

**Form of Notice on Termination of Notifiable Debt Purchase Transaction/Notifiable Debt Purchase Transaction Ceasing to be with Sponsor Affiliate**

To: [●] as Agent

From: [*The Lender*]

Dated:

Dear Sirs

**Studio City Company Limited—Facilities Agreement originally dated 28 January 2013**
**(as amended and amended and restated from time to time) (the "Facilities Agreement")**

1. We refer to paragraph (b) of Clause 26.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates*) of the Facilities Agreement. Terms defined in the Facilities Agreement have the same meaning in this notice unless given a different meaning in this notice.

2. A Notifiable Debt Purchase Transaction which we entered into and which we notified you of in a notice dated [●] has [terminated]/[ceased to be with a Sponsor Affiliate].*

3. The Notifiable Debt Purchase Transaction referred to in paragraph 2 above relates to the amount of our Commitment(s) as set out below.

| Commitment | Amount of our Commitment to which Notifiable Debt Purchase Transaction relates (HK$) |
|---|---|
| Revolving Facility Commitment | [*insert amount of that Commitment to which the relevant Debt Purchase Transaction applies*] |

[Lender]

By:

* Delete as applicable

**Schedule 9**
**Form of Increase Confirmation**

To: [●] as Agent, [●] as Intercreditor Agent, Studio City Company Limited and Studio City Investments Limited (for and on behalf of itself and each other Obligor)

From: [*the Increase Lender*] (the **Increase Lender**)

Dated:

Dear Sirs

**Studio City Company Limited—Facilities Agreement originally dated 28 January 2013**
**(as amended and amended and restated from time to time) (the "Facilities Agreement")**

1. We refer to the Facilities Agreement and to the Intercreditor Agreement (as defined in the Facilities Agreement). This agreement (the "**Agreement**") shall take effect as an Increase Confirmation for the purpose of the Facilities Agreement and as a Creditor/Creditor Representative Accession Undertaking for the purposes of the Intercreditor Agreement (and as defined in the Intercreditor Agreement). Terms defined in or construed for the purposes of the Facilities Agreement have the same meaning in this Agreement unless given a different meaning in this Agreement.

2. We refer to Clause 2.2 (*Increase*) of the Facilities Agreement.

3. The Increase Lender agrees to assume and will assume all of the obligations corresponding to the Commitment specified in the Schedule (the "**Relevant Commitment**") as if it was an Original Lender under the Facilities Agreement.

4. The proposed date on which such assumption in relation to the Increase Lender and the Relevant Commitment is to take effect (the "**Increase Date**") is [●].

5. On the Increase Date, the Increase Lender becomes:

   (a) party to the Facilities Agreement as a Lender, and becomes a Lender for the purposes of the each other Finance Document; and

   (b) party to the Intercreditor Agreement as a Credit Facility Lender (as defined in the Intercreditor Agreement).

6. The Facility Office and address, fax number and attention details for notices to the Increase Lender for the purposes of Clause 33.2 (*Addresses*) of the Facilities Agreement are set out in the Schedule.

7. The Increase Lender expressly acknowledges the limitations on the Lenders' obligations referred to in paragraph (g) of Clause 2.2 (*Increase*)) of the Facilities Agreement.

8. The Increase Lender confirms that it is not a Sponsor Affiliate.

9. We refer to clauses 25.5 (*Change of Credit Facility Lender or Pari Passu Lender under an Existing Credit Facility or Pari Passu Facility*) and 25.14 (*Creditor/Creditor Representative Accession Undertaking*) of the Intercreditor Agreement:

   In consideration of the Increase Lender being accepted as a Credit Facility Lender (as defined in the Intercreditor Agreement) for the purposes of the Intercreditor Agreement, the Increase Lender confirms that, as from the Increase Date, it intends to be party to the Intercreditor Agreement as a Credit Facility Lender and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a Credit Facility Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.

10. This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on such counterparts were on a single copy of this Agreement.

11. This Agreement and any non-contractual obligations arising out of or in connection with it are governed by the laws of England and Wales.

12. This Agreement has been entered into on the date stated at the beginning of this Agreement.

**The execution of this Increase Confirmation may not be sufficient for the Increase Lender to obtain the benefit of the Transaction Security in all jurisdictions. It is the responsibility of the Increase Lender to ascertain whether any other documents or other formalities are required to obtain the benefit of the Transaction Security in any jurisdiction and, if so, to arrange for execution of those documents and completion of those formalities.**

## SCHEDULE

### Relevant Commitment/rights and obligations to be assumed by the Increase Lender

[*insert relevant details*]

[*Facility office address, fax number and attention details for notices and account details for payments*]

[*Increase Lender*]

By:

This Agreement is accepted as an Increase Confirmation for the purposes of the Facilities Agreement by the Agent and as a Creditor/Agent Accession Undertaking for the purposes of and as defined in the Intercreditor Agreement by the Intercreditor Agent, and the Increase Date is confirmed as [●].

Agent

By:

Intercreditor Agent

By:

**Schedule 10**
**Covenants**

1. Definitions and rules of construction

(a) Terms used in this Schedule 10 shall, if not otherwise defined in this Schedule 10, have the meaning given to them in Schedule 11 (*Definitions*) and shall, if not otherwise defined in Schedule 11 (*Definitions*) have the meaning given to them elsewhere in this Agreement. References to a "Section" are to sections of this Schedule 10.

(b) Each of the Parties acknowledges and agrees that the provisions of this Schedule 10 are not intended to (and shall not be construed so as to) permit any transaction, step, action or other matter that is otherwise prohibited by any other provisions of this Agreement.

(c) Unless the context otherwise requires, in this Schedule 10:

(i) a term has the meaning assigned to it;

(ii) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(iii) "or" is not exclusive;

(iv) words in the singular include the plural, and in the plural include the singular;

(v) "will" shall be interpreted to express a command;

(vi) provisions apply to successive events and transactions; and

(vii) references to sections of or rules under the Securities Act will be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time.

2. Limitation on Restricted Payments

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(i) declare or pay any dividend or make any other payment or distribution on account of the Company's, the Parent Guarantor's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Parent Guarantor or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's, the Parent Guarantor's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Parent Guarantor and other than dividends or distributions payable to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor);

(ii) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Parent Guarantor or the Company) any Equity Interests of the Parent Guarantor or the Company or any of their respective direct or indirect parents;

(iii) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Indebtedness of the Company or any Guarantor (excluding any intercompany Indebtedness between or among the Parent Guarantor and any of its Restricted Subsidiaries) or the Intercompany Note Proceeds Loans, except a payment of interest or principal at the Stated Maturity thereof; or

(iv) make any Restricted Investment,

(all such payments and other actions set forth in clauses (i) through (iv) above being collectively referred to as "**Restricted Payments**"), unless, at the time of and after giving effect to such Restricted Payment:

(A) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;

(B) the Parent Guarantor would, at the time of such Restricted Payment and after giving *pro forma* effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to Incur at least US$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4(a) hereof; and

(C) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Parent Guarantor and its Restricted Subsidiaries since the 2016 Amendment and Restatement Effective Date (excluding Restricted Payments permitted by clauses (ii) through (xii) of Section 2(b) below), is less than the sum, without duplication, of:

(I) 75% of the EBITDA of the Parent Guarantor *less* 2.25 times Fixed Charges for the period (taken as one accounting period) from the beginning of the fiscal quarter in which the 2016 Amendment and Restatement Effective Date occurred to the end of the Parent Guarantor's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such EBITDA for such period is a deficit, *minus* 100% of such deficit); *plus*

(II) 100% of the aggregate net cash proceeds received by the Parent Guarantor since the 2016 Amendment and Restatement Effective Date as a contribution to its common equity capital or from the issue or sale of Equity Interests (other than Disqualified Stock) of the Parent Guarantor (in each case, other than in connection with any Excluded Contribution) or from the issue or sale of convertible or exchangeable Disqualified Stock or convertible or exchangeable debt securities of the Parent Guarantor that have been converted into or exchanged for such Equity Interests (other than Equity Interests (or Disqualified Stock or debt securities) sold to a Subsidiary of the Parent Guarantor); *plus*

(III) to the extent that any Restricted Investment that was made after the 2016 Amendment and Restatement Effective Date (x) is reduced as a result of payments of dividends to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor or (y) is sold for cash or otherwise liquidated or repaid for cash, (in the case of sub-clauses (x) and (y)) the lesser of (i) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (ii) the initial amount of such Restricted Investment or (z) is reduced upon the release of the guarantees and indemnities under this Agreement granted by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor that constituted a Restricted Investment, to the extent that the initial granting of such guarantee reduced the restricted payments capacity under this clause (C); *plus*

(IV) to the extent that any Unrestricted Subsidiary of the Parent Guarantor designated as such after the 2016 Amendment and Restatement Effective Date is re-designated as a Restricted Subsidiary after the 2016 Amendment and Restatement Effective Date, the lesser of (i) the Fair Market Value of the Parent Guarantor's Restricted Investment in such Subsidiary as of the date of such re-designation or (ii) the Fair Market Value of the net aggregate Investments made by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor in such Unrestricted Subsidiary from the date such entity was originally designated as an Unrestricted Subsidiary through the date of such re-designation; *plus*

(V) 100% of the aggregate amount received from the sale of the stock of any Unrestricted Subsidiary of the Parent Guarantor after the 2016 Amendment and Restatement Effective Date or 100% of any dividends received by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor after the 2016 Amendment and Restatement Effective Date from an Unrestricted Subsidiary of the Parent Guarantor; *less*

(VI) any amount paid by the Company pursuant to paragraph (b) of Clause 37.7 (*Cancellation and repayment of a Replaceable Lender* (*other than an Illegal Lender*)) of this Agreement.

(b) The provisions of Section 2(a) above will not prohibit:

(i) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of this Agreement;

(ii) the making of any Restricted Payment in exchange for, or out of the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Parent Guarantor) of, Equity Interests of the Parent Guarantor (other than Disqualified Stock) or from the substantially concurrent contribution of common equity capital to the Parent Guarantor (in each case, other than in connection with any Excluded Contribution); *provided that* the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from clause (C)(II) of Section 2(a) hereof;

(iii) the repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of the Company or any Guarantor with the net cash proceeds from a substantially concurrent Incurrence of Permitted Refinancing Indebtedness;

(iv) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution) by a Restricted Subsidiary to the holders of its Equity Interests on a *pro rata* basis;

(v) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor held by any current or former officer, director or employee of the Parent Guarantor or any of its Restricted Subsidiaries pursuant to any equity subscription agreement, stock option agreement, shareholders' agreement or similar agreement; *provided that* the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed US$1.0 million in any twelve-month period;

(vi) the repurchase of Equity Interests deemed to occur upon the exercise of stock options to the extent such Equity Interests represent a portion of the exercise price of those stock options;

(vii) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor issued on or after the 2016 Amendment and Restatement Effective Date in accordance with the Fixed Charge Coverage Ratio test described in Section 4(a) hereof;

(viii) any Restricted Payment made or deemed to be made by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA;

(ix) to the extent constituting Restricted Payments, the payment of Project Costs as permitted pursuant to the Disbursement Agreements;

(x) Restricted Payments that are made with Excluded Contributions;

(xi) payments to any parent entity in respect of directors' fees, remuneration and expenses (including director and officer insurance (including premiums therefore)) to the extent relating to the Parent Guarantor and its Subsidiaries, in an aggregate amount not to exceed US$1.0 million per annum;

(xii) the making of Restricted Payments, if applicable:

(A) in amounts required for any direct or indirect parent of the Parent Guarantor to pay fees and expenses (including franchise or similar taxes) required to maintain its corporate existence, customary salary, bonus and other benefits payable to, and indemnities provided on behalf of, officers and employees of any direct or indirect parent of the Parent Guarantor and general corporate operating and overhead expenses of any direct or indirect parent of the Parent Guarantor in each case to the extent such fees and expenses are attributable to the ownership or operation of the Parent Guarantor, if applicable, and its Subsidiaries, in an aggregate amount not to exceed US$1.0 million per annum;

(B) in amounts required for any direct or indirect parent of the Parent Guarantor, if applicable, to pay interest and/or principal on Indebtedness the proceeds of which have been contributed to the Parent Guarantor or any of its Restricted Subsidiaries prior to the 2016 Amendment and Restatement Effective Date (excluding the 2020 Notes or any refinancing thereof) and that has been guaranteed by, or is otherwise considered Indebtedness of, the Parent Guarantor Incurred in accordance with Section 4; *provided that* the amount of any such proceeds will be excluded from clause (C)(II) of Section 2(a);

(C) in amounts required for any direct or indirect parent of the Parent Guarantor to pay fees and expenses, other than to Affiliates of the Parent Guarantor, related to any unsuccessful equity or debt offering of such parent; and

(D) payments for services under any Revenue Sharing Agreement that would constitute or be deemed to constitute a Restricted Payment;

(xiii) any Restricted Payment used to fund the Transactions and the payment of fees and expenses incurred in connection with the Transactions or owed by the Parent Guarantor or any direct or indirect parent of the Company, the Parent Guarantor or its Restricted Subsidiaries to Affiliates, and any other payments made, including any such payments made to any direct or indirect parent of the Parent Guarantor to enable it to make payments, in connection with the consummation of the Transactions, whether payable on the 2016 Amendment and Restatement Effective Date or thereafter, in each case on terms described in the Offering Memorandum under “Use of Proceeds” and to the extent permitted by Section 6;

(xiv) any Restricted Payments, to the extent required to be made by any Gaming Authority having jurisdiction over the Parent Guarantor or any of its Restricted Subsidiaries or Melco Crown Macau;

(xv) cash payments in lieu of the issuance of fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Capital Stock of the Parent Guarantor or any Restricted Subsidiary; *provided*, however, that any such cash payment shall not be for the purpose of evading the limitation of this Section 2;

(xvi) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Indebtedness of the Company or any Guarantor pursuant to provisions similar to those described under section 4.15 of the original form of the Senior Secured 2021 Note Indenture; *provided that* the Company shall have first complied with its obligations under Clause 9.2 (*Change of Control and Disposal Prepayment Event*) of this Agreement and repaid and cancelled Indebtedness under the Finance Documents to the extent required by such Clause prior to repurchasing, redeeming, acquiring or otherwise retiring for value such Subordinated Indebtedness;

(xvii) payments or distributions to dissenting stockholders of Capital Stock of the Parent Guarantor pursuant to applicable law in connection with a consolidation, merger or transfer of all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, that complies with Section 13; *provided that* the Company shall have first complied with its obligations under Clause 9.2 (*Change of Control and Disposal Prepayment Event*) of this Agreement and repaid and cancelled Indebtedness under the Finance Documents to the extent required by such Clause prior to making such payment or distribution;

(xviii) other Restricted Payments in an aggregate amount not to exceed US$15.0 million since the 2016 Amendment and Restatement Effective Date; and

(xix) to the extent that the Company has complied with its obligations under Clause 9.3 (*High Yield Notes and Bondco Loans*) of this Agreement and repaid and cancelled Indebtedness under the Finance Documents to the extent required by such Clause, the making of any payment on or with respect to the 2020 Notes (including under the Intercompany Note Proceeds Loans) in accordance with the indenture governing the 2020 Notes,

*provided*, however, that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (xii), (xiii), (xviii) and (xix) of this Section 2(b), no Default shall have occurred and be continuing or would occur as a consequence thereof.

Notwithstanding the foregoing and for the avoidance of doubt, the Parent Guarantor and its Restricted Subsidiaries may (a) make such interest payments required to be made to Studio City Finance under the Intercompany Note Proceeds Loans, (b) agree to any amendment, restatement or replacement of the Intercompany Note Proceeds Loans and the entry into any new intercompany note proceeds loans as necessary for the refinancing of the 2020 Notes in accordance with the terms of the Finance Documents.

(c) The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company, the Parent Guarantor or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this Section 2 will be determined by the Board of Directors of the Parent Guarantor whose resolution with respect thereto will be delivered to the Agent as set forth in an Officer's Certificate of the Parent Guarantor. The Parent Guarantor's Board of Directors' determination must be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of international standing (an "**Independent Financial Advisor**") if the Fair Market Value exceeds US$30.0 million.

3. Dividend and Other Payment Restrictions Affecting Subsidiaries

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause, permit or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(i) pay dividends or make any other distributions on its Capital Stock to the Parent Guarantor or any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Parent Guarantor or any of its Restricted Subsidiaries;

(ii) make loans or advances to the Parent Guarantor or any of its Restricted Subsidiaries; or

(iii) sell, lease or transfer any of its properties or assets to the Parent Guarantor or any of its Restricted Subsidiaries.

(b) The restrictions in Section 3(a) hereof will not apply to encumbrances or restrictions existing under or by reason of:

(i) agreements governing Indebtedness or any other agreements in existence on the 2016 Amendment and Restatement Effective Date as in effect on the 2016 Amendment and Restatement Effective Date and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in those agreements on the 2016 Amendment and Restatement Effective Date;

(ii) the Finance Documents (including the Facilities);

(iii) the Senior Secured Notes Indentures, the Senior Secured Notes, the Senior Secured Notes Guarantees and the Transaction Security Documents (as defined in the Intercreditor Agreement) in respect of any Senior Secured Notes Interest Accrual Accounts and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements or instruments; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in those agreements or instruments on the original execution date thereof

(iv) applicable law, rule, regulation or order, or governmental license, permit or concession;

(v) any agreement or instrument governing Indebtedness or Capital Stock of a Person or assets acquired by the Parent Guarantor or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was Incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired (and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements or instruments; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in those agreements or instruments at the time of such acquisition); *provided* further, that, in the case of Indebtedness, such Indebtedness was permitted by the terms of this Agreement to be Incurred;

(vi) customary non-assignment provisions in contracts and licenses including, without limitation, with respect to any intellectual property, entered into in the ordinary course of business;

(vii) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in Section 3(a)(iii);

(viii) any agreement for the sale or other disposition of Equity Interests or property or assets of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending the sale or other disposition;

(ix) Permitted Refinancing Indebtedness; *provided that* the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(x) Liens permitted to be incurred under the provisions of Section 7 hereof that limit the right of the debtor to dispose of the assets subject to such Liens;

(xi) provisions limiting dividends or the disposition or distribution of assets, property or Equity Interests in joint venture or operating agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements, merger agreements and other similar agreements entered into with the approval of the Parent Guarantor's Board of Directors, which limitation is applicable only to the assets, property or Equity Interests that are the subject of such agreements;

(xii) restrictions on cash or other deposits or net worth imposed by customers or suppliers under contracts entered into in the ordinary course of business; and

(xiii) any agreement or instrument with respect to any Unrestricted Subsidiary or the property or assets of such Unrestricted Subsidiary that is designated as a Restricted Subsidiary in accordance with the terms of this Agreement at the time of such designation and not incurred in contemplation of such designation, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Subsidiary or its subsidiaries or the property or assets of such Subsidiary or its subsidiaries, and any extensions, refinancing, renewals, supplements or amendments or replacements thereof; *provided that* the encumbrances and restrictions in any such extension, refinancing, renewal, supplement, amendment or replacement, taken as a whole, are no more restrictive in any material respect than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed, supplemented, amended or replaced.

4. Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, Incur any Indebtedness (including Acquired Indebtedness) and the Parent Guarantor will not issue any shares of Disqualified Stock and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to issue any shares of Preferred Stock; *provided*, however, that the Parent Guarantor may Incur Indebtedness (including Acquired Indebtedness) or issue Disqualified Stock, and the Company or any Subsidiary Guarantor may Incur Indebtedness (including Acquired Indebtedness) or issue Preferred Stock, if the Fixed Charge Coverage Ratio of the Parent Guarantor for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is Incurred or such Disqualified Stock or Preferred Stock is issued, as the case may be, would have been at least 2.25 to 1.00 determined on a *pro forma* basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been Incurred, or the Disqualified Stock or Preferred Stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period.

(b) The provisions of Section 4(a) hereof do not apply to the following (collectively, "**Permitted Debt**"):

(i) the Incurrence by the Company and the Guarantors of Indebtedness under Credit Facilities (including the Facilities) up to an aggregate principal amount of (A) (x) US$35.0 million plus, (y) US$100.0 million incurred in respect of the Phase II Project less (B) in the case of clause (A)(y) the aggregate amount of all Net Proceeds of Asset Sales applied since the 2016 Amendment and Restatement Effective Date to repay any term Indebtedness Incurred pursuant to this clause (i)(A)(y) or to repay any revolving credit indebtedness Incurred under this clause (i)(A)(y) and effect a corresponding commitment reduction thereunder pursuant to Section 5 hereof, and, to the extent those obligations would represent Indebtedness, the Transaction Security Documents;

(ii) the Incurrence of Indebtedness represented by the Senior Secured Notes (other than Additional Senior Secured Notes) and the Senior Secured Notes Guarantees;

(iii) Indebtedness existing on the 2016 Amendment and Restatement Effective Date (other than Indebtedness described in clauses (i) and (ii));

(iv) Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, Incurred for the purpose of financing all or any part of the purchase price or cost of design, construction, installation or improvement of property, plant or other assets (including through the acquisition of Capital Stock of any person that owns property, plant or other assets which will, upon acquisition, become a Restricted Subsidiary) used in the business of the Parent Guarantor or any of its Restricted Subsidiaries, in an aggregate principal amount, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (iv), not to exceed the greater of (x) US$50.0 million and (y) 2.0% of Total Assets at any time outstanding;

(v) the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness or Indebtedness owed by the Parent Guarantor or any of its Restricted Subsidiaries under the Intercompany Note Proceeds Loans; *provided that* the Parent Guarantor or any of its Restricted Subsidiaries may agree to such amendment of the terms of the Intercompany Note Proceeds Loans as necessary for the refinancing the 2020 Notes so long as (A) the Indebtedness incurred to refinance the 2020 Notes and the Intercompany Note Proceeds Loans, as amended, each has a Weighted Average Life to Maturity no earlier than 90 days after the last Final Repayment Date of the Facilities, and (B) as a result of such amendment, the terms of the Intercompany Note Proceeds Loans are not materially more disadvantageous to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the Intercompany Note Proceeds Loans existing on the 2016 Amendment and Restatement Effective Date (other than with respect to economic terms of the Indebtedness to which such Intercompany Note Proceeds Loan relates)) that was permitted by this Agreement to be Incurred under Section 4(a) or clauses (ii), (iii), (iv), (v) or (xv) of this Section 4(b);

(vi) (A) Obligations in respect of workers' compensation claims, self-insurance obligations, bankers' acceptances, performance, bid, appeal and surety bonds and completion or performance guarantees (including the guarantee of any land grant) provided by the Company or any Restricted Subsidiary in connection with the Property or in the ordinary course of business and (B) Indebtedness constituting reimbursement obligations with respect to letters of credit or trade or bank guarantees (including for land grants) issued in the ordinary course of business to the extent that such letters of credit, trade or bank guarantees (including for land grants) are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than thirty (30) days following receipt of a demand for reimbursement;

(vii) the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Parent Guarantor or any of its Restricted Subsidiaries; *provided*, however, that:

(A) if the Company or any Guarantor is the obligor on such Indebtedness and the payee is not the Company or a Guarantor, such Indebtedness must be expressly subordinated to the prior payment in full in cash of all of the Facilities Liabilities; and

(B) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor and (ii) any sale or other transfer of any such Indebtedness to a Person that is not the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor, will be deemed, in each case, to constitute an Incurrence of such Indebtedness by the Parent Guarantor or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (vii);

(viii) shares of Preferred Stock of a Restricted Subsidiary issued to the Parent Guarantor or another Restricted Subsidiary of the Parent Guarantor; *provided that*:

(A) any subsequent issuance or transfer of Equity Interests that results in any such Preferred Stock being held by a Person other than the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor; and

(B) any sale or other transfer of any such Preferred Stock to a Person that is not the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor, will be deemed, in each case, to constitute an issuance of such Preferred Stock by such Restricted Subsidiary that was not permitted by clause (viii);

(ix) subject to Clause 23.13 (*Hedging and Treasury Transactions*) of this Agreement, the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Hedging Obligations in the ordinary course of business and not for speculative purposes;

(x) the guarantee by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor of Indebtedness of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor that was permitted to be Incurred by another provision of this Section 4; *provided that* if the Indebtedness being guaranteed is subordinated to or pari passu with the Facilities Liabilities, then the guarantee shall be subordinated or pari passu, as applicable, to the same extent as the Indebtedness guaranteed;

(xi) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is extinguished within five (5) Business Days of its Incurrence;

(xii) to the extent constituting Indebtedness, agreements to pay service fees to professionals (including architects, engineers, contractors and designers) in furtherance of and/or in connection with the Property or agreements to pay fees and expenses or other amounts pursuant to the Services and Right to Use Agreement or the MSA or otherwise arising under the Services and Right to Use Agreement or the MSA in the ordinary course of business; *provided that* no such agreements shall give rise to Indebtedness for borrowed money;

(xiii) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, or from guarantees or letters of credit, surety bonds, or performance bonds securing any obligation of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor pursuant to such agreements, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or Capital Stock of a Restricted Subsidiary, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition; *provided that* the maximum aggregate liability in respect of all such Indebtedness shall at no time exceed the gross proceeds actually received in connection with such disposition;

(xiv) Obligations in respect of Shareholder Subordinated Debt;

(xv) any guarantees made solely in connection with (and limited in scope to) the giving of a Lien of the type specified in clause (22) of “Permitted Liens” to secure Indebtedness of an Unrestricted Subsidiary, the only recourse of which to the Parent Guarantor and its Restricted Subsidiaries is to the Equity Interests subject to the Liens; and

(xvi) the Incurrence by the Company or the Guarantors of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (xvi), not to exceed US$30.0 million.

(c) The Parent Guarantor and the Company will not Incur, and the Parent Guarantor will not permit any Subsidiary Guarantor to Incur, any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Parent Guarantor, the Company or such Subsidiary Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the Facilities Liabilities on substantially identical terms; *provided*, however, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Parent Guarantor, the Company or any Subsidiary Guarantor solely by virtue of being unsecured or by virtue of being secured on a first or junior Lien basis.

(d) For purposes of determining compliance with this Section 4, in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (b)(i) through (xvi) above, or is entitled to be Incurred pursuant to clause (a) above, the Parent Guarantor and the Company will be permitted to classify such item of Indebtedness on the date of its Incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this Section 4. Indebtedness incurred under the Facilities will be deemed to have been incurred in reliance on the exception set out in (A)(x) of clause (b)(i) above and may not be reclassified. The accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of Preferred Stock as Indebtedness due to a change in accounting principles, and the payment of dividends on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock will not be deemed to be an Incurrence of Indebtedness or an issuance of Disqualified Stock for purposes of this Section 4; *provided*, in each such case, that the amount of any such accrual, accretion or payment is included in Fixed Charges of the Parent Guarantor as accrued. Notwithstanding any other provision of this Section 4, the maximum amount of Indebtedness that the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor may Incur pursuant to this Section 4 shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

(e) Further, for purposes of determining compliance with this covenant, to the extent the Parent Guarantor or any of its Restricted Subsidiaries (including the Company) guarantees Indebtedness of a direct or indirect parent entity to the extent otherwise permitted by this covenant, the on-loan by such direct or indirect parent entity to the Parent Guarantor or any of its Restricted Subsidiaries of all or a portion of the principal amount of such Indebtedness will not be double counted.

(f) The amount of any Indebtedness outstanding as of any date will be:

(i) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(ii) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(iii) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

(A) the Fair Market Value of such assets at the date of determination; and

(B) the face amount of the Indebtedness of the other Person.

5. Asset Sales

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale (other than an Event of Loss), unless:

(i) the Company, the Parent Guarantor or the Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of; and

(ii) at least 75% of the consideration received in the Asset Sale by the Company, the Parent Guarantor or such Restricted Subsidiary is in the form of cash. For purposes of this provision, each of the following will be deemed to be cash:

(A) any liabilities, as shown on the Parent Guarantor's most recent consolidated balance sheet, of the Parent Guarantor or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Facilities Liabilities) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Parent Guarantor or such Restricted Subsidiary from further liability;

(B) any securities, notes or other Obligations received by the Parent Guarantor or any such Restricted Subsidiary from such transferee that are, within 30 days of the receipt thereof, converted by the Parent Guarantor or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion; and

(C) any stock or assets of the kind referred to in Section 5(b)(ii) or (iv).

(b) Within 360 days after the receipt of any Net Proceeds from an Asset Sale (including an Event of Loss), the Company, the Parent Guarantor or the applicable Restricted Subsidiary, as the case may be may apply such Net Proceeds:

(i) to repay (A) Indebtedness Incurred under Section 4(b)(i) and Indebtedness that is secured under clause (25) of the definition of "Permitted Liens", (B) other Indebtedness of the Company or a Guarantor secured by property and assets that do not constitute Collateral that is the subject of such Asset Sale, and, in each case, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto, (C) Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor or (D) the Senior Secured 2019 Notes or the Senior Secured 2021 Notes pursuant to the redemption provisions of the applicable Senior Secured Notes Indenture;

(ii) to acquire all or substantially all of the assets of another Permitted Business, or any Capital Stock of, a Person undertaking another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary of the Parent Guarantor; *provided that* (A) such acquisition funded with any proceeds from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to acquire such assets or Capital Stock is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss, and (B) if such acquisition is not consummated within the period set forth in clause (A), the Net Proceeds not so applied will be deemed to be Excess Proceeds;

(iii) to make a capital expenditure; *provided that* any such capital expenditure funded with any proceeds from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to make such capital expenditure is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss; or

(iv) to acquire other assets that are not classified as current assets under GAAP and that are used or useful in a Permitted Business (*provided that* (A) such acquisition funded from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to acquire such assets is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss, and (B) if such acquisition is not consummated within the period set forth in clause (A), the Net Proceeds not so applied will be deemed to be Excess Proceeds);

or enter into a binding commitment regarding clauses (ii), (iii) or (iv) above (in addition to the binding commitments expressly referenced in those clauses); *provided that* such binding commitment shall be treated as a permitted application of Net Proceeds from the date of such commitment until the earlier of (x) the date on which such acquisition or expenditure is consummated and (y) the 180th day following the expiration of the aforementioned 360-day period. To the extent such acquisition or expenditure is not consummated on or before such 180th day and the Company, the Parent Guarantor or such Restricted Subsidiary shall not have applied such Net Proceeds pursuant to clauses (ii), (iii) or (iv) above on or before such 180th day, such commitment shall be deemed not to have been a permitted application of Net Proceeds, and such Net Proceeds will constitute Excess Proceeds.

(c) Pending the final application of any Net Proceeds, the Company may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by this Agreement.

(d) If the aggregate amount of Excess Proceeds exceeds US$5.0 million, the Company shall make an Asset Sale Offer to all holders of the Senior Secured 2019 Notes, the Senior Secured 2021 Notes and all holders of other Indebtedness that is *pari passu* with the Facilities Liabilities and secured by the Collateral containing provisions similar to those set forth in the Senior Secured 2019 Note Indenture and the Senior Secured 2021 Note Indenture with respect to offers to prepay or purchase or redeem with the proceeds of sales of assets to purchase the maximum principal amount of such *pari passu* Indebtedness that may be purchased out of the Excess Proceeds and comply with the terms and conditions of the Senior Secured 2019 Note Indenture, the Senior Secured 2021 Note Indenture and such provisions in respect of other pari passu Indebtedness in respect of such Excess Proceeds and comply with Clause 23.15 (*Notes Repurchase condition*) of this Agreement in connection with the same.

6. Transactions with Affiliates

(a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Parent Guarantor or the Company (each, an "**Affiliate Transaction**"), unless:

(i) the Affiliate Transaction is on terms that are no less favorable to the Company, the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company, the Parent Guarantor or such Restricted Subsidiary with a Person that is not an Affiliate of the Parent Guarantor or the Company; and

(ii) the Parent Guarantor delivers to the Agent:

(A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$30.0 million, a resolution of the Board of Directors of the Parent Guarantor set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with this Section 6(a) and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Parent Guarantor or, if the Board of Directors of the Parent Guarantor has no disinterested directors, approved in good faith by a majority of the members (or in the case of a single member, the sole member) of the Board of Directors of the Parent Guarantor; and

(B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$45.0 million, an opinion as to the fairness to the Parent Guarantor or such Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of international standing, or other recognized independent expert of national standing with experience appraising the terms and conditions of the type of transaction or series of related transactions.

(b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 6(a) hereof:

(i) any employment agreement, employee benefit plan (including compensation, retirement, disability, severance and other similar plan), officer or director indemnification, stock option or incentive plan or agreement, employee equity subscription agreement or any similar arrangement entered into by the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business and payments pursuant thereto;

(ii) transactions between or among the Company, the Parent Guarantor and/or its Restricted Subsidiaries;

(iii) transactions with a Person (other than an Unrestricted Subsidiary) that is an Affiliate of the Parent Guarantor or the Company solely because the Parent Guarantor or the Company, as the case may be, owns directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(iv) payment of reasonable officers' and directors' fees and reimbursement of expenses (including the provision of indemnity to officers and directors) to Persons who are not otherwise Affiliates of the Parent Guarantor or the Company;

(v) any issuance of Equity Interests (other than Disqualified Stock) of the Parent Guarantor to Affiliates of the Parent Guarantor or contribution to the common equity capital of the Parent Guarantor;

(vi) Restricted Payments (including any payments made under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA) that do not violate Section 2 hereof;

(vii) any agreement or arrangement existing on the 2016 Amendment and Restatement Effective Date, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals (so long as any such agreement or arrangement together with all such amendments, modifications, supplements, extensions, replacements, terminations and renewals, taken as a whole, is not materially more disadvantageous to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the original agreement or arrangement as in effect on the 2016 Amendment and Restatement Effective Date, unless any such amendments, modifications, supplements, extensions, replacements, terminations or renewals are imposed by any Gaming Authority or any other public authority having jurisdiction over Melco Crown Macau, the Parent Guarantor or any of its Restricted Subsidiaries, including, but not limited to, the government of the Macau SAR);

(viii) loans or advances to employees in the ordinary course of business not to exceed US$1.0 million in the aggregate at any one time outstanding;

(ix) the payment of Project Costs and the reimbursement of Affiliates of the Parent Guarantor or the Company or a Restricted Subsidiary, in each case, as permitted pursuant to the Disbursement Agreements as in effect as of the 2016 Amendment and Restatement Effective Date and any amendments thereto (so long as such agreement together with all amendments thereto, taken as a whole, is not more disadvantageous in any material respect to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the original agreement as in effect on the 2016 Amendment and Restatement Effective Date);

(x) (A) transactions or arrangements under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof (so long as the Services and Right to Use Agreement and the Reinvestment Agreement, taken as a whole, or the MSA, respectively, together with all such amendments, modifications, supplements, extensions, replacements, terminations and renewals, taken as a whole, is not materially more disadvantageous to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the Services and Right to Use Agreement and the Reinvestment Agreement, taken as a whole, or the MSA, respectively, as in effect on the 2016 Amendment and Restatement Effective Date or, as determined in good faith by the Board of Directors of the Parent Guarantor, does not have and would not reasonably be expected to have a Material Adverse Effect under paragraph (b) of the definition of "Material Adverse Effect" only) and (B) other than with respect to transactions or arrangements subject to clause (A) above, transactions or arrangements with customers, clients, suppliers or sellers of goods or services in the ordinary course of business, on terms that are fair to the Parent Guarantor or any of its Restricted Subsidiaries, as applicable, or are no less favorable than those that might reasonably have been obtained in a comparable transaction at such time on an arms-length basis from a Person that is not an Affiliate of the Parent Guarantor or the Company, in the case of each of (A) and (B), unless any such amendments, modifications, supplements, extensions, replacements, terminations or renewals are imposed by any Gaming Authority or any other public authority having jurisdiction over Melco Crown Macau, the Parent Guarantor or any of its Restricted Subsidiaries, including, but not limited to, the government of the Macau SAR;

(xi) the execution of the Transactions, and the payment of all fees and expenses relating to the Transactions described in the Offering Memorandum;

(xii) transactions or arrangements to be entered into in connection with the Property in the ordinary course of business (including, for the avoidance of doubt, transactions or arrangements necessary to conduct a Permitted Business) including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof; *provided that* such transactions or arrangements must comply with clauses (a)(i) and (a)(ii)(A) of Section 6 hereof;

(xiii) execution, delivery and performance of any tax sharing agreement or the formation and maintenance of any consolidated group for tax, accounting or cash pooling or management purposes; and

(xiv) provision by, between, among, to or from Persons who may be deemed Affiliates of group administrative, treasury, legal, accounting and similar services.

7. Liens

The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind securing Indebtedness on any asset now owned or hereafter acquired or any proceeds, income or profits therefrom or assign or convey any right to receive income therefrom, except Permitted Liens, or, if such Lien is not a Permitted Lien, unless the Facilities Liabilities are secured on a *pari passu* basis with the obligations so secured until such time as such obligations are no longer secured by a Lien.

8. Business Activities

The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, engage in any business other than Permitted Business, except to such extent as would not be material to the Parent Guarantor and its Restricted Subsidiaries (taken as a whole).

9. Corporate Existence

Subject to Section 13 hereof, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect:

(a) its corporate existence, and the corporate, partnership or other existence of each of its Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Subsidiary; and

(b) the rights (charter and statutory), licenses and franchises of the Company and its Subsidiaries; *provided*, however, that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Subsidiaries, if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Lenders.

10. Designation of Restricted and Unrestricted Subsidiaries

(a) The Board of Directors of the Parent Guarantor may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default; *provided that* in no event will the business currently operated by the Company, Studio City Developments Limited, Studio City Entertainment Limited or Studio City Hotels Limited be transferred to or held by an Unrestricted Subsidiary. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Parent Guarantor and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under Section 2 hereof or under one or more clauses of the definition of Permitted Investments, as determined by the Parent Guarantor. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors of the Parent Guarantor may re-designate any Unrestricted Subsidiary to be a Restricted Subsidiary if that re-designation would not cause a Default.

(b) Any designation of a Subsidiary of the Parent Guarantor as an Unrestricted Subsidiary will be evidenced to the Agent by filing with the Agent a certified copy of a resolution of the Board of Directors of the Parent Guarantor giving effect to such designation and an Officer's Certificate of the Parent Guarantor certifying that such designation complied with the preceding conditions and was permitted by Section 2 hereof. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of this Agreement and any Indebtedness of such Subsidiary will be deemed to be Incurred by a Restricted Subsidiary of the Parent Guarantor as of such date and, if such Indebtedness is not permitted to be Incurred as of such date under Section 4 hereof, Parent Guarantor and the Company will be in Default of such covenant. The Board of Directors of the Parent Guarantor may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Parent Guarantor; *provided that* such designation will be deemed to be an Incurrence of Indebtedness by a Restricted Subsidiary of the Parent Guarantor of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under Section 4 hereof, calculated on a *pro forma* basis as if such designation had occurred at the beginning of the reference period; and (2) no Default or Event of Default would be in existence following such designation. On such designation, the Parent Guarantor shall deliver an Officer's Certificate of the Parent Guarantor to the Agent regarding such designation and certifying that such designation complies with the preceding conditions and the relevant covenants under this Agreement.

11. Impairment of Security Interest

(a) Subject to clauses (b) and (c) below, the Parent Guarantor and the Company will not, and the Parent Guarantor will not cause or permit any of its Restricted Subsidiaries to, take or knowingly omit to take, any action which action or omission would have the result of materially impairing the security interest over any of the assets comprising the Collateral (it being understood that the incurrence of Liens on the Collateral permitted by the last paragraph of the definition of Permitted Liens shall under no circumstances be deemed to materially impair the security interest with respect to the Collateral), for the benefit of the Agent, the Intercreditor Agent, the Common Security Agent and the Lenders (including the priority thereof).

(b) Subject to the terms and conditions of the Intercreditor Agreement, at the request of the Parent Guarantor and without the consent of any Finance Party, the Agent may from time to time direct the Intercreditor Agent and/or the Common Security Agent (or direct the Intercreditor Agent to direct the Common Security Agent) to (and, acting on such direction the Intercreditor Agent and/or the Common Security Agent may, to the extent authorized and permitted by the Intercreditor Agreement) enter into one or more amendments to the Transaction Security Documents to: (i) cure any ambiguity, omission, defect or inconsistency therein; (ii) provide for any Permitted Liens; (iii) add to the Collateral or (iv) make any other change thereto that does not adversely affect the Lenders in any material respect; *provided*, however, that no Security Document may be amended, extended, renewed, restated, supplemented or otherwise modified or replaced, unless contemporaneously with such amendment, extension, renewal, restatement, supplement, modification or replacement, the Parent Guarantor delivers to the Agent, any of:

(i) a solvency opinion, in form satisfactory to the Agent, from an Independent Financial Advisor confirming the solvency of the Parent Guarantor and its Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement;

(ii) a customary certificate from the Board of Directors or chief financial officer of the Parent Guarantor (acting in good faith), confirming the solvency of the Person granting such Lien after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement; or

(iii) an opinion of counsel, in form satisfactory to the Agent confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement, the Lien or Liens securing any of the Facilities Liabilities created under the Transaction Security Documents as so amended, extended, renewed, restated, supplemented, modified or replaced remain valid and perfected Liens not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such Lien or Liens were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification, replacement or release and retaking.

(c) Nothing in this Section 11 will restrict and clause (b) above will not apply to (x) any release, amendment, extension, renewal, restatement, supplement, modification or replacement of any security interests in compliance with provisions of the Finance Documents governing the release of the Transaction Security or (y) any Permitted Land Concession Amendment.

(d) Subject to the terms and conditions of the Intercreditor Agreement, in the event that the Parent Guarantor complies with this Section 11, the Agent and/or the Common Security Agent, as applicable, shall (or, if applicable, shall direct the Intercreditor Agent to) (subject to customary protections and indemnifications) consent to such amendment, extension, renewal, restatement, supplement, modification, replacement or release with no need for instructions from any Finance Party; *provided* such amendments do not impose any personal obligations on the Agent and/or the Common Security Agent and/or the Intercreditor Agent or adversely affect the rights, duties, liabilities or immunities of the Agent and/or the Common Security Agent and/or the Intercreditor Agent under the Finance Documents.

12. Suspension of Covenants

(a) In this Section 12, "**Rated Liability**" means (i) any Financial Indebtedness outstanding under the Senior Secured 2019 Note Indenture, (ii) any Financial Indebtedness outstanding under the Senior Secured 2021 Note Indenture or (iii) any Financial Indebtedness outstanding under any other Pari Passu Debt Document in an aggregate principal amount of at least US$400,000,000 and that is rated by S&P or Moody's.

(b) The following covenants (the "**Suspended Covenants**") will not apply during any period during which all of the Rated Liabilities have an Investment Grade Status (a "**Suspension Period**"): Sections 2, 3, 4, 5, 6, 11 and (with respect to the Parent Guarantor and the Company) 13(a)(iii). Additionally, during any Suspension Period, neither the Parent Guarantor nor the Company will be permitted to designate any Restricted Subsidiary as an Unrestricted Subsidiary. For the avoidance of doubt, a Suspension Period will not apply if there are no Rated Liabilities.

(c) In the event that the Parent Guarantor and its Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of clause (b) above, and on any subsequent date (the "**Reversion Date**") any Rated Liability ceases to have Investment Grade Status (or there cease to be any Rated Liabilities), then the Suspended Covenants will apply with respect to events occurring following the Reversion Date (unless and until a Suspension Period applies again, in which case the Suspended Covenants will again be suspended for such time that there are Rated Liabilities and all of the Rated Liabilities have an Investment Grade Status); *provided*, however, that no Default or Event of Default will be deemed to exist under this Agreement with respect to the Suspended Covenants, and none of the Parent Guarantor, the Company or any of their respective Subsidiaries will bear any liability for any actions taken or events occurring during a Suspension Period and before any related Reversion Date, or any actions taken at any time pursuant to any contractual obligation or binding commitment arising prior to such Reversion Date, regardless of whether those actions or events would have been permitted if the applicable Suspended Covenant had remained in effect during such period. The Company shall notify the Agent should a Suspension Period commence; *provided that* such notification shall not be a condition for the suspension of the covenants set forth above to be effective.

(d) On each Reversion Date, all Indebtedness Incurred during the Suspension Period prior to such Reversion Date will be deemed to be Indebtedness existing on the 2016 Amendment and Restatement Effective Date. For purposes of calculating the amount available to be made as Restricted Payments under clause (iii) of Section 2(a) on or after the Reversion Date, calculations under such covenant shall be made as though such covenant had been in effect during the entire period of time after the 2016 Amendment and Restatement Effective Date (including the Suspension Period). Restricted Payments made during the Suspension Period not otherwise permitted pursuant to any of clauses (ii) through (vi) or (xviii) under Section 2(b) will reduce the amount available to be made as Restricted Payments under clause (iii) of Section 2(a); *provided that* the amount available to be made as Restricted Payments on the Reversion Date shall not be reduced to below zero solely as a result of such Restricted Payments. In addition, for purposes of the other Suspended Covenants, all agreements entered into and all actions taken during the Suspension Period, including, without limitation, the Incurrence of Indebtedness shall be deemed to have been taken or to have existed prior to the 2016 Amendment and Restatement Effective Date.

13. Merger, Consolidation, or Sale of Assets

(a) Neither the Parent Guarantor nor the Company will, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Parent Guarantor or the Company survives); or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person unless:

(i) either:

(A) if the transaction or series of transactions is a consolidation of the Parent Guarantor or the Company with or a merger of the Parent Guarantor or the Company with or into any other Person, the Parent Guarantor or the Company, as the case may be, shall be the surviving entity of such merger or consolidation; or

(B) the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor or the Company) or to which such sale, assignment, transfer, conveyance or other disposition has been made shall be a corporation organized and existing under the laws of the British Virgin Islands, Cayman Islands, Hong Kong, Macau, Singapore, United States, any state of the United States or the District of Columbia, and such Person shall expressly assume all the Obligations of the Parent Guarantor or the Company, as the case may be, under the Finance Documents pursuant to such accession documents or agreements that are reasonably satisfactory to the Agent, the Common Security Agent and the Intercreditor Agent, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions and take such other actions as may be required by applicable law to perfect or continue the perfection of the Lien created under the Transaction Security Documents on the Collateral owned by or transferred to the surviving Person;

(ii) immediately after such transaction, no Default or Event of Default exists;

(iii) the Parent Guarantor or the Company or, if applicable, the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor or the Company), or to which such sale, assignment, transfer, conveyance or other disposition has been made, would, on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period, be permitted to Incur at least US$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4(a) hereof; and

(iv) Clauses 22.10 ("*Know your customer*" *checks*) and 27 (*Changes to the Obligors*) of this Agreement are satisfied.

(b) No Subsidiary Guarantor will, and the Parent Guarantor will not permit any Subsidiary Guarantor to, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not such Subsidiary Guarantor survives); or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of such Subsidiary Guarantor in one or more related transactions, to another Person, unless:

(i) either:

(A) if the transaction or series of transactions is a consolidation of such Subsidiary Guarantor with or a merger of such Subsidiary Guarantor with or into any other Person, such Subsidiary Guarantor shall be the surviving entity of such consolidation or merger; or

(B) the Person formed by or surviving any such consolidation or merger (if other than such Subsidiary Guarantor) or to which such sale, assignment, transfer, conveyance or other disposition has been made shall be a corporation organized and existing under the laws of the British Virgin Islands, Cayman Islands, Hong Kong, Macau, Singapore, United States, any state of the United States or the District of Columbia, and such Person shall expressly assume all the Obligations of the Parent Guarantor or the Company, as the case may be, under the Finance Documents pursuant to such accession documents or agreements that are reasonably satisfactory to the Agent, the Common Security Agent and the Intercreditor Agent, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions and take such other actions as may be required by applicable law to perfect or continue the perfection of the Lien created under the Transaction Security Documents on the Collateral owned by or transferred to the surviving Person;

(ii) immediately after such transaction, no Default or Event of Default exists; and

(iii) Clauses 22.10 ("*Know your customer*" *checks*) and 27 (*Changes to the Obligors*) of this Agreement are satisfied,

*provided*, however, that the provisions of this Section 13(b) shall not apply if such Subsidiary Guarantor is released from its obligations as a Guarantor as a result of such consolidation, merger, sale or other disposition pursuant to the Finance Documents.

(c) This Section 13 will not apply to:

(i) a merger of the Company or a Guarantor, as the case may be, with an Affiliate solely for the purpose of reincorporating the Company or a Subsidiary Guarantor, as the case may be, in another jurisdiction; or

(ii) any consolidation or merger, or any sale, assignment, transfer, conveyance, or other disposition of assets between or among the Company and the Guarantors or between or among the Guarantors.

(d) Upon consummation of any consolidation or merger, or any sale, assignment, transfer, conveyance, or other disposition of assets by a Subsidiary Guarantor with or into the Company or another Guarantor in accordance with this Section 13 which results in a Subsidiary Guarantor distributing all of its assets (other than *de minimis* assets required by law to maintain its corporate existence) to the Company or another Guarantor, such transferring Subsidiary Guarantor may be wound up pursuant to a solvent liquidation or solvent reorganization; *provided that* it shall have no third party recourse Indebtedness or be the obligor under any intercompany Indebtedness.

**Schedule 11**
**Definitions**

"*2019 Note Interest Accrual Account*" has the meaning given to the term "Senior Secured 2019 Notes Interest Accrual Account" in the Intercreditor Agreement.

"*2019 Notes*" means the Senior Secured 2019 Notes.

"*2019 Notes Guarantees*" has the meaning given to the term "Senior Secured 2019 Note Guarantees" in the Intercreditor Agreement.

"*2019 Notes Indenture*" has the meaning given to the term "Senior Secured 2019 Note Indenture" in the Intercreditor Agreement.

"*2019 Notes Trustee*" has the meaning given to the term "Senior Secured 2019 Note Trustee" in the Intercreditor Agreement.

"*2020 Notes*" means the High Yield Notes.

"*2021 Note Interest Accrual Account*" has the meaning given to the term "Senior Secured 20121 Notes Interest Accrual Account" in the Intercreditor Agreement.

"*2021 Notes*" means the Senior Secured 2021 Notes.

"*2021 Notes Guarantees*" has the meaning given to the term "Senior Secured 2021 Note Guarantees" in the Intercreditor Agreement.

"*2021 Notes Indenture*" has the meaning given to the term "Senior Secured 2021 Note Indenture" in the Intercreditor Agreement.

"*2021 Notes Trustee*" has the meaning given to the term "Senior Secured 2021 Note Trustee" in the Intercreditor Agreement.

"*Acquired Indebtedness*" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is Incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"*Additional Intercreditor Agreement*" means any intercreditor agreement entered into in connection with the Incurrence of any Indebtedness that is permitted to share the Collateral or that is otherwise permitted to be incurred under the Finance Documents, by the Company, the relevant Guarantors, the Agent, the Security Agent and the Intercreditor Agent (without the consent of the Finance Parties) on terms substantially similar to the Intercreditor Agreement (or on terms more favorable to the Finance Parties) or an amendment to or an amendment and restatement of the Intercreditor Agreement (which amendment does not adversely affect the rights of the Finance Parties).

"*Additional 2019 Notes*" means additional Senior Secured 2019 Notes (other than the Initial 2019 Notes) issued under the 2019 Notes Indenture, as part of the same series as the Initial 2019 Notes; *provided that* any Additional 2019 Notes that are not fungible with the 2019 Notes for U.S. federal income tax purposes shall have a separate CUSIP, ISIN or other identifying number than any previously issued 2019 Notes, but shall otherwise be treated as a single class with all other 2019 Notes issued under the 2019 Notes Indenture.

"*Additional 2021 Notes*" means additional Senior Secured 2021 Notes (other than the Initial 2021 Notes) issued under the 2021 Notes Indenture, as part of the same series as the Initial 2021 Notes; *provided that* any Additional 2021 Notes that are not fungible with the 2021 Notes for U.S. federal income tax purposes shall have a separate CUSIP, ISIN or other identifying number than any previously issued 2021 Notes, but shall otherwise be treated as a single class with all other 2021 Notes issued under the 2021 Notes Indenture.

"*Additional Senior Secured Notes*" means Additional 2019 Notes and Additional 2021 Notes.

"*Affiliate*" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "*control*," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; *provided that* beneficial ownership of 10% or more of the Voting Stock of a Person will be deemed to be control. For purposes of this definition, the terms "*controlling,*" "*controlled by*" and "*under common control with*" have correlative meanings.

"*Asset Sale*" means:

(1) the sale, lease, conveyance or other disposition of any assets or rights; *provided that* the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole will be governed by Clause 9.2 (*Change of Control and Disposal Prepayment Event*) of this Agreement and/or the provisions of this Agreement described in Section 13 of Schedule 10 (*Covenants*) and not by the provisions of Section 5 of Schedule 10 (*Covenants*);

(2) the issuance of Equity Interests in any of the Restricted Subsidiaries of the Parent Guarantor or the sale of Equity Interests in any of the Parent Guarantor's Subsidiaries; and

(3) any Event of Loss.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than US$5.0 million;

(2) a transfer of assets between or among the Parent Guarantor and its Restricted Subsidiaries;

(3) an issuance of Equity Interests by a Restricted Subsidiary of the Parent Guarantor to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor;

(4) the sale, license, transfer, lease (including the right to use) or other disposal of products, services, rights, accounts receivable, undertakings, establishments or other current assets or cessation of any undertaking or establishment in the ordinary course of business (including pursuant to any shared services agreements (including the MSA), Revenue Sharing Agreement or any construction and development activities) and any sale or other disposition of damaged, worn-out, surplus or obsolete assets in the ordinary course of business;

(5) the sale or other disposition of cash or Cash Equivalents;

(6) any transfer, termination or unwinding or other disposition of Hedging Obligations in the ordinary course of business;

(7) a transaction covered under Clause 9.2 (*Change of Control and Disposal Prepayment Event*) of this Agreement or Section 13 of Schedule 10 (*Covenants*);

(8) the lease of, right to use or equivalent interest under Macau law on that portion of real property granted to Studio City Developments Limited pursuant to the applicable land concession granted by the government of the Macau SAR in connection with the development of the Phase II Project in accordance with such applicable land concession;

(9) a Restricted Payment that does not violate the provisions of Section 2 of Schedule 10 (*Covenants*) or a Permitted Investment, and any other payment under the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA and any transactions or arrangements involving contractual rights under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof;

(10) the (i) lease, sublease, license or right to use of any portion of the Property to persons who, either directly or through Affiliates of such persons, intend to develop, operate or manage gaming, hotel, nightclubs, bars, restaurants, malls, amusements, attractions, recreation, spa, pool, exercise or gym facilities, or entertainment facilities or venues or retail shops or venues or similar or related establishments or facilities within the Property and (ii) the grant of declarations of covenants, conditions and restrictions and/or easements or other rights to use with respect to common area spaces and similar instruments benefiting such tenants of such lease, subleases licenses and rights to use generally and/or entered into connection with the Property (collectively, the “*Venue Easements*”); *provided that* no Venue Easements or operations conducted pursuant thereto would reasonably be expected to materially interfere with, or materially impair or detract from, the operation of the Property;

(11) the dedication of space or other dispositions of property in connection with and in furtherance of constructing structures or improvements reasonably related to the development, construction and operation of the Property; provided that in each case such dedication or other disposition is in furtherance of, and does not materially impair or interfere with the use or operations (or intended use or operations) of, the Property;

(12) the granting of easements, rights of way, rights of access and/or similar rights to any governmental authority, utility providers, cable or other communication providers and/or other parties providing services or benefits to the Property, the real property held by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor or the public at large that would not reasonably be expected to interfere in any material respect with the construction, development or operation of the Property;

(13) the granting of a lease, right to use or equivalent interest to Melco Crown Macau for purposes of operating a gaming facility under the Services and Right to Use Agreement and any related agreements, or any transactions or arrangements contemplated thereby;

(14) the grant of licenses to intellectual property rights to third Persons (other than Affiliates of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor) on an arm’s length basis in the ordinary course of business or to Melco Crown Macau and its Affiliates in the ordinary course of business;

(15) [Reserved];

(16) transfers, assignments or dispositions constituting an Incurrence of a Permitted Lien (but not the actual sale or other disposition of the property subject to such Lien); and

(17) any surrender or waiver of contractual rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business.

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

"*Board of Directors*" means:

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

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

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

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

"*Business Day*" means any day other than a Legal Holiday.

"*Capital Lease Obligation*" means, at the time any determination is to be made, the amount of the liability in respect of a finance or capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"*Capital Stock*" means:

(1) in the case of a corporation, corporate stock or shares;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

“*Cash Equivalents*” means:

(1) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (*provided that* the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than six months from the date of acquisition;

(2) demand deposits, certificates of deposit, time deposits and eurodollar time deposits with maturities of 12 months or less from the date of acquisition, bankers’ acceptances with maturities not exceeding six months and overnight bank deposits, in each case, with any commercial bank organized under the laws of Macau, Hong Kong, a member state of the European Union or of the United States of America or any state thereof having capital and surplus in excess of US$500.0 million (or the foreign currency equivalent thereof as of the date of such investment) and whose long-term debt is rated “A-3” or higher by Moody’s or “A-” or higher by S&P or the equivalent rating category or another internationally recognized rating agency or, with respect to any Senior Secured Notes Interest Accrual Account, any bank with which the Company maintains such account, in each case pursuant to the terms of the document governing such Senior Secured Notes Interest Accrual Account;

(3) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (1) and (2) above entered into with any financial institution meeting the qualifications specified in clause (2) above;

(4) commercial paper having one of the two highest ratings obtainable from Moody’s or S&P and, in each case, maturing within 12 months after the date of acquisition; and

(5) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (4) of this definition.

“*Casualty*” means any casualty, loss, damage, destruction or other similar loss with respect to real or personal property or improvements.

“*Change of Control*” means the occurrence of any of the following:

(1) MCE’s equity securities not being listed on at least one of the following:

(a) The Hong Kong Stock Exchange;

(b) The NASDAQ Stock Market; or

(c) The New York Stock Exchange;

(2) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Parent Guarantor and its Subsidiaries taken as a whole to any “person” or “group” (as such terms are used in Section 13(d) of the Exchange Act) (other than a Sponsor or a Related Party of a Sponsor);

(3) the adoption of a plan relating to the liquidation or dissolution of the Parent Guarantor or the Company;

(4) prior to the consummation of a Qualifying Event, the first day on which:

(a) MCE ceases to own, directly or indirectly (through a Subsidiary), a majority of the outstanding Equity Interests and/or Voting Stock of each of the Parent Guarantor, Melco Crown Macau and Studio City Holdings Five Limited (or any Person which becomes a "Golden Shareholder" and/or a "Preference Holder" under the Direct Agreement pursuant to the terms thereof); or

(b) MCE ceases to have, directly or indirectly (through a Subsidiary), the power to nominate a number of directors on the Board of Directors of the Parent Guarantor who are entitled to cast a majority of the votes which may be cast at a meeting of the Board of Directors of the Parent Guarantor;

(5) upon or after the consummation of a Qualifying Event, the first day on which:

(a) MCE ceases to own, directly or indirectly (through a subsidiary), at least 35% of the outstanding Equity Interests and/or Voting Stock of each of the Parent Guarantor, Melco Crown Macau and Studio City Holdings Five Limited (or any Person which becomes a "Golden Shareholder" and/or a "Preference Holder" under the Direct Agreement pursuant to the terms thereof); or

(b) any "*person*" or "*group*" (as such terms are used in Section 13(d) of the Exchange Act), other than MCE or a Related Party of MCE, is or becomes (i) the Beneficial Owner, directly or indirectly, of a larger percentage of the outstanding Equity Interests and/or Voting stock of either the Parent Guarantor or Melco Crown Macau than MCE, or (ii) entitled to nominate a number of directors on the Board of Directors of the Parent Guarantor who are entitled to cast a majority of the votes which may be cast at a meeting of the Board of Directors of the Parent Guarantor; or

(6) the first day on which the Parent Guarantor ceases to own, directly or indirectly (through a subsidiary), 100% of the outstanding Equity Interests and/or Voting Stock of the Company.

"*Collateral*" means the Charged Property and any other rights, property and assets securing the Facilities Liabilities and any rights, property or assets in which a security interest has been or will be granted on the 2016 Amendment and Restatement Effective Date or thereafter to secure the Facilities Liabilities.

"*Common Collateral*" means the Collateral other than the Credit-Specific Transaction Security.

"*Company*" means the Borrower.

"*Condemnation*" means any taking by a Governmental Authority of assets or property, or any part thereof or interest therein, for public or quasi-public use under the power of eminent domain, by reason of any public improvement or condemnation or in any other manner.

"*Consolidated Net Income*" means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; *provided that*:

(1) the Net Income (or loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions actually paid in cash to, or the amount of loss actually funded in cash by, the specified Person or a Restricted Subsidiary of the Person;

(2) the Net Income of any Restricted Subsidiary that is not a Subsidiary Guarantor will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that Net Income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders; *provided*, however, that Consolidated Net Income of the specified Person will be increased by the amount of dividends or similar contributions actually paid in cash (or to the extent converted into cash) to the specified Person or any of its Restricted Subsidiaries that is a Subsidiary Guarantor, to the extent not already included therein;

(3) the cumulative effect of a change in accounting principles will be excluded; and

(4) charges or expenses related to deferred financing fees and Indebtedness issuance costs, including related commissions, fees and expenses, premiums paid or other expenses incurred directly in connection with any early extinguishment of Indebtedness and any net gain (loss) from any write-off, extinguishment, repurchase, cancellation or forgiveness of Indebtedness will be excluded.

"*Credit Facilities*" means one or more debt facilities (including, without limitation, the Facilities), indentures or commercial paper facilities, in each case, with banks or other lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables), letters of credit or other forms of Indebtedness, in each case, as amended, restated, modified, renewed, refunded, replaced (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to investors) in whole or in part from time to time; *provided* that in no event shall such amendment, restatement, modification, renewable, refunding, replacement or refinancing result in the Parent Guarantor and its Restricted Subsidiaries not having any debt facilities which would have the effect of impairing any security interest over any of the assets comprising the Collateral for the benefit of the Finance Parties (including the priority thereof).

"*Credit-Specific Transaction Security*" means:

(1) the Lien over the 2021 Note Interest Accrual Account;

(2) the Lien over the Facility A Cash Collateral Account;

(3) the Lien over any interest accrual account or debt service reserve account established in connection with any pari passu Indebtedness; and

(4) the Lien over the 2019 Note Interest Accrual Account.

"*Debt Documents*" means the definitive documents in respect to the Secured Obligations as determined in accordance with the Intercreditor Agreement.

"*Direct Agreement*" means the direct agreement dated November 26, 2013, in relation to (a) the Services and Rights to Use Agreement and (b) the Reinvestment Agreement.

"*Disbursement Agreements*" means the Note Disbursement and Account Agreement and the Senior Disbursement Agreement.

"*Disqualified Stock*" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the last Final Repayment Date of the Facilities. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Parent Guarantor to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Parent Guarantor may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 2 of Schedule 10 (*Covenants*). The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Agreement will be the maximum amount that the Parent Guarantor may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"*EBITDA*" means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period *plus*, without duplication:

(1) an amount equal to any extraordinary loss *plus* any net loss realized by such Person or any of its Restricted Subsidiaries in connection with an Asset Sale, to the extent such losses were deducted in computing such Consolidated Net Income; *plus*

(2) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; plus

(3) the Fixed Charges of such Person and its Restricted Subsidiaries for such period, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; plus

(4) depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period), of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income; plus

(5) any non-cash compensation charge arising from any grant of stock, stock options or other equity based awards; plus

(6) any goodwill or other intangible asset impairment charge; plus

(7) non-cash items increasing such Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business,

in each case, on a consolidated basis and determined in accordance with GAAP.

Notwithstanding the preceding, the provision for taxes based on the income or profits of, and the depreciation and amortization and other non-cash expenses of, a Restricted Subsidiary of the Parent Guarantor will be added to Consolidated Net Income to compute EBITDA of the Parent Guarantor only to the extent that a corresponding amount was included in the calculation of Consolidated Net Income.

“*Equity Interests*” means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

“*Equity Offering*” means any public sale or private issuance of Capital Stock (other than Disqualified Stock) of (1) the Parent Guarantor or (2) a direct or indirect parent of the Parent Guarantor to the extent the net proceeds from such issuance are contributed in cash to the common equity capital of the Parent Guarantor (in each case other than pursuant to a registration statement on Form S-8 or otherwise relating to equity securities issuable under any employee benefit plan of the Parent Guarantor).

“*Event of Loss*” means, with respect to the Company, Parent Guarantor, any Subsidiary Guarantor or any Restricted Subsidiary of the Parent Guarantor that is a Significant Subsidiary, any (1) Casualty, (2) Condemnation or seizure (other than pursuant to foreclosure) or (3) settlement in lieu of clause (2) above, in each case having a fair market value in excess of US$10.0 million.

“*Excess Proceeds*” means any Net Proceeds from Asset Sales that are not applied or invested as provided in Section 5(b) of Schedule 10 (*Covenants*).

“*Exchange Act*” means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

“*Excluded Contributions*” means the net cash proceeds received by the Parent Guarantor subsequent to the 2016 Amendment and Restatement Effective Date from:

(1) contributions to its common equity capital; and

(2) the issuance or sale (other than to a Subsidiary of the Parent Guarantor or to any Parent Guarantor or Subsidiary management equity plan or stock option plan or any other management or employee benefit plan or agreement) by the Parent Guarantor of shares of its Capital Stock (other than Disqualified Stock) or a share capital increase;

in each case, designated as Excluded Contributions on the date on which such Excluded Contributions were received pursuant to an Officer’s Certificate, and excluded from the calculation set forth in clause (C)(II) of Section 2(a) of Schedule 10 (*Covenants*).

“*Facilities Liabilities*” means the Liabilities (as defined in Clause 1.1 (*Definitions*) of this Agreement) owed by the Obligors to the Finance Parties under or in connection with the Finance Documents.

“*Fair Market Value*” means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of the Parent Guarantor or the Company, as the case may be (unless otherwise provided in this Agreement).

“*Fixed Charge Coverage Ratio*” means with respect to any specified Person for any period, the ratio of EBITDA of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the “*Calculation Date*”), then the Fixed Charge Coverage Ratio will be calculated giving pro forma effect to such incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Preferred Stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period.

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions and including increases in ownership of Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date will be given pro forma effect (in accordance with Regulation S-X under the Securities Act) as if they had occurred on the first day of the four-quarter reference period;

(2) the EBITDA attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the Obligations giving rise to such Fixed Charges will not be Obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period; and

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months).

"*Fixed Charges*" means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued, including, without limitation, amortization of debt discount (but not (i) debt issuance costs, commissions, fees and expenses or (ii) amortization of discount on the Intercompany Note Proceeds Loans), non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges Incurred in respect of letter of credit or bankers' acceptance financings, and net of the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates; *plus*

(2) the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period; *plus*

(3) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries (other than Indebtedness secured by a Lien of the type specified in clause (22) of the definition of "Permitted Liens"), whether or not such Guarantee or Lien is called upon; *plus*

(4) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of Preferred Stock of such Person or any of its Restricted Subsidiaries, other than dividends on Equity Interests payable solely in Equity Interests of such Person (other than Disqualified Stock) or to such Person or a Restricted Subsidiary of such Person, *times* (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with GAAP.

"*GAAP*" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time.

"*Gaming Authorities*" means, in any jurisdiction in which Melco Crown Macau (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Parent Guarantor or any of its Subsidiaries manages or conducts any casino, gaming business or activities, the applicable gaming board, commission, or other governmental gaming regulatory body or agency which (a) has, or may at any time after the 2016 Amendment and Restatement Effective Date have, jurisdiction over the gaming activities of Melco Crown Macau (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Parent Guarantor or any of its Subsidiaries, or any successor to such authority or (b) is, or may at any time after the 2016 Amendment and Restatement Effective Date be, responsible for interpreting, administering and enforcing the Gaming Laws.

"*Gaming Laws*" means all applicable constitutions, treatises, resolutions, laws, regulations, instructions and statutes pursuant to which any Gaming Authority possesses regulatory, licensing or permit authority over gaming, gambling or casino activities, and all rules, rulings, orders, ordinances, regulations of any Gaming Authority applicable to the gambling, casino, gaming businesses or activities of Melco Crown Macau (or any other operator of the casino including the Sponsors or any of their Affiliates) or the Parent Guarantor or any of its Subsidiaries in any jurisdiction, as in effect from time to time, including the policies, interpretations and administration thereof by the Gaming Authorities.

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

"*Guarantee*" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"*Hedging Obligations*" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates or commodity prices.

"*Incur*" means, with respect to any Indebtedness, Capital Stock or other Obligation of any Person, to create, issue, assume, guarantee, incur (by conversion, exchange, or otherwise) or otherwise become liable in respect of such Indebtedness, Capital Stock or other Obligation or the recording, as required pursuant to GAAP or otherwise, of any such Indebtedness or other Obligation on the balance sheet of such Person. Indebtedness or Capital Stock otherwise Incurred by a Person before it becomes a Restricted Subsidiary of the Parent Guarantor shall be deemed to be Incurred at the time at which such Person becomes a Restricted Subsidiary of the Parent Guarantor. The accretion of original issue discount, the accrual of interest, the accrual of dividends, the payment of interest in the form of additional Indebtedness and the payment of dividends on Preferred Stock in the form of additional shares of Preferred Stock shall not be considered an Incurrence of Indebtedness.

"*Indebtedness*" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than one year after such property is acquired or such services are completed; or

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person.

Notwithstanding the foregoing, "Indebtedness" will not include (i) any capital commitments, deposits or advances from customers or any contingent obligations to refund payments (including deposits) to customers (or any guarantee thereof), or (ii) obligations of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor to pay the deferred and unpaid purchase price of property or services due to suppliers of equipment or other assets (including parts thereof) not more than one year after such property is acquired or such services are completed and the amount of unpaid purchase price retained by the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business in connection with an acquisition of equipment or other assets (including parts thereof) pending full operation or contingent on certain conditions during a warranty period of such equipment or assets in accordance with the terms of the acquisition; *provided*, that, in each case, such Indebtedness is not reflected as borrowings on the consolidated balance sheet of the Parent Guarantor (contingent obligations and commitments referred to in a footnote to financial statements and not otherwise reflected as borrowings on the balance sheet will not be deemed to be reflected on such balance sheet).

The amount of Indebtedness of any Person at any time shall be the outstanding balance at such time of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided* that:

(A) the amount outstanding at any time of any Indebtedness issued with original issue discount is the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP;

(B) money borrowed and set aside at the time of the Incurrence of any Indebtedness in order to prefund the payment of the interest on such Indebtedness shall not be deemed to be "Indebtedness" so long as such money is held to secure the payment of such interest; and

(C) that the amount of or the principal amount of Indebtedness with respect to any Hedging Obligation shall be equal to the net amount payable if such Hedging Obligation terminated at or prior to that time due to a default by such Person.

"*Initial 2019 Notes*" means the first US$350,000,000 aggregate principal amount of 2019 Notes issued under the 2019 Notes Indenture on or about the 2016 Amendment and Restatement Effective Date.

"*Initial 2021 Notes*" means the first US$850,000,000 aggregate principal amount of 2021 Notes issued under the 2021 Notes Indenture on or about the 2016 Amendment and Restatement Effective Date.

"*Intercompany Note Proceeds Loans*" means the one or more intercompany loans between Studio City Finance and the Parent Guarantor or its Subsidiaries pursuant to which Studio City Finance on-lends to the Parent Guarantor or its Subsidiaries the net proceeds from the issuance of the 2020 Notes in accordance with the terms of the definitive documents with respect to the 2020 Notes, including in connection with any extension, additional issuance or refinancing thereof.

"*Investment Grade Status*" shall apply at any time the relevant Indebtedness receives (i) a rating equal to or higher than BBB- (or the equivalent) from S&P and (ii) a rating equal to or higher than Baa3 (or the equivalent) from Moody's.

"*Investments*" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees and consultants made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Parent Guarantor or any Subsidiary of the Parent Guarantor sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Parent Guarantor such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Parent Guarantor, the Parent Guarantor will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Parent Guarantor's Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in clause (c) of Section 2 of Schedule 10 (*Covenants*). The acquisition by the Parent Guarantor or any Subsidiary of the Parent Guarantor of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Company or such Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in clause (c) of Section 2 of Schedule 10 (*Covenants*). Except as otherwise provided in this Agreement, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"*Land Concession*" means the land concession by way of lease, for a period of 25 years, subject to renewal as of October 17, 2001 for a plot of land situated in Cotai, Macau, described with the Macau Immovable Property Registry under No. 23059 and registered in Studio City Developments Limited's name under inscription no. 26642 of Book F, titled by Dispatch of the Secretary for Public Works and Transportation no. 100/2001 of October 9, 2001, published in the Macau Official Gazette no. 42 of October 17, 2001, as amended by Dispatch of the Secretary for Public Works and Transportation no. 31/2012 of July 19, 2012, published in the Macau Official Gazette no. 30 of July 25, 2012, and by Dispatch of Secretary for Public Works and Transportation no. 92/2015 of September 10, 2015, published in the Macau Official Gazette no. 38 of September 23, 2015 and including any other amendments from time to time to such land concession.

"*Legal Holiday*" means a Saturday, a Sunday or a day on which banking institutions in the City of New York, Hong Kong, Macau or at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction).

"*Melco Crown Macau*" means Melco Crown.

"*Melco Crown Parties*" means Melco Crown (COD) Hotels Limited, Melco Crown (COD) Developments Limited, Altira Hotel Limited, COD Theatre Limited, Melco Crown COD (GH) Hotel Limited, Melco Crown (COD) Retail Services Limited, Altira Developments Limited, Melco Crown (Macau) Limited, MPEL Services Limited, Golden Future (Management Services) Limited, MPEL Properties (Macau) Limited, Melco Crown Hospitality and Services Limited, Melco Crown Security Services Limited, Melco Crown COD (HR) Hotel Limited, Melco Crown COD (CT) Hotel Limited, MCE Travel Limited, MCE Transportation Limited and MCE Transportation Two Limited and any other Person which accedes to the MSA as a "Melco Crown Party" pursuant to terms thereof; and a "*Melco Crown Party*" means any of them.

"*Moody's*" means Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

"*MSA*" means the master services agreement dated December 21, 2015, including any work agreements entered into pursuant to the master services agreement, entered into between the Studio City Parties on the one part and the Melco Crown Parties on the other part, as amended, modified, supplemented, extended, replaced or renewed from time to time, and any other master services agreement or equivalent agreement or contract, including any work agreements entered into pursuant to any such master services agreement, in each case entered into in connection with the conduct of Permitted Business and on terms that are no less favorable to the Company, the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in an arm's length commercial transaction, as amended, modified, supplemented, extended, replaced or renewed from time to time.

"*Net Income*" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of Preferred Stock dividends, excluding, however:

(1) any gain (or loss), together with any related provision for taxes on such gain (or loss), realized in connection with: (a) any Asset Sale; or (b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment, repurchase or cancellation of any Indebtedness of such Person or any of its Restricted Subsidiaries; and

(2) any extraordinary gain (or loss), together with any related provision for taxes on such extraordinary gain (or loss).

"*Net Proceeds*" means the aggregate cash proceeds received by the Parent Guarantor or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with GAAP.

"*Non-Recourse Debt*" means Indebtedness:

(1) as to which neither the Parent Guarantor nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender, other than, in the case of (a) and (b), Indebtedness incurred pursuant to clause (b)(xv) of Section 4 of Schedule 10 (*Covenants*); and

(2) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Parent Guarantor or any of its Restricted Subsidiaries (other than to the Equity Interests of any Unrestricted Subsidiary).

"*Note Disbursement and Account Agreement*" means the Note Disbursement and Account Agreement dated as of November 26, 2012, among Studio City Finance, Studio City Company Limited as Borrower, the collateral agent and the trustee for the 2020 Notes and the Note Disbursement Agent named therein.

"*Obligations*" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"*Offering Memorandum*" means the offering memorandum dated November, 22 2016 in respect of the Senior Secured Notes.

"*Officer*" means the Chairman of the Board, Chief Executive Officer, Chief Financial Officer, President, any Executive Vice President, Senior Vice President or Vice President, Treasurer or Secretary of the Company or the Parent Guarantor, as the case may be, or any Directors of the Board or any Person acting in that capacity.

"*Officer's Certificate*" means a certificate signed on behalf of the Company or the Parent Guarantor, as the case may be, by an Officer of the Company or the Parent Guarantor, as applicable, which is in form and substance satisfactory to the Agent (acting reasonably).

"*Parent Guarantor*" means the Parent.

"*Permitted Business*" means (1) any businesses, services or activities engaged in by the Parent Guarantor or any of its Restricted Subsidiaries on the 2016 Amendment and Restatement Effective Date, including, without limitation, the construction, development and operation of the Property, (2) any gaming, hotel, accommodation, hospitality, transport, tourism, resort, food and beverage, retail, entertainment, cinema / cinematic venue, audio-visual production (including provision of sound stage, recording studio and similar facilities), performance, cultural or related business, development, project, undertaking or venture of any kind in the Macau SAR, and (3) any other businesses, services, activities or undertaking that are necessary for, supportive of, or connected, related, complementary, incidental, ancillary or similar to, any of the foregoing or are extensions or developments of any thereof (including in support of the businesses, services, activities and undertakings of the MCE group as a whole or any member thereof including through participation in shared and centralized services and activities).

"*Permitted Investments*" means:

(1) any Investment in the Company, the Parent Guarantor or in a Restricted Subsidiary of the Parent Guarantor;

(2) any Investment in cash or Cash Equivalents;

(3) any Investment by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in a Person, if as a result of such Investment:

(A) such Person becomes a Restricted Subsidiary of the Parent Guarantor; or

(B) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor;

(4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 5 of Schedule 10 (*Covenants*);

(5) any acquisition of assets or Capital Stock in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Parent Guarantor;

(6) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Parent Guarantor or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (B) litigation, arbitration or other disputes with Persons who are not Affiliates;

(7) Investments represented by Hedging Obligations;

(8) loans or advances to employees, officers, or directors made in the ordinary course of business of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in an aggregate principal amount not to exceed US$1.0 million at any one time outstanding;

(9) without prejudice to Clause 23.15 (*Notes Repurchase condition*) of this Agreement, repurchases of the Senior Secured Notes;

(10) any Investments consisting of gaming credit extended to customers and junket operators in the ordinary course of business and consistent with applicable law and any Investments made or deemed to be made in connection with or through any transactions or arrangements involving contractual rights under, pursuant to or in connection with (i) the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA and (ii) any transaction or arrangements made pursuant to clause (10) of the definition of "Asset Sale", including any amendments, modifications, supplements, extensions, replacements, terminations or renewals;

(11) advances to contractors and suppliers and accounts, trade and notes receivables created or acquired in the ordinary course of business;

(12) receivables owing to the Parent Guarantor or any of its Restricted Subsidiaries if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;

(13) any Investment existing on the 2016 Amendment and Restatement Effective Date or made pursuant to binding commitments in effect on the 2016 Amendment and Restatement Effective Date or an Investment consisting of any extension, modification or renewal of any Investment existing on the 2016 Amendment and Restatement Effective Date; *provided that* the amount of any such Investment may be increased (x) as required by the terms of such Investment as in existence on the 2016 Amendment and Restatement Effective Date or (y) as otherwise permitted under the Finance Documents;

(14) Investments in prepaid expenses, negotiable instruments held for collection, deposits made in connection with self-insurance, and performance and other similar deposits and prepayments made in connection with an acquisition of assets or property in the ordinary course of business by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor;

(15) deposits made by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business to comply with statutory or regulatory obligations (including land grants) to maintain deposits for the purposes specified by the applicable statute or regulation (including land grants) from time to time;

(16) any Investment consisting of a Guarantee permitted by Section 4 of Schedule 10 (*Covenants*) and performance guarantees that do not constitute Indebtedness entered into by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business;

(17) to the extent constituting an Investment, licenses of intellectual property rights granted by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business; *provided that* such grant does not interfere in any material respect with the ordinary conduct of the business of such Person;

(18) Investments consisting of purchases and acquisitions of inventory, supplies, materials, services or equipment or purchases of contract rights or licenses or leases of intellectual property, in each case, in the ordinary course of business;

(19) Investments held by a Person that becomes a Restricted Subsidiary of the Parent Guarantor; *provided*, however, that such Investments were not acquired in contemplation of the acquisition of such Person;

(20) an Investment in an Unrestricted Subsidiary consisting solely of an Investment in another Unrestricted Subsidiary;

(21) pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business or (y) otherwise described in the definition of "Permitted Liens";

(22) Investments (other than Permitted Investments) made with Excluded Contributions; *provided*, however, that any amount of Excluded Contributions made will not be included in the calculation of clause (C)(II) of Section 2(a) of Schedule 10 (*Covenants*);

(23) Investments consisting of the licensing or contribution of intellectual property pursuant to joint marketing arrangements with other Persons; and

(24) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (24) that are at the time outstanding, not to exceed US$5.0 million.

"*Permitted Land Concession Amendment*" means any of the following:

(1) any action or thing which results in, with respect to the Land Concession:

(A) an increase of the gross floor construction area at the Site as permitted under Macau legal requirements; or

(B) any extension of the term of the Land Concession; or

(C) the removal of development or other obligations or terms; or

(D) the imposition of less onerous development or other obligations or terms than those set forth in the Land Concession; or

(E) any extension of the date required for completion of development of the Site; or

(F) amendments to enable definitive registration of the Land Concession (or part thereof) in line with the works actually executed; provided that such amendments do not adversely affect the interests of the Lenders; or

(2) any amendment to the Land Concession:

(A) required to permit development of the Site under formal phasing (where the Property will be comprised in one of such formal phases);

(B) required to permit separation of the Site into more than one autonomous land plot or lots (where the Property will be comprised in one of such land plots or lots);

(C) required to permit registration of strata title (pursuant to which the Property shall be comprised in one or more autonomous units to be created under strata title);

(D) required to permit separate and/or definitive registration of the part of the Land Concession comprising the Property separately from the remaining development of the Site;

(E) required to permit independent termination of the part of the Land Concession relative to the Property from the termination of the remaining part;

(F) required to permit independent registration of the part of the Land Concession comprising the Property from the remaining part;

(G) required to permit the separate disposal of the rights resulting from the Land Concession relative to the Property from the remaining rights; or

(H) required to modify the purpose of the Land Concession only in respect of the part of the Site not comprising the Property;

*provided* that any such amendment would not reasonably be expected to be adverse to the interests of the Lenders; or

(3) any amendments to the purpose of the Land Concession relating to the rating of a hotel;

(4) any amendment which is of a mechanical or administrative nature or any amendment required by any Macau SAR Governmental Authority for which reasonable notice has been given (which does not, in any case, materially adversely affect the interests of the Lenders); or

(5) any other amendment to the Land Concession that is not or would not reasonably be expected to be materially adverse to the interests of the Lenders under the Finance Documents.

"*Permitted Liens*" means:

(1) Liens securing Indebtedness Incurred pursuant to Section 4(b)(i) of Schedule 10 (*Covenants*);

(2) Liens created for the benefit of (or to secure) the Senior Secured Notes (including any Additional Senior Secured Notes) or the Senior Secured Notes Guarantees;

(3) Liens in favor of the Company or the Guarantors;

(4) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with the Parent Guarantor or any Subsidiary of the Parent Guarantor; provided that such Liens were not created in connection with, or in contemplation of, such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with the Parent Guarantor or the Subsidiary;

(5) Liens on property (including Capital Stock) existing at the time of acquisition of the property by the Parent Guarantor or any Subsidiary of the Parent Guarantor; *provided that* such Liens were in existence prior to, such acquisition, and not incurred in contemplation of, such acquisition;

(6) Liens incurred or deposits made in the ordinary course of business in connection with workmen's compensation or unemployment obligations or other obligations of a like nature, including any Lien securing letters of credit issued in the ordinary course of business in connection therewith, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

(7) Liens to secure Indebtedness (including Capital Lease Obligations) permitted by Section 4(b)(iv) of Schedule 10 (*Covenants*) covering only the assets acquired with or financed by such Indebtedness and directly related assets such as proceeds (including insurance proceeds), improvements, replacements and substitutions thereto;

(8) Liens existing on the 2016 Amendment and Restatement Effective Date;

(9) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided that* any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;

(10) Liens imposed by law, such as carriers, warehousemen’s, landlord’s, suppliers’ and mechanics’ Liens, in each case, incurred in the ordinary course of business;

(11) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(12) Liens to secure any Permitted Refinancing Indebtedness permitted to be Incurred under the Finance Documents; *provided*, however, that:

(A) the new Lien shall be limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (*plus* improvements and accessions to, such property or proceeds or distributions thereof); and

(B) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(13) Liens securing Hedging Obligations so long as the related Indebtedness is, and is permitted to be under the Finance Documents, secured by a Lien on the same assets or property securing such Hedging Obligations;

(14) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks not given in connection with the money borrowed, (ii) relating to pooled deposit or sweep accounts of the Parent Guarantor or any of its Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Parent Guarantor and its Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business;

(15) Liens arising out of judgments against such Person not giving rise to an Event of Default, with respect to which such Person shall then be proceeding with an appeal or other proceedings for review, *provided that* any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;

(16) Liens granted to each Senior Secured Notes Trustee for its compensation and indemnities pursuant to the applicable Senior Secured Notes Indenture;

(17) Liens arising out of or in connection with licenses, sublicenses, leases (other than capital leases) and subleases (including rights to use) of assets (including, without limitation, intellectual property) entered into in the ordinary course of business;

(18) Liens upon specific items of inventory or other goods and proceeds of the Parent Guarantor or any of its Restricted Subsidiaries securing obligations in respect of bankers' acceptances issued or created to facilitate the purchase, shipment or storage of such inventory or other goods in the ordinary course of business;

(19) Liens arising out of conditional sale, title retention, hire purchase, consignment or similar arrangement for the sale of goods in the ordinary course of business;

(20) Liens arising under customary provisions limiting the disposition or distribution of assets or property or any related restrictions thereon in operating agreements, joint venture agreements, partnership agreements, contracts for sale and other agreements arising in the ordinary course of business; *provided, that* such Liens do not extend to any assets of the Parent Guarantor or any of its Restricted Subsidiaries other than the assets subject to such agreements or contracts;

(21) Liens on deposits made in the ordinary course of business to secure liability to insurance carriers;

(22) Liens on the Equity Interests of Unrestricted Subsidiaries;

(23) Liens created or Incurred under, pursuant to or in connection with the Services and Right to Use Agreement or the Reinvestment Agreement, including Liens on any revenues or receipts thereunder or any accounts created or maintained thereunder;

(24) limited recourse Liens in respect of the ownership interests in, or assets owned by, any joint ventures which are not Restricted Subsidiaries of the Parent Guarantor securing obligations of such joint ventures;

(25) Liens securing Indebtedness Incurred pursuant to Section 4(a) and clause (A)(y) of Section 4(b)(i) of Schedule 10 (*Covenants*), in each case in connection with Indebtedness incurred to finance the Phase II Project, *provided that* the amount of Indebtedness secured by such Lien does not exceed the greater of (x) 75% of the EBITDA of the Parent Guarantor for the last twelve months (which figure shall be based on audited financial information, if for an annual period) and (y) US$350.0 million;

(26) Liens incurred in the ordinary course of business of the Parent Guarantor or any Subsidiary of the Parent Guarantor with respect to Obligations that do not exceed US$5.0 million at any one time outstanding; and

(27) Liens securing obligations under a debt service reserve account or interest accrual account (including all dividends, instruments, cash and Cash Equivalents and other property, as applicable, on deposit in such account) established for the benefit of creditors securing Indebtedness to the extent such debt service reserve account or interest accrual account is established in the ordinary course of business consistent with past practice.

Notwithstanding the foregoing:

(a) no Liens on the Facility A Cash Collateral account other than Liens of the type described in paragraphs (1) (but only in respect of Liens that secure Indebtedness under Facility A), (9), (10), (14)(i) and (21) of this definition shall constitute Permitted Liens;

(b) [reserved]; and

(c) no Liens on the Common Collateral other than Liens of the type described in paragraphs (1), (2) (and any Permitted Refinancing Indebtedness in respect of Indebtedness secured pursuant to paragraph (2)), (6), (9), (10), (11), (13), (14)(i), (14)(ii), (15), (16), (17), (18), (19), (20), (21), (23) and (25) of this definition of “Permitted Liens” shall constitute Permitted Liens; *provided*, in the case of this clause (c), with respect to Liens securing Indebtedness of the type described in paragraphs (1), (2) (and any Permitted Refinancing Indebtedness in respect of Indebtedness secured pursuant to paragraph (2)), (13) (with respect to Hedging Obligations secured by the Common Collateral) and (25) of this definition of “Permitted Liens”:

(i) all the property and assets securing such Indebtedness (including, without limitation, the Collateral) also secures the Facilities Liabilities on a senior and *pari passu* basis (other than (I) Liens described in clause (a) above, (II) Liens of the type described in paragraph (27) of the definition of “Permitted Liens”, or (III) Liens securing any interest accrual account arrangements in respect of the Senior Secured Notes);

(ii) no Indebtedness other than Indebtedness secured by Liens of the type described in paragraph (1) or (13) (with respect to Hedging Obligations supporting Indebtedness of the type described in paragraphs (1) and (2) (and any Permitted Refinancing Indebtedness in respect of Indebtedness secured pursuant to paragraph (2)) of the definition of “Permitted Debt” in an aggregate amount outstanding at any time up to US$5.0 million) of the definition of “Permitted Liens” may rank pari passu and share pro rata with the Facilities Liabilities as to enforcement proceeds from such Collateral; and

(iii) the parties with respect to such Indebtedness will have entered into the Intercreditor Agreement (and/or an Additional Intercreditor Agreement) as “Secured Parties” (or the analogous term) thereunder.

“*Permitted Refinancing Indebtedness*” means any Indebtedness of the Company or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge other Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries (other than intercompany Indebtedness); *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged (*plus* all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, Incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Facilities Liabilities, such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and is subordinated in right of payment to, the Facilities Liabilities on terms at least as favorable to the Finance Parties as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) such Indebtedness is Incurred either by the Parent Guarantor or by the Restricted Subsidiary who is the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

“*Person*” means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

“*Phase I*” means the approximate 477,100 gross square meter complex on the Site which contains retail, hotel, gaming, entertainment, food and beverage outlets and entertainment studios and other facilities.

“*Phase II Project*” the development of the remainder of the Site, which is expected to include one or more types of Permitted Business and will be developed in accordance with the applicable governmental requirements regarding the Site.

“*Preferred Stock*” means any Equity Interest with preferential right of payment of dividends or upon liquidation, dissolution, or winding up.

“*Project Costs*” means the construction and development costs and other project costs, including licensing, financing, interest, fees and pre-opening costs, of Phase I of the Property.

“*Property*” means Phase I and the Phase II Project.

“*Public Market*” means any time after:

(1) a public Equity Offering has been consummated; and

(2) 15% or more of the total issued and outstanding shares of common stock or common Equity Interests of the entity whose Capital Stock was offered in such Equity Offering as of the date of such Equity Offering have been distributed to investors other than the Sponsors, any Related Party of the Sponsors or any other direct or indirect shareholders of the Parent Guarantor as of the date of the Equity Offering.

“*Qualifying Event*” means an underwritten public Equity Offering, listing or floatation or the listing or admission to trading on any stock exchange or market of the Parent Guarantor or any direct or indirect parent of the Parent Guarantor or any successor thereof following which there is a Public Market and, as a result of which, the Capital Stock of such entity in such offering is listed or floated on an internationally recognized exchange or traded on an internationally recognized market.

“*Reinvestment Agreement*” means the Reimbursement Agreement.

“*Related Party*” means*:*

(1) any controlling stockholder, 80% (or more) owned Subsidiary, or immediate family member (in the case of an individual) of any Sponsor; or

(2) any trust, corporation, partnership, limited liability company or other entity, the beneficiaries, stockholders, partners, members, owners or Persons beneficially holding an 80% or more controlling interest of which consist of any one or more Sponsor and/or such other Persons referred to in the immediately preceding clause (1).

“*Restricted Investment*” means an Investment other than a Permitted Investment.

“*Restricted Subsidiary*” of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

“*Revenue Sharing Agreement*” means any joint venture, development, management, operating or similar agreement or arrangement for the sharing of revenues, profits, losses, costs or expenses entered into in connection with developments or services complementary or ancillary to the Property in the ordinary course of business (including, for the avoidance of doubt, such agreements or arrangements reasonably necessary to conduct a Permitted Business) and on arms’ length terms.

“*S&P*” means S&P Global Ratings or any successor to the rating agency business thereof.

“*SEC*” means the U.S. Securities and Exchange Commission.

“*Secured Obligations*” means all Obligations of and all other present and future liabilities and obligations at any time due, owing or incurred by the Company and the Guarantors and by each of them to any Secured Party under (or in connection with) the Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

“*Secured Parties*” means the creditors of the Secured Obligations as determined in accordance with the Intercreditor Agreement.

“*Security Agent*” means the Common Security Agent.

“*Securities Act*” means the United States Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

“*Senior Disbursement Account*” means any construction disbursement account or accounts or other accounts established (at any time) under this Agreement (including under any earlier form of this Agreement).

“*Senior Disbursement Agreement*” means the applicable agreement or agreements governing disbursements from the Senior Disbursement Account under this Agreement (including any earlier form of this Agreement).

“*Senior Secured Notes*” means the 2019 Notes and the 2021 Notes.

“*Senior Secured Notes Guarantees*” means the 2019 Notes Guarantees and the 2021 Notes Guarantees.

“*Senior Secured Notes Indentures*” means the 2019 Notes Indenture and the 2021 Notes Indenture.

“*Senior Secured Notes Interest Accrual Accounts*” means the 2019 Note Interest Accrual Account and the 2021 Note Interest Accrual Account.

“*Senior Secured Notes Trustee*” means each of the 2019 Notes Trustee and the 2021 Notes Trustee.

“*Shareholder Subordinated Debt*” means, collectively, any debt provided to the Parent Guarantor by any direct or indirect parent holding company of the Parent Guarantor (or any Sponsor), in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Shareholder Subordinated Debt; *provided that* such Shareholder Subordinated Debt:

(1) does not (including upon the happening of any event) mature or require any amortization or other payment of principal prior to the first anniversary of the last Final Repayment Date of the Facilities (other than through conversion or exchange of any such security or instrument for Equity Interests of the Parent Guarantor (other than Disqualified Stock) or for any other security or instrument meeting the requirements of the definition);

(2) does not (including upon the happening of any event) require the payment of cash interest prior to the first anniversary of the last Final Repayment Date of the Facilities;

(3) does not (including upon the happening of any event) provide for the acceleration of its maturity nor confer on its shareholders any right (including upon the happening of any event) to declare a default or event of default or take any enforcement action, in each case, prior to the first anniversary of the last Final Repayment Date of the Facilities;

(4) is not secured by a Lien on any assets of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor and is not guaranteed by any Subsidiary of the Parent Guarantor;

(5) is subordinated in right of payment to the prior payment in full in cash of the Facilities Liabilities in the event of any default, bankruptcy, reorganization, liquidation, winding up or other disposition of assets of the Parent Guarantor;

(6) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Facilities Liabilities or compliance by the Parent Guarantor or the Company with its obligations under the Finance Documents;

(7) does not (including upon the happening of an event) constitute Voting Stock; and

(8) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder, in whole or in part, prior to the last Final Repayment Date of the Facilities other than into or for Capital Stock (other than Disqualified Stock) of the Parent Guarantor.

"*Significant Subsidiary*" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such regulation is in effect on the 2016 Amendment and Restatement Effective Date.

"*Stated Maturity*" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the 2016 Amended and Restatement Effective Date, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"*Studio City Finance*" means, Studio City Finance Limited, a BVI business company with limited liability incorporated under the laws of the British Virgin Islands with company number 1673307.

"*Studio City Parties*" means each of Studio City International Holdings Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Retail Services Limited, Studio City Developments Limited, Studio City Ventures Limited, Studio City Services Limited and any other Person which accedes to the MSA as a "Studio City Party" pursuant to terms thereof.

"*Subordinated Indebtedness*" means (a) with respect to the Company, any Indebtedness of the Company which is by its terms subordinated in right of payment to the Facilities Liabilities, and (b) with respect to any Guarantor, any Indebtedness of such Guarantor which is by its terms subordinated in right of payment to such Guarantor's Obligations in respect of the Facilities Liabilities.

“*Subsidiary*” means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

“*Subsidiary Guarantor*” means each Guarantor from time to time (other than the Parent).

“*Total Assets*” means, as of any date, the consolidated total assets of the Parent Guarantor and its Restricted Subsidiaries in accordance with GAAP as shown on the most recent balance sheet of such Person.

“*Transactions*” means the amendment and restatement of this Agreement pursuant to the 2016 Amendment and Restatement Agreement, the offering of the Senior Secured Notes and the application of the proceeds received therefrom as described under “*Use of Proceeds*” in the Offering Memorandum.

“*Unrestricted Subsidiary*” means any Subsidiary of the Parent Guarantor that is designated by the Board of Directors of the Parent Guarantor as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors, but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by Section 6 of Schedule 10 (*Covenants*), is not party to any agreement, contract, arrangement or understanding with the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company, the Parent Guarantor or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Parent Guarantor or the Company;

(3) is a Person with respect to which neither the Parent Guarantor nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person’s financial condition or to cause such Person to achieve any specified levels of operating results; and

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries.

“*Voting Stock*” of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"*Weighted Average Life to Maturity*" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

**Signatures**

*Original signature pages removed in amended and restated version*

**Schedule 6**
**Commitments and Loans**

| **Name of Lender** | **Facility A Participation (HK$)** |
| --- | --- |
| Bank of China Limited, Macau Branch | 1,000,000 |
| *Total* | 1,000,000 |

| **Name of Lender** | **Revolving Facility Commitment (HK$)** |
| --- | --- |
| Bank of China Limited, Macau Branch | 233,000,000 |
| Total | 233,000,000 |

**Signatures**

**THE PARENT**

**STUDIO CITY INVESTMENTS LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**THE BORROWER**

**STUDIO CITY COMPANY LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**THE OTHER OBLIGORS**

**STUDIO CITY HOLDINGS TWO LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**STUDIO CITY HOLDINGS THREE LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**STUDIO CITY HOLDINGS FOUR LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**SCP HOLDINGS LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**SCP ONE LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**SCP TWO LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**SCIP HOLDINGS LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**STUDIO CITY ENTERTAINMENT LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**STUDIO CITY SERVICES LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**STUDIO CITY HOTELS LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**STUDIO CITY HOSPITALITY AND SERVICES LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**STUDIO CITY DEVELOPMENTS LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**STUDIO CITY RETAIL SERVICES LIMITED**

By: /s/ Timothy Green NAUSS

Name: Timothy Green NAUSS

**THE RETIRING AGENT**

**DEUTSCHE BANK AG, HONG KONG BRANCH**

By: /s/ James Connell

Name: James Connell
Vice President

By: /s/ Howard Hao-Jan Yu

Name: Howard Hao-Jan Yu
Authorised Signatory

**<u>THE CONTINUING LENDER</u>**

**BANK OF CHINA LIMITED, MACAU BRANCH**

By: /s/ LONG WENTING

Name: LONG WENTING

By:

Name:

*Project Asgard –*
*Signature page to Amendment and Restatement Agreement*

**<u>THE SECURITY AGENT</u>**

**INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**

By: /s/ Yang Peng

Name: Yang Peng

By: /s/ Zheng Zhiguo

Name: Zheng Zhiguo

**THE POA AGENT**

**INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**

By: /s/ Yang Peng

Name: Yang Peng

By: /s/ Zheng Zhiguo

Name: Zheng Zhiguo

**THE ACCEDING AGENT**

**BANK OF CHINA LIMITED, MACAU BRANCH**

By: /s/ LONG WENTING

Name: LONG WENTING

By:

Name:

*Project Asgard –*
*Signature page to Amendment and Restatement Agreement*

**<u>THE BOOKRUNNER MANDATED LEAD ARRANGERS</u>**

**BANK OF CHINA LIMITED, MACAU BRANCH**

By: /s/ LONG WENTING

Name: LONG WENTING

By:

Name:

*Project Asgard –*
*Signature page to Amendment and Restatement Agreement*

**DEUTSCHE BANK AG, HONG KONG BRANCH**

By: /s/ Mahendra Kumar

Name: Mahendra Kumar
Director

By: /s/ Waiyin Lee

Name: Waiyin Lee
Director

**INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**

By: /s/ Yang Peng

Name: Yang Peng

By: /s/ Zheng Zhiguo

Name: Zheng Zhiguo

**<u>THE DISBURSEMENT AGENT</u>**

**INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**

By: /s/ Yang Peng

Name: Yang Peng

By: /s/ Zheng Zhiguo

Name: Zheng Zhiguo

**<u>THE ISSUING BANK</u>**

**BANK OF CHINA LIMITED, MACAU BRANCH**

By: /s/ LONG WENTING

Name: LONG WENTING

By:

Name:

*Project Asgard –*
*Signature page to Amendment and Restatement Agreement*

**Exhibit 4.16**

**EXECUTION VERSION**

WHITE & CASE

**Dated 1 December 2016**
(November 30, 2016 New York time)

# Intercreditor Agreement

between

**Bank of China Limited, Macau Branch**
Credit Facility Agent

**Bank of China Limited, Macau Branch**
Credit Facility Lender

**Deutsche Bank Trust Company Americas**
Senior Secured 2019 Note Trustee

**Deutsche Bank Trust Company Americas**
Senior Secured 2021 Note Trustee

**Industrial and Commercial Bank of China (Macau) Limited**
Common Security Agent

**DB Trustees (Hong Kong) Limited**
Intercreditor Agent

**Studio City Investments Limited**
as Parent

**Studio City Company Limited**
as the Company

and others

White & Case
9th Floor Central Tower
28 Queen's Road Central
Hong Kong

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**This Agreement** is dated 1 December 2016 (November 30, 2016, New York time) and made

**Between:**

**(1)** **Bank of China Limited, Macau Branch** as Credit Facility Agent;

**(2)** **Bank of China Limited, Macau Branch** as the Credit Facility Lender;

**(3)** **Deutsche Bank Trust Company Americas** as Senior Secured 2019 Note Trustee;

**(4)** **Deutsche Bank Trust Company Americas** as Senior Secured 2021 Note Trustee;

**(5)** **Studio City Investments Limited**, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673083), whose registered office is at Estera Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands (the "**Parent**");

**(6)** **Studio City Company Limited** a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673603), whose registered office is at Estera Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands (the "**Borrower**");

**(7)** **The Companies** named on the signing pages as Intra-Group Lenders;

**(8)** **The Subsidiaries** of the Parent named on the signing pages as Debtors (together with the Parent and the Company, the "**Original Debtors**");

**(9)** **Studio City Finance Limited**, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673307), whose registered office is at Estera Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands (the "**Original Bondco**");

**(10)** **The Companies** named on the signing pages as the parties to the Existing Subordination Deed (the "**Existing Subordination Parties**") for the purposes of Clause 7 (*Existing Subordination Deed*) only and not in respect of any other provision of this Agreement;

**(11)** **DB Trustees (Hong Kong) Limited** as coordinating intercreditor agent for the Secured Parties (the "**Intercreditor Agent**");

**(12)** **Industrial and Commercial Bank of China (Macau) Limited** as security trustee for the Secured Parties (the "**Common Security Agent**"); and

**(13)** **Industrial and Commercial Bank of China (Macau) Limited** in its capacity as agent for the Common Security Agent under the Power of Attorney (the "**POA Agent**").

**It is agreed** as follows:

## Section 1
## Interpretation

### 1. Definitions and interpretation

### 1.1 Definitions

In this Agreement:

"**1992 ISDA Master Agreement**" means the Master Agreement (Multicurrency – Cross Border) as published by the International Swaps and Derivatives Association, Inc.

“**2002 ISDA Master Agreement**” means the 2002 Master Agreement as published by the International Swaps and Derivatives Association, Inc.

“**2016 Amendment and Restatement Agreement**” means the amendment and restatement agreement made between the Parent, the Company, the Credit Facility Agent, the Credit Facility Lender and others dated 23 November 2016.

“**Acceleration Event**” means a Credit Facility Acceleration Event or a Pari Passu Debt Acceleration Event.

“**Additional High Yield Note Refinancing**” means a refinancing of any amount outstanding under or in connection with any Additional High Yield Notes (or any refinancing of any such refinancing), in each case from the proceeds of an issue by a Bondco of high yield notes or other financial indebtedness (each, “**Additional High Yield Note Refinancing Indebtedness**”).

“**Additional High Yield Notes**” means (i) any additional High Yield Notes issued in accordance with the terms of the High Yield Note Indenture, as part of the same series as the High Yield Notes issued on 26 November 2012 and (ii) other than in connection with an Additional High Yield Note Refinancing, any other additional senior unsecured notes issued by any Bondco and which ranks *pari passu* with or junior to the High Yield Notes.

“**Affiliate**” means, in relation to any person (i) for the purposes of the definition of “Sponsor Affiliate”, any other person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such person and (ii) in any other case, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company. For purposes of this definition, “**control**” means, in relation to a person, the power, directly or indirectly, to (a) vote 20 per cent. or more of the shares or other securities having ordinary voting power for the election of the board of directors (or persons performing similar functions) of such person or (b) direct or cause the direction of the management and policies of such person, whether by contract or otherwise.

“**Agreed Security Principles**” means the principles set out in Schedule 6 (*Agreed Security Principles*).

“**Allocated Super Senior Hedging Amount**” means, with respect to a Super Senior Hedge Counterparty, the portion of the Super Senior Hedging Amount allocated to that Super Senior Hedge Counterparty less any portion released by that Super Senior Hedge Counterparty, in each case under Clause 5.14 (*Allocation of Super Senior Hedging Liabilities*).

“**Ancillary Document**” means each document relating to or evidencing the terms of an Ancillary Facility.

“**Ancillary Facility**” means any ancillary facility made available from time to time in accordance with the Credit Facility Agreement.

“**Ancillary Lender**” means each Credit Facility Lender (or Affiliate of a Credit Facility Lender) which makes available an Ancillary Facility.

“**Arranger**” means each Credit Facility Arranger and each Pari Passu Arranger, in each case, which is a Party becomes a Party as an Arranger pursuant to Clause 25.11 (*Accession of Credit Facility Creditors under New Credit Facilities*) or Clause 25.12 (*Accession of Pari Passu Creditors under New Pari Passu Debt Notes or Pari Passu Facilities*), as the case may be.

“**Authorisation**” means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

“**Automatic Early Termination**” means the termination or close-out of any hedging transaction prior to the maturity of that hedging transaction which is brought about automatically by the terms of the relevant Hedging Agreement and without any party to the relevant Hedging Agreement taking any action to terminate that hedging transaction.

“**Available Commitment**”:

(a) in relation to a Credit Facility Lender, has the meaning given to the term “Available Commitment” in the Credit Facility Agreement;

(b) in relation to a Pari Passu Lender, has the meaning given to the term “Available Commitment” in the relevant Pari Passu Facility Agreement.

“**Bondco**” means (i) the Original Bondco or (ii) any other entity which is not a member of the Group and which issues Additional High Yield Notes or otherwise incurs financial indebtedness in respect of any Additional High Yield Note Refinancing or any High Yield Note Refinancing (in each case, the proceeds of which are on-lent to the Parent pursuant to a Bondco Loan).

“**Bondco Liabilities**” means all present and future liabilities and obligations at any time of the Parent to any Bondco under or in connection with any Bondco Loan Agreement.

“**Bondco Loan**” means each loan from a Bondco to the Parent pursuant to a Bondco Loan Agreement (but excluding any Subordinated Liabilities).

“**Bondco Loan Agreement**” means (i) the loan agreement or note dated or issued (as the case may be) on 26 November 2012 and made between the Original Bondco and the Parent, whereby the proceeds of the issuance of the High Yield Notes issued on or about that date were on-lent pursuant to a Bondco Loan to the Parent and (ii) any other loan agreement, instrument or arrangement (documented or undocumented) made in connection with any Additional High Yield Notes, any Additional High Yield Note Refinancing or any High Yield Note Refinancing between a Bondco and the Parent and pursuant to which the proceeds of such issuance are on-lent by such Bondco to the Parent, in each case as amended from time to time.

“**Borrowing Liabilities**” means, in relation to a member of the Group, the liabilities and obligations (not being Guarantee Liabilities) it may have as a principal debtor to a Creditor (other than to an Arranger or a Creditor Representative) or a Debtor in respect of Liabilities arising under the Debt Documents (whether incurred solely or jointly and including, without limitation, liabilities and obligations as a borrower under the Credit Facility Documents and liabilities and obligations as a borrower or issuer under the Pari Passu Debt Documents).

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks are open for general business in the Macau SAR, the Hong Kong SAR, London and New York.

“**Capped Hedge Purchase Amount**” has the meaning given to that term in Clause 6.2 (*Hedge Transfer: Pari Passu Debt Creditors*).

“**Capped Purchase Amount**” has the meaning given to that term in Clause 6.1 (*Option to purchase: Pari Passu Debt Creditors*).

“**Charged Property**” means all of the assets which from time to time are, or are expressed to be, the subject of the Transaction Security.

“**Close-Out Netting**” means:

(a) in respect of a Hedging Agreement or a Hedging Ancillary Document based on a 1992 ISDA Master Agreement, any step involved in determining the amount payable in respect of an Early Termination Date (as defined in the 1992 ISDA Master Agreement) under section 6(e) (*Payments on Early Termination*) of the 1992 ISDA Master Agreement before the application of any subsequent Set-off (as defined in the 1992 ISDA Master Agreement);

(b) in respect of a Hedging Agreement or a Hedging Ancillary Document based on a 2002 ISDA Master Agreement, any step involved in determining an Early Termination Amount (as defined in the 2002 ISDA Master Agreement) under section 6(e) (*Payments on Early Termination*) of the 2002 ISDA Master Agreement; and

(c) in respect of a Hedging Agreement or a Hedging Ancillary Document not based on an ISDA Master Agreement, any step involved on a termination of the hedging transactions under that Hedging Agreement pursuant to any provision of that Hedging Agreement which has a similar effect to either provision referenced in paragraph (a) and paragraph (b) above.

"**Commitment**" means a Credit Facility Commitment or a Pari Passu Facility Commitment.

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

"**Common Assurance**" means any guarantee, indemnity or other assurance against loss in respect of any of the Liabilities, the benefit of which (however conferred) is, to the extent legally possible and subject to any Agreed Security Principles, given to all the Secured Parties in respect of their Liabilities.

"**Common Currency**" means Dollars.

"**Common Currency Amount**" means, in relation to an amount, that amount converted (to the extent not already denominated in the Common Currency) into the Common Currency at the Common Security Agent's Spot Rate of Exchange on the Business Day prior to the relevant calculation.

"**Common Security Agent's Spot Rate of Exchange**" means, in respect of the conversion of one currency (the "**First Currency**") into another currency (the "**Second Currency**") the Common Security Agent's spot rate of exchange for the purchase of the Second Currency with the First Currency in the Hong Kong or Macau foreign exchange market at or about 11:00 a.m. (Hong Kong time) on a particular day, which shall be notified by the Common Security Agent in accordance with paragraph (e) of Clause 21.4 (*Duties of the Common Security Agent*).

"**Common Security Documents**" means the Security Documents, excluding any Transaction Security Document relating to any Credit-Specific Transaction Security.

"**Common Transaction Security**" means any Transaction Security which to the extent legally possible and subject to any Agreed Security Principles:

(a) is created in favour of the Common Security Agent as trustee for the other Secured Parties in respect of their Liabilities; or

(b) in the case of any jurisdiction in which effective Security cannot be granted in favour of the Common Security Agent as trustee for the Secured Parties is created in favour of:

 (i) all the Secured Parties in respect of their Liabilities; or

 (ii) the Common Security Agent under a parallel debt structure for the benefit of all the Secured Parties,

and which (subject to the terms of this Agreement) ranks in the order of priority contemplated in Clause 2.2 (*Transaction Security*), in each case excluding (for the avoidance of doubt) the Credit-Specific Transaction Security.

"**Common Transaction Security Initial Enforcement Notice**" has the meaning given to such term in paragraph (a) of Clause 15.2 (*Instructions to enforce*).

"**Competitive Sales Process**" means:

(a) any auction or other competitive sales process; and

(b) any enforcement of the Transaction Security carried out by way of auction or other competitive sales process pursuant to requirements of applicable law.

"**Consent**" means any consent, approval, release or waiver or agreement to any amendment.

"**Continuing Documents**" means (i) the Continuing Macau Documents, the Continuing English Share Charges, the Continuing English Powers of Attorneys, the Continuing English Debentures and the Continuing Hong Kong Accounts Charges and (ii) the Services and Right to Use Direct Agreement.

"**Continuing English Debentures**" means (i) the Continuing English Debenture (General) and (ii) the Continuing English Debenture (SCH5).

"**Continuing English Debenture (General)**" means the English-law Transaction Security Document in the form of a debenture that was entered into prior to the date of this Agreement (other than the Continuing English Debenture (SCH5)).

"**Continuing English Debenture (SCH5)**" means the English-law Transaction Security Document in the form of a debenture that was entered into by SCH5 prior to the date of this Agreement.

"**Continuing English Powers of Attorney**" means each English-law security power of attorney that was entered into prior to the date of this Agreement.

"**Continuing English Share Charge**" means each English-law Transaction Security Document in the form of a share charge that was entered into prior to the date of this Agreement.

"**Continuing Hong Kong Accounts Charge**" means each Hong Kong-law Transaction Security Document in the form of an account charge that was entered into prior to the date of the 2016 Amendment and Restatement Agreement.

"**Continuing Macau Accounts Pledge**" means each Macau-law Transaction Security Document in the form of an account pledge that was entered into prior to the date of this Agreement (other than any Continuing Macau Onshore Accounts Pledges) (together with each related confirmation or amendment entered into on or about the date of this Agreement and each further related confirmation or amendment entered into from time to time and designated as such by the Common Security Agent and Company or the relevant Debtor).

"**Continuing Macau Assignments**" means each Macau-law Transaction Security Document in the form of an assignment that was entered into prior to the date of this Agreement (together with each related confirmation or amendment entered into on or about the date of this Agreement and each further related confirmation or amendment entered into from time to time and designated as such by the Common Security Agent and Company or the relevant Debtor).

"**Continuing Macau Documents**" means (i) the Continuing Macau Floating Charges, (ii) the Continuing Macau Accounts Pledges, (iii) the Continuing Macau Share Pledges, (iv) the Continuing Macau Mortgage, (v) the Continuing Macau Onshore Accounts Pledges, (vi) the Continuing Macau Assignments, (vii) the Continuing Macau Powers of Attorney, (viii) the Continuing Macau Livrança and (ix) the Continuing Macau Livrança Covering Letter.

"**Continuing Macau Floating Charges**" means each Macau-law Transaction Security Document in the form of a floating charge that was entered into prior to the date of this Agreement (together with each related confirmation or amendment entered into on or about the date of this Agreement and each further related confirmation or amendment entered into from time to time and designated as such by the Common Security Agent and Company or the relevant Debtor).

"**Continuing Macau Livrança**" means the Macau-law Transaction Security Document in the form of a promissory note ("**Livrança**") that was entered into prior to the date of this Agreement (together with each related confirmation or amendment entered into on or about the date of this Agreement and each further related confirmation or amendment entered into from time to time and designated as such by the Common Security Agent and Company or the relevant Debtor).

"**Continuing Macau Livrança Covering Letter**" means the Macau-law Transaction Security Document in the form of a covering letter to the Livrança that was entered into prior to the date of this Agreement (together with each related confirmation or amendment entered into on or about the date of this Agreement and each further related confirmation or amendment entered into from time to time and designated as such by the Common Security Agent and Company or the relevant Debtor).

"**Continuing Macau Mortgage**" means the Macau-law Transaction Security Document in the form of a Mortgage that was entered into prior to the date of this Agreement (together with each related confirmation or amendment entered into on or about the date of this Agreement and each further related confirmation or amendment entered into from time to time and designated as such by the Common Security Agent and Company or the relevant Debtor).

"**Continuing Macau Onshore Accounts Pledges**" means each Macau-law Transaction Security Document in the form of an account pledge in respect of onshore accounts that was entered into prior to the date of this Agreement (together with each related confirmation or amendment entered into on or about the date of this Agreement and each further related confirmation or amendment entered into from time to time and designated as such by the Common Security Agent and Company or the relevant Debtor).

"**Continuing Macau Powers of Attorney**" means each Macau-law Transaction Security Document in the form of a power of attorney that was entered into prior to the date of this Agreement (together with each related confirmation or amendment entered into on or about the date of this Agreement and each further related confirmation or amendment entered into from time to time and designated as such by the Common Security Agent and Company or the relevant Debtor).

"**Continuing Macau Share Pledges**" means each Macau-law Transaction Security Document in the form of a share pledge that was entered into prior to the date of this Agreement (together with each related confirmation or amendment entered into on or about the date of this Agreement and each further related confirmation or amendment entered into from time to time and designated as such by the Common Security Agent and Company or the relevant Debtor).

"**Credit Facility**" means each "Facility" under and as defined in the Credit Facility Agreement.

"**Credit Facility Acceleration Event**" means an "Acceleration Event" under and as defined in the Credit Facility Agreement (other than the right to declare any amount payable on demand) or any acceleration provisions being automatically invoked under the Credit Facility Agreement.

"**Credit Facility Agreement**" means the senior HK$10,855,880,000 term loan and revolving facilities agreement originally dated 28 January 2013 as amended and restated on the date of this Agreement pursuant to the 2016 Amendment and Restatement Agreement (and as further amended and amended and restated from time to time).

"**Credit Facility Arranger**" means any arranger of any Credit Facility who becomes a Party pursuant to Clause 25.11 (*Accession of Credit Facility Creditors under New Credit Facilities*).

"**Credit Facility Borrower**" means a "Borrower" under and as defined in the Credit Facility Agreement.

"**Credit Facility Cash Cover**" means "cash cover" under and as defined in the Credit Facility Agreement.

"**Credit Facility Cash Cover Document**" means, in relation to any Credit Facility Cash Cover, any Credit Facility Document that creates or evidences, or is expressed to create or evidence, the Security required to be provided over that Credit Facility Cash Cover by the Credit Facility Agreement.

"**Credit Facility Commitment**" means "Commitment" under and as defined in the Credit Facility Agreement.

"**Credit Facility Creditors**" means the Credit Facility Agent, each Credit Facility Arranger and each Credit Facility Lender.

"**Credit Facility Documents**" means the "Finance Documents" under and as defined in the Credit Facility Agreement.

"**Credit Facility Guarantor**" means a "Guarantor" under, and as defined, in the Credit Facility Agreement.

"**Credit Facility Lender Cash Collateral**" means any cash collateral provided by a Credit Facility Lender to an Issuing Bank pursuant to any term of the Credit Facility Agreement from time to time.

"**Credit Facility Lender Discharge Date**" means the first date on which all Credit Facility Liabilities (other than in respect of the principal amount of the Rolled Loan) have been fully and finally discharged to the satisfaction of the relevant Creditor Representative(s), whether or not as the result of an enforcement, and the Credit Facility Lenders are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.

"**Credit Facility Lender Liabilities Transfer**" means a transfer of the Credit Facility Liabilities described in Clause 6.1 (*Option to purchase: Pari Passu Debt Creditors*).

"**Credit Facility Lenders**" means each Lender (as defined in the Credit Facility Agreement), Issuing Bank and Ancillary Lender.

"**Credit Facility Liabilities**" means the Liabilities owed by any Debtor to the Credit Facility Creditors under or in connection with the Credit Facility Documents.

"**Credit Related Close-Out**" means any Permitted Hedge Close-Out which is not a Non-Credit Related Close-Out.

"**Credit-Specific Transaction Security**" means:

(a) the Transaction Security over any Pari Passu Notes Interest Accrual Account;

(b) the Transaction Security over any Pari Passu Facility Debt Service Reserve Account; and

(c) the Transaction Security over the Rolled Loan Cash Collateral Account.

"**Creditor/Creditor Representative Accession Undertaking**" means:

(a) an undertaking substantially in the form set out in Schedule 2 (*Form of Creditor/Creditor Representative Accession Undertaking*); or

(b) a Transfer Certificate or an Assignment Agreement (each as defined in the Credit Facility Agreement or Pari Passu Facility Agreement), *provided that* it contains an accession to this Agreement which is substantially in the form set out in Schedule 2 (*Form of Creditor/Creditor Representative Accession Undertaking*)); or

(c) an Increase Confirmation (as defined in the Credit Facility Agreement or Pari Passu Facility Agreement), *provided that* it contains an accession to this Agreement which is substantially in the form set out in Schedule 2 (*Form of Creditor/Creditor Representative Accession Undertaking*),

as the context may require, or

(d) in the case of an acceding Debtor which is expressed to accede as an Intra Group Lender in the relevant Debtor Accession Deed, that Debtor Accession Deed.

"**Creditor Representative**" means:

(a) in relation to the Credit Facility Lenders, the Credit Facility Agent;

(b) in relation to the Senior Secured 2019 Noteholders, the Senior Secured 2019 Note Trustee;

(c) in relation to the Senior Secured 2021 Noteholders, the Senior Secured 2021 Note Trustee; and

(d) in relation to any other Pari Passu Noteholders or Pari Passu Lenders, the person which has acceded to this Agreement as the Creditor Representative of those Pari Passu Noteholders or Pari Passu Lenders pursuant to Clause 25.12 (*Accession of Pari Passu Debt Creditors under New Pari Passu Notes or Pari Passu Facilities*).

"**Creditor Representative Amounts**" means fees, costs and expenses of a Creditor Representative payable to a Creditor Representative for its own account pursuant to the relevant Debt Documents or any engagement letter between a Creditor Representative and a Debtor (including any amount payable to a Creditor Representative by way of indemnity, remuneration or reimbursement for expenses incurred), and the costs incurred by a Creditor Representative in connection with any actual or attempted Enforcement Action which is permitted by this Agreement which are recoverable pursuant to the terms of the Debt Documents.

"**Creditors**" means the Primary Creditors, the Intra-Group Lenders, the Subordinated Creditors and each Bondco.

"**Debt Disposal**" means any disposal of any Liabilities or Debtors' Intra-Group Receivables pursuant to paragraphs (d) or (e) of Clause 17.1 (*Facilitation of Distressed Disposals*).

"**Debt Document**" means each of this Agreement, the Hedging Agreements, the Credit Facility Documents, the Pari Passu Debt Documents, the Security Documents, any agreement evidencing the terms of the Intra-Group Liabilities or the Subordinated Liabilities and any other document designated as such by the Intercreditor Agent and the Parent.

"**Debtor**" means each Original Debtor and any person which becomes a Party as a Debtor in accordance with the terms of Clause 25 (*Changes to the Parties*).

"**Debtor Accession Deed**" means:

(a) a deed substantially in the form set out in Schedule 1 (*Form of Debtor Accession Deed*); or

(b) (only in the case of a member of the Group which is acceding as a borrower, issuer or guarantor under the Credit Facility Agreement or Pari Passu Debt Document) an accession document in the form required by the Credit Facility Agreement or Pari Passu Debt Document (*provided that* it contains an accession to this Agreement which is substantially in the form set out in Schedule 1 (*Form of Debtor Accession Deed*)).

"**Debtor Resignation Request**" means a notice substantially in the form set out in Schedule 3 (*Form of Debtor Resignation Request*).

"**Debtors' Intra-Group Receivables**" means, in relation to a member of the Group, any liabilities and obligations owed to any Debtor (whether actual or contingent and whether incurred solely or jointly) by that member of the Group.

"**Default**" means an Event of Default or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination in accordance with the Debt Documents or any combination of any of the foregoing) be an Event of Default.

"**Defaulting Lender**" means:

(a) a Credit Facility Lender which is a "Defaulting Lender" under, and as defined in, the Credit Facility Agreement; and

(b) at any time, a Pari Passu Lender which is a "defaulting lender" under and as defined in the relevant Pari Passu Facility Agreement.

"**Delegate**" means any delegate, agent, attorney or co-trustee appointed by the Common Security Agent.

"**Distress Event**" means any of:

(a) an Acceleration Event; or

(b) the enforcement of any Transaction Security.

"**Distressed Disposal**" means a disposal of any Charged Property which is:

(a) being effected at the request of the Instructing Group in circumstances where the Transaction Security has become enforceable;

(b) being effected by enforcement of the Transaction Security; or

(c) being effected, after the occurrence of a Distress Event, by a Debtor or a Security Provider to a person or persons which is, or are, not a member, or members, of the Group.

“**Dollar**”, “**USD**” and “**US$**” denote the lawful currency of the United States of America.

“**Enforcement**” means the enforcement or disposal of any Transaction Security, the requesting of a Distressed Disposal and/or the release or disposal of claims and/or Transaction Security on a Distressed Disposal under Clause 17 (*Distressed Disposals*), the giving of instructions as to actions with respect to the Transaction Security and/or the Charged Property following an Insolvency Event under Clause 12.7 (*Instructions*) and the taking of any other actions consequential on (or necessary to effect) any of those actions (but excluding the delivery of a Common Transaction Security Initial Enforcement Notice).

“**Enforcement Action**” means:

(a) in relation to any Liabilities:

(i) the acceleration of any Liabilities or the making of any declaration that any Liabilities are prematurely due and payable (other than as a result of it becoming unlawful for a Primary Creditor to perform its obligations under, or of any voluntary or mandatory prepayment arising under, the Debt Documents);

(ii) the making of any declaration that any Liabilities are payable on demand;

(iii) the making of a demand in relation to a Liability that is payable on demand (other than a demand made by an Intra-Group Lender in relation to any Intra-Group Liabilities which are on-demand Liabilities to the extent (A) that the demand is made in the ordinary course of dealings between the relevant Debtor and Intra-Group Lender and (B) that any resulting Payment would be a Permitted Intra-Group Payment);

(iv) the making of any demand against any member of the Group in relation to any Guarantee Liabilities of that member of the Group;

(v) the exercise of any right to require any member of the Group to acquire any Liability (including exercising any put or call option against any member of the Group for the redemption or purchase of any Liability other than in connection with an asset sale offer or a change of control offer (each however defined) or a High Yield Notes Refinancing Put Right as set out in the Credit Facility Agreement or any Pari Passu Debt Document) and excluding any such right which arises as a result of any provision set out in any Pari Passu Facility Agreement in respect of a Pari Passu Facility regulating the making of voluntary debt purchase transactions in relation to that Pari Passu Facility by a member of the Group or any open market purchases of, or any voluntary tender offer or exchange offer for, Pari Passu Notes at a time at which no Default is continuing;

(vi) the exercise of any right of set-off, account combination or payment netting against any member of the Group in respect of any Liabilities other than the exercise of any such right:

(A) as Close-Out Netting by a Hedge Counterparty or by a Hedging Ancillary Lender;

(B) as Payment Netting by a Hedge Counterparty or by a Hedging Ancillary Lender;

(C) as Inter-Hedging Agreement Netting by a Hedge Counterparty;

(D) as Inter-Hedging Ancillary Document Netting by a Hedging Ancillary Lender; or

(E) which is otherwise expressly permitted under the Credit Facility Documents and the Pari Passu Debt Documents to the extent that the exercise of that right gives effect to a Permitted Payment; and

(vii) the suing for, commencing or joining of any legal or arbitration proceedings against any member of the Group to recover any Liabilities;

(b) the premature termination or close-out of any hedging transaction under any Hedging Agreement (other than pursuant to a Permitted Automatic Early Termination);

(c) the taking of any steps to enforce or require the enforcement of any Transaction Security (including the crystallisation of any floating charge forming part of the Transaction Security) as a result of an Acceleration Event which was continuing at the time the request for enforcement was made;

(d) the entering into of any composition, compromise, assignment or arrangement with any member of the Group which owes any Liabilities, or has given any Security, guarantee or indemnity or other assurance against loss in respect of the Liabilities (other than any action permitted under Clause 25 (*Changes to the Parties*), any such right which arises as a result of any provision set out in any Pari Passu Facility Agreement in respect of a Pari Passu Facility regulating the making of voluntary debt purchase transactions in relation to that Pari Passu Facility by a member of the Group or any open market purchases of, or voluntary tender offer or exchange offer for, Pari Passu Notes at a time at which no Default is continuing); or

(e) the petitioning, applying or voting for, or the taking of any steps (including the appointment of any liquidator, receiver, administrator or similar officer) in relation to, the winding up, dissolution, administration or reorganisation of any member of the Group which owes any Liabilities, or has given any Security, guarantee, indemnity or other assurance against loss in respect of any of the Liabilities, or any of such member of the Group's assets or any suspension of payments or moratorium of any indebtedness of any such member of the Group, or any analogous procedure or step in any jurisdiction,

except that each of the following shall not constitute Enforcement Action:

(i) the taking of any action falling within paragraphs (a)(ii), (iii), (iv) and (vii) or (e) above which is necessary (but only to the extent necessary) to preserve the validity, existence or priority of claims in respect of Liabilities, including the registration of such claims before any court or governmental authority and the bringing, supporting or joining of proceedings to prevent any loss of the right to bring, support or join proceedings by reason of applicable limitation periods;

(ii) a Primary Creditor bringing legal proceedings against any person solely for the purpose of:

(A) obtaining injunctive relief (or any analogous remedy outside England and Wales) to restrain any actual or putative breach of any Debt Document to which it is party;

(B) obtaining specific performance (other than specific performance of an obligation to make a payment) with no claim for damages; or

(C) requesting judicial interpretation of any provision of any Debt Document to which it is party with no claim for damages;

(iii) bringing legal proceedings against any person in connection with any fraud, securities violation or securities or listing regulations;

(iv) allegations of material misstatements or omissions made in connection with the offering materials relating to any Pari Passu Notes or in reports furnished to the Pari Passu Noteholders or any exchange on which the Pari Passu Notes are listed by a member of the Group pursuant to the information and reporting requirements under the Pari Passu Debt Documents;

(v) to the extent entitled by law, the taking of action against any creditor (or any agent, trustee or receiver acting on behalf of such creditor) to challenge the basis on which any sale or disposal is to take place pursuant to powers granted to such persons under any security documentation; and

(vi) unless an Acceleration Event is continuing, the making by a Subordinated Creditor, a Bondco or an Intra-Group Lender of a demand in relation to the Subordinated Liabilities, the Bondco Liabilities or the Intra-Group Liabilities to the extent that:

(A) any resulting Payment would constitute a Permitted Payment; or

(B) that Subordinated Liability, Bondco Liability or Intra-Group Liability of a member of the Group is being released or discharged in consideration for the issue of shares in that member of the Group, *provided* that in the event that the shares of such member of the Group are subject to Transaction Security prior to such issue, then the percentage of shares in such Subsidiary subject to Transaction Security is not diluted.

"**Enforcement Instructions**" means instructions as to Enforcement (including the manner and timing of Enforcement) given by the relevant Instructing Group to the Intercreditor Agent, *provided that* instructions not to undertake Enforcement or an absence of instructions as to Enforcement shall not constitute "Enforcement Instructions".

"**Enforcement Notice**" means a notice of enforcement action delivered by the Intercreditor Agent or the Common Security Agent to any Debtor or any Security Provider after receipt by the Intercreditor Agent of an instruction any Instructing Group stating that an Event of Default has occurred and is continuing and directing the Intercreditor Agent and/or the Common Security Agent to take such enforcement action, and which has not been withdrawn.

"**Enforcement Objective**" has the meaning given to that term in Schedule 7 (*Enforcement Principles*).

"**Enforcement Principles**" means the principles set out in Schedule 7 (*Enforcement Principles*).

"**Enforcement Proceeds**" means any amount paid to or otherwise realised by a Secured Party under or in connection with any Enforcement (or any transaction in lieu thereof) and, following the occurrence of a Distress Event, any other proceeds of, or arising from, any of the Charged Property.

“**Equivalent Provision**” means:

(a) with respect to a Pari Passu Facility Agreement, in relation to a provision or term of the Credit Facility Agreement, any equivalent provision or term in the Pari Passu Facility Agreement which is similar in meaning and effect; and

(b) with respect to a Pari Passu Note Indenture, in relation to a provision or term of the Senior Secured 2019 Note Indenture or the Senior Secured 2021 Note Indenture, any equivalent provision or term in the Pari Passu Note Indenture which is similar in meaning and effect.

“**Event of Default**” means any event or circumstance specified as such in the Credit Facility Agreement, a Pari Passu Note Indenture or a Pari Passu Facility Agreement.

“**Exchange Rate Hedge Excess**” means the amount by which the Total Exchange Rate Hedging exceeds the Other Currency Term Outstandings.

“**Exchange Rate Hedging**” means, in relation to a Hedge Counterparty, the aggregate of the notional amounts denominated in a Hedged Currency hedged by the relevant Debtors under each Hedging Agreement which is an exchange rate hedge transaction and to which that Hedge Counterparty is party.

“**Exchange Rate Hedging Proportion**” means, in relation to a Hedge Counterparty and that Hedge Counterparty’s Exchange Rate Hedging, the proportion (expressed as a percentage) borne by that Hedge Counterparty’s Exchange Rate Hedging to the Total Exchange Rate Hedging.

“**Excluded Swap Obligation**” means, with respect to any member of the Group which is a guarantor of any of the Secured Obligations, (i) any Swap Obligation if, and to the extent that, all or a portion of the guarantee of such member of the Group of, or the grant by such member of the Group of a security interest to secure, such Swap Obligation (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation, or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such member of the Group’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act and the regulations thereunder at the time the guarantee of such member of the Group or the grant of such security interest becomes effective with respect to such Swap Obligation or (ii) any other Swap Obligation designated as an “Excluded Swap Obligation” of such member of the Group as specified in any agreement between such member of the Group and Hedge Counterparties applicable to such Swap Obligations. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such guarantee or security interest is or becomes illegal.

“**Exposure**” has the meaning given to that term in Clause 20.1 (*Equalisation Definitions*).

“**Fairness Opinion**” has the meaning given to that term in Schedule 7 (*Enforcement Principles*).

“**Fee Letter**” means any letter or letters entered into by reference to this Agreement between a member of the Group and any one or more of the Secured Parties setting out any of the fees payable in relation to any of the Secured Obligations and/or this Agreement, including those fees referred to in Clauses 21.29 (*Common Security Agent’s fee*), 22.2 (*POA Agent’s fee*) and 23.23 (*Intercreditor Agent’s fee*).

“**Final Discharge Date**” means the later to occur of the Super Senior Discharge Date, the Pari Passu Discharge Date and the Rolled Loan Discharge Date.

"**Financial Adviser**" has the meaning given to that term in Schedule 7 (*Enforcement Principles*).

"**Floating Rate Term Outstandings**" means, at any time, the aggregate of the amounts of principal (not including any capitalised or deferred interest) then outstanding under the Pari Passu Debt Documents that does not have a fixed rate of interest and which principal amount outstanding has a maturity of more than 12 months.

"**Golden Share**" means any share in a company or corporation, the memorandum and/or articles of association in respect of which company or corporation designate as such or give the holder of such share any special pre-emptive rights relative to other shareholders.

"**Governmental Authority**" means, as to any person, the government of the Macau SAR, any other national, state, provincial or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, in each case having jurisdiction over such person, or any arbitrator with authority to bind such person at law.

"**Group**" means the Parent and each of its Subsidiaries for the time being.

"**Guarantee Liabilities**" means, in relation to a member of the Group, the liabilities and obligations under the Debt Documents (present or future, actual or contingent and whether incurred solely or jointly) it may have to a Creditor (other than to an Arranger or a Creditor Representative) or Debtor as or as a result of its being a guarantor or surety (including, without limitation, liabilities and obligations arising by way of guarantee, indemnity, contribution or subrogation and in particular any guarantee or indemnity arising under or in respect of the Credit Facility Documents and the Pari Passu Debt Documents).

"**Hedge Counterparty**" means any entity which becomes a Party as a Hedge Counterparty pursuant to Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*).

"**Hedge Counterparty Obligations**" means the liabilities and obligations owed by any Hedge Counterparty to the Debtors under or in connection with the Hedging Agreements.

"**Hedge Transfer**" means a transfer to some or all of the Pari Passu Noteholders and the Pari Passu Lenders (or to their nominee or nominees) of (subject to paragraph (c) of Clause 6.2 (*Hedge Transfer: Pari Passu Debt Creditors*)), each Hedging Agreement together with:

(a) all the rights in respect of the Hedging Liabilities owed by the Debtors to each Hedge Counterparty; and

(b) all the Hedge Counterparty Obligations owed by each Hedge Counterparty to the Debtors,

in accordance with Clause 25.7 (*Change of Hedge Counterparty*).

"**Hedged Currency**" means the currency in which any Other Currency Term Outstandings are denominated and which is hedged in respect of exchange rate risk under a Hedging Agreement.

"**Hedging Agreement**" means any master agreement, confirmation, schedule or other agreement entered into or to be entered into by the Company and a Hedge Counterparty for the purpose of hedging interest rate or exchange rate risk relating to a Debt Document that the Parent confirms in writing to the Primary Creditors at the time at which it is entered into is permitted under the terms of the Credit Facility Documents and the Pari Passu Debt Documents (in their form as at the date of execution of the relevant Hedging Agreement) to share in the Transaction Security.

"**Hedging Ancillary Document**" means an Ancillary Document which relates to or evidences the terms of a Hedging Ancillary Facility.

"**Hedging Ancillary Facility**" means an Ancillary Facility which is made available by way of a hedging facility.

"**Hedging Ancillary Lender**" means an Ancillary Lender to the extent that that Ancillary Lender makes available a Hedging Ancillary Facility.

"**Hedging Force Majeure**" means:

(a) in relation to a Hedging Agreement which is based on the 1992 ISDA Master Agreement:

(i) an Illegality or Tax Event or Tax Event Upon Merger (each as defined in the 1992 ISDA Master Agreement); or

(ii) an event similar in meaning and effect to a "Force Majeure Event" (as referred to in paragraph (b) below);

(b) in relation to a Hedging Agreement which is based on the 2002 ISDA Master Agreement, an Illegality or Tax Event, Tax Event Upon Merger or a Force Majeure Event (each as defined in the 2002 ISDA Master Agreement); or

(c) in relation to a Hedging Agreement which is not based on an ISDA Master Agreement, any event similar in meaning and effect to an event described in paragraphs (a) or (b) above.

"**Hedging Liabilities**" means the Liabilities owed by any Debtor to the Hedge Counterparties under or in connection with the Hedging Agreements.

"**Hedging Purchase Amount**" means, in respect of a hedging transaction under a Hedging Agreement, the amount that would be payable to (expressed as a positive number) or by (expressed as a negative number) the relevant Hedge Counterparty on the relevant date if:

(a) in the case of a Hedging Agreement which is based on an ISDA Master Agreement:

(i) that date was an Early Termination Date (as defined in the relevant ISDA Master Agreement); and

(ii) the relevant Debtor was the Defaulting Party (under and as defined in the relevant ISDA Master Agreement); or

(b) in the case of a Hedging Agreement which is not based on an ISDA Master Agreement:

(i) that date was the date on which an event similar in meaning and effect (under that Hedging Agreement) to an Early Termination Date (as defined in any ISDA Master Agreement) occurred under that Hedging Agreement; and

(ii) the relevant Debtor was in a position which is similar in meaning and effect to that of a Defaulting Party (under and as defined in the same ISDA Master Agreement),

in each case as certified by the relevant Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement.

“**High Yield Note Document**” means each High Yield Note Indenture, each Bondco Loan Agreement and each other document or instrument which relates to any High Yield Notes or, as the case may be, High Yield Note Refinancing Indebtedness.

“**High Yield Note Guarantees**” means the guarantees provided by any Debtor:

(a) to the High Yield Note Trustee in respect of the High Yield Notes issued prior to the original date of the Credit Facility Agreement; or

(b) in respect of any Additional High Yield Note, Additional High Yield Note Refinancing Indebtedness or High Yield Note Refinancing Indebtedness.

“**High Yield Note Indenture**” means the indenture dated 26 November 2012 made between (among others) the Original Bondco and the High Yield Note Trustee or any equivalent High Yield Note Document in respect of any High Yield Note Refinancing Indebtedness issued by way of debt securities (in each case, as amended or supplemented from time to time).

“**High Yield Note Refinancing**” means a refinancing of any amount outstanding under or in connection with the High Yield Notes issued prior to the date of this Agreement (or any refinancing of any such refinancing), in each case from the proceeds of an issue by a Bondco of high yield notes or other financial indebtedness (each, “**High Yield Note Refinancing Indebtedness**”).

“**High Yield Notes Refinancing Put Right**” means the right of the holders of the Senior Secured 2021 Notes to require the Company to repurchase such holders’ Senior Secured 2021 Notes in accordance with section 3.12 (*Special Put Option*) of the Senior Secured 2021 Note Indenture or the right of the Credit Facility Lenders to require the Company to prepay Credit Facility Liabilities owed to such Credit Facility Lenders in accordance with clause 9.3 (*High Yield Notes and Bondco Loans*) of the Credit Facility Agreement (or any similar right in the case of any other Pari Passu Liabilities), in each case in connection with any High Yield Notes or Additional High Yield Notes outstanding on or after 1 June 2020.

“**High Yield Note Trustee**” means DB Trustees (Hong Kong) Limited (or its permitted successor or assign) as trustee for the High Yield Noteholders on the terms set out in the High Yield Note Indenture or its equivalent under any other High Yield Note Document.

“**High Yield Noteholders**” means the holders of the High Yield Notes or High Yield Note Refinancing Indebtedness from time to time issued by way of debt securities.

“**High Yield Notes**” means the US$825,000,000 8.500% senior notes due 2020 issued by the Original Bondco and subject to the terms of the High Yield Note Indenture or any financial indebtedness incurred by way of High Yield Note Refinancing.

“**Holding Company**” means, in relation to a person, any other person in respect of which it is a Subsidiary.

“**Hong Kong dollar**”, “**HKD**” and “**HK$**” denote the lawful currency of the Hong Kong SAR.

“**Hong Kong SAR**” means the Hong Kong Special Administrative Region of the People’s Republic of China.

“**Indirect Tax**” means and goods and services tax, consumption tax, value added tax or any other tax of a similar nature.

“**Insolvency Event**” means, in relation to any member of the Group:

(a) any resolution is passed or order made for the winding up, dissolution, administration or reorganisation of that member of the Group, a moratorium is declared in relation to any indebtedness of that member of the Group or an administrator is appointed to that member of the Group;

(b) any composition, compromise, assignment or arrangement is made with any of its creditors;

(c) the appointment of any liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of that member of the Group or any of its assets; or

(d) any analogous procedure or step is taken in any jurisdiction,

*provided* that paragraphs (a) to (d) above shall not apply to:

(i) any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 60 days of commencement or, if earlier, the date on which it is advertised; or

(ii) any voluntary action, proceedings, step or procedure which relates to or constitutes any action, proceedings, step or procedure taken in connection with a transaction regulated but not prohibited by section 13 (*Merger, consolidation, or sale of assets*) of schedule 10 (*Covenants*) pursuant to clause 23.1 (*Notes covenants*) of the Credit Facility Agreement, section 5.01 (*Merger, Consolidation, or Sale of Assets*) of the Senior Secured 2019 Note Indenture, section 5.01 (*Merger, Consolidation, or Sale of Assets*) of the Senior Secured 2021 Note Indenture or under an Equivalent Provision of any other Pari Passu Debt Document.

"**Instructing Group**" means:

(a) subject to paragraph (b) below, the Majority Super Senior Creditors and the Majority Pari Passu Creditors; and

(b) (i) in relation to instructions as to Enforcement of the Common Transaction Security, the group of Primary Creditors entitled to give instructions as to Enforcement of the Common Transaction Security in accordance with which the Common Security Agent is obliged to act under Clause 15.2 (*Instructions to enforce*);

(ii) in relation to instructions as to Enforcement of any Credit-Specific Transaction Security (other than the Transaction Security over the Rolled Loan Cash Collateral Account), the group of Primary Creditors entitled to give instructions as to Enforcement of that Credit-Specific Transaction Security in accordance with which the Common Security Agent is obliged to act under Clause 15.2 (*Instructions to enforce*); and

(iii) in relation to instructions as to Enforcement of the Transaction Security over the Rolled Loan Cash Collateral Account, the Rolled Loan Facility Lender.

"**Intercreditor Amendment**" means any amendment or waiver which is subject to Clause 31 (*Consents, amendments and override*).

"**Interest Rate Hedge Excess**" means the amount by which the Total Interest Rate Hedging exceeds the Floating Rate Term Outstandings.

"**Interest Rate Hedging**" means, in relation to a Hedge Counterparty, the aggregate of the notional amounts hedged by the relevant Debtors under each Hedging Agreement which is an interest rate hedge transaction and to which that Hedge Counterparty is party.

"**Interest Rate Hedging Proportion**" means, in relation to a Hedge Counterparty and that Hedge Counterparty's Interest Rate Hedging, the proportion (expressed as a percentage) borne by that Hedge Counterparty's Interest Rate Hedging to the Total Interest Rate Hedging.

"**Inter-Hedging Agreement Netting**" means the exercise of any right of set-off, account combination, close-out netting or payment netting (whether arising out of a cross agreement netting agreement or otherwise) by a Hedge Counterparty against liabilities owed to a Debtor by that Hedge Counterparty under a Hedging Agreement in respect of Hedging Liabilities owed to that Hedge Counterparty by that Debtor under another Hedging Agreement.

"**Inter-Hedging Ancillary Document Netting**" means the exercise of any right of set-off, account combination, close-out netting or payment netting (whether arising out of a cross agreement netting agreement or otherwise) by a Hedging Ancillary Lender against liabilities owed to a Debtor by that Hedging Ancillary Lender under a Hedging Ancillary Document in respect of Credit Facility Liabilities owed to that Hedging Ancillary Lender by that Debtor under another Hedging Ancillary Document.

"**Intra-Group Lenders**" means each member of the Group (including the Parent) which has made a loan available to, granted credit to or made any other financial arrangement having similar effect with another member of the Group (but excluding any accrued business expenses or trade payables that would not constitute Intra-Group Liabilities if such member of the Group were an Intra-Group Lender) and which is named on the signing pages as an Intra-Group Lender or which becomes a Party as an Intra-Group Lender in accordance with the terms of Clause 25 (*Changes to the Parties*) and which in each case has not ceased to be an Intra-Group Lender in accordance with this Agreement.

"**Intra-Group Liabilities**" means the Liabilities owed by any member of the Group to any of the Intra-Group Lenders (but excluding any Liabilities owed by a member of the Group to any of the Intra-Group Lenders in respect of accrued business expenses and trade payables incurred in the ordinary course of trading, *provided* that in the case of any amount (i) such amount does not exceed USD1,000,000 and (ii) such amount does not fall due for payment more than 180 days after the date of the relevant supply to which it relates or is not outstanding for more than 180 days).

"**ISDA Master Agreement**" means a 1992 ISDA Master Agreement or a 2002 ISDA Master Agreement.

"**Issuing Bank**" means any "Issuing Bank" under and as defined in the Credit Facility Agreement from time to time.

"**Legal Opinion**" means any legal opinion delivered to the Credit Facility Agent or a Creditor Representative under or in connection with the conditions precedent referred to in clause 5.1 (*Amendments to the Facilities Agreement*) of the 2016 Amendment and Restatement Agreement or clause 27 (*Changes to the Obligors*) of the Credit Facility Agreement or under an Equivalent Provision or in accordance with the requirements of any Pari Passu Debt Document.

"**Legal Reservations**" means:

(a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;

(b) the time barring of claims under statutes of limitation;

(c) similar principles, rights and defences under the laws of any Relevant Jurisdiction; and

(d) any other matters which are set out as qualifications or reservations as to matters of law of general application in the Legal Opinions.

“**Letter of Credit**” means any “Letter of Credit” under and as defined in the Credit Facility Agreement from time to time.

“**Liabilities**” means all present and future liabilities and obligations at any time of any member of the Group to any Creditor under or in connection with the Debt Documents (or, in the case of the Subordinated Liabilities or Intra-Group Liabilities, whether documented or not including, without limitation, under or in connection with the relevant Debt Documents), both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations:

(a) any refinancing, novation, deferral or extension;

(b) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition;

(c) any claim for damages or restitution; and

(d) any claim as a result of any recovery by any Debtor of a Payment on the grounds of preference or otherwise,

and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings.

“**Liabilities Acquisition**” means, in relation to a person and to any Liabilities, a transaction where that person:

(a) purchases by way of assignment or transfer;

(b) enters into any sub-participation in respect of; or

(c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of,

the rights in respect of those Liabilities.

“**Liabilities Sale**” means a Debt Disposal pursuant to paragraph (e) of Clause 17.1 (*Facilitation of Distressed Disposals*).

“**Livrança**” means the promissory note dated 26 November 2013 issued by the Borrower, endorsed by each of the Guarantors and payable to the Common Security Agent.

“**Livrança Covering Letter**” means the letter from the Borrower and each of the Guarantors to the Common Security Agent dated 26 November 2013 in relation to the Livrança.

“**Macau SAR**” means the Macau Special Administrative Region of the People’s Republic of China.

“**Majority Pari Passu Creditors**” means, at any time, those Pari Passu Lenders, Pari Passu Noteholders and Pari Passu Hedge Counterparties whose Pari Passu Credit Participations at that time aggregate more than 50 per cent. of the total Pari Passu Credit Participations at that time, *provided* that, in respect of the Pari Passu Credit Participations relating to a particular Pari Passu Facility Agreement or Pari Passu Note Indenture, if the consent of the proportion of such Pari Passu Debt Creditors required under and in accordance with the Pari Passu Debt Documents relating to that Pari Passu Facility Agreement or Pari Passu Note Indenture in respect of the relevant decision or request for consent is obtained in relation to a particular decision or request for consent (and if the relevant Pari Passu Debt Documents do not specify a voting threshold for a particular matter, the threshold will be a simple majority of the outstanding principal amount under those Pari Passu Debt Documents (excluding any Pari Passu Liabilities owned by a member of the Group or a Sponsor Affiliate)), all of the Pari Passu Lenders or Pari Passu Noteholders (as applicable) in respect of that Pari Passu Facility Agreement or Pari Passu Note Indenture (as applicable) shall be deemed to have given their consent to that decision or request for consent.

"**Majority Super Senior Creditors**" means, at any time, those Super Senior Creditors whose Super Senior Credit Participations at that time aggregate more than 50 per cent. of the total Super Senior Credit Participations at that time.

"**MCE**" means Melco Crown Entertainment Limited, an exempted limited liability company incorporated with limited liability under the laws of the Cayman Islands (with registered number 143119) with registered address: Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman, KYI-9005, Cayman Islands.

"**MCE Cotai**" means MCE Cotai Investments Limited, an exempted limited liability company incorporated with limited liability under the laws of the Cayman Islands (with registered number 254216) whose registered address is at Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands.

"**Melco Crown**" means Melco Crown (Macau) Limited (formerly known as Melco Crown Gaming (Macau) Limited and previously as Melco PBL Gaming (Macau) Limited), a company incorporated under the laws of the Macau SAR, registered with the Macau Commercial Registry under number 24325 SO, with registered office at Alameda Dr. Carlos d' Assumpção, nos 411-417, Edifício Dynasty Plaza, 15º andar, O, P, Macau.

"**Mortgage**" means the mortgage executed by way of a deed dated 26 November 2013 of the interest of Propco under the Amended Land Concession prior but applying to the latter's amendment dated 23 September 2015.

"**New Cotai, LLC**" a limited liability company formed in Delaware, United States of America (with registered number 4114248), c/o New Cotai Holdings, LLC, of Two Greenwich Plaza, Greenwich, Connecticut 06830, United States of America.

"**New Sponsor**" means any person to whom Silverpoint or Oaktree assigns or transfers all or part of its indirect beneficial interest in the shares or other equity interests of SCIH in accordance with the Shareholders' Agreement.

"**Non-Credit Related Close-Out**" means a Permitted Hedge Close-Out described in any of paragraphs (a)(i), (a)(ii), (a)(iii) or (a)(iv) of Clause 5.9 (*Permitted Enforcement: Hedge Counterparties*).

"**Non-Distressed Disposal**" has the meaning given to that term in Clause 16 (*Non-Distressed Disposals*).

"**Oaktree**" means Oaktree Capital Management LLC and any successor to the investment management business thereof.

"**Other Currency Term Outstandings**" means, at any time, the aggregate of the amounts of principal (not including any capitalised or deferred interest) then outstanding under the Pari Passu Debt Documents that is not denominated in Hong Kong dollars or Dollars and which principal amount outstanding has a maturity of more than 12 months.

“**Other Liabilities**” means, in relation to a member of the Group, any trading and other liabilities and obligations (not being Borrowing Liabilities or Guarantee Liabilities) it may have to a Bondco, Subordinated Creditor, Intra-Group Lender or Debtor.

“**Pari Passu Arranger**” means any arranger of a credit facility which creates or evidences any Pari Passu Debt Liabilities which becomes a Party pursuant to Clause 25.12 (*Accession of Pari Passu Debt Creditors under New Pari Passu Notes or Pari Passu Facilities*).

“**Pari Passu Credit Participation**” means:

(a) in relation to a Pari Passu Hedge Counterparty, its aggregate Pari Passu Hedge Credit Participation; and

(b) in relation to a Pari Passu Noteholder or a Pari Passu Lender, the aggregate of:

(i) its aggregate Pari Passu Facility Commitments, if any;

(ii) the aggregate outstanding principal amount of the Senior Secured 2019 Notes held by it, if any (as determined in accordance with section 2.09 (*Treasury Notes*) of the Senior Secured 2019 Note Indenture);

(iii) the aggregate outstanding principal amount of the Senior Secured 2021 Notes held by it, if any (as determined in accordance with section 2.09 (*Treasury Notes*) of the Senior Secured 2021 Note Indenture); and

(iv) to the extent not falling within paragraphs (a), (b)(i) or (b)(ii) above, the aggregate outstanding principal amount of any Pari Passu Debt Liabilities in respect of which it is the creditor, if any.

“**Pari Passu Creditors**” means the Pari Passu Debt Creditors and the Pari Passu Hedge Counterparties.

“**Pari Passu Debt Acceleration Event**” means:

(a) the Senior Secured 2019 Note Trustee (or the requisite Senior Secured 2019 Noteholders under the Senior Secured 2019 Note Indenture) exercising any of its or their rights or any acceleration provisions being automatically invoked in each case under section 6.02 of the Senior Secured 2019 Note Indenture;

(b) the Senior Secured 2021 Note Trustee (or the requisite Senior Secured 2021 Noteholders under the Senior Secured 2021 Note Indenture) exercising any of its or their rights under or any acceleration provisions being automatically invoked in each case under section 6.02 of the Senior Secured 2021 Note Indenture;

(c) the Creditor Representative of any other Pari Passu Noteholder(s) (or the requisite Pari Passu Noteholders under any other Pari Passu Note Indenture) exercising any of its or their rights or any acceleration provisions being automatically invoked in each case under an Equivalent Provision of the relevant Pari Passu Note Indenture; or

(d) the Creditor Representative of any other Pari Passu Lender(s) (or, if applicable, any of the other Pari Passu Lenders) exercising any of its (or their) rights or any acceleration provisions being automatically invoked in each case under an Equivalent Provision of the relevant Pari Passu Facility Agreement,

other than the right to declare any amount payable on demand.

“**Pari Passu Debt Creditors**” means:

(a) each Senior Secured 2019 Note Creditor;

(b) each Senior Secured 2021 Note Creditor; and

(c) each other Creditor Representative in relation to any Pari Passu Debt Liabilities, each Pari Passu Arranger, each other Pari Passu Noteholder and each Pari Passu Lender.

"**Pari Passu Debt Discharge Date**" means the first date on which all Pari Passu Debt Liabilities have been fully and finally discharged to the satisfaction of the Creditor Representative(s) in relation to any Pari Passu Debt Liabilities in each case in accordance with the terms of the applicable Pari Passu Debt Document, whether or not as the result of an enforcement, and the Pari Passu Debt Creditors are under no further obligation to provide financial accommodation to any of the Debtors under the Pari Passu Debt Documents.

"**Pari Passu Debt Documents**" means:

(a) each Senior Secured 2019 Note Document;

(b) each Senior Secured 2021 Note Document; and

(c) each other document or instrument entered into between any member of the Group and a Pari Passu Debt Creditor setting out the terms of any credit facility, notes, indenture or debt security which creates or evidences any Pari Passu Debt Liabilities (including (i) in the case of any Pari Passu Debt Liabilities Indebtedness issued by way of debt securities, such documents corresponding to the documents constituting the Senior Secured 2021 Note Documents applicable to that Pari Passu Debt Liabilities Indebtedness and (ii) in the case of any Pari Passu Debt Liabilities Indebtedness incurred pursuant to any facility or loan arrangements, such documents corresponding to the documents constituting the Credit Facility Documents applicable to that Pari Passu Debt Liabilities Indebtedness).

"**Pari Passu Debt Liabilities**" means the Liabilities owed by the Debtors to the Pari Passu Debt Creditors under or in connection with the Pari Passu Debt Documents.

"**Pari Passu Discharge Date**" means the first date on which all Pari Passu Liabilities have been fully and finally discharged to the satisfaction of the relevant Creditor Representative(s) (in the case of the Pari Passu Debt Liabilities) and each Pari Passu Hedge Counterparty (in the case of its Pari Passu Hedging Liabilities), whether or not as the result of an enforcement, and the Pari Passu Creditors are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.

"**Pari Passu Facility**" means any credit facility made available to a Pari Passu Note Issuer or (to the extent not prohibited under the terms and conditions of the Pari Passu Debt Documents) to any other member of the Restricted Group, in each case where:

(a) the agent of the lenders in respect of the credit facility has become a Party as a Creditor Representative;

(b) each arranger of the credit facility has become a party as a Pari Passu Arranger; and

(c) each lender in respect of the credit facility has become a Party as a Pari Passu Lender,

in respect of that credit facility pursuant to Clause 25.12 (*Accession of Pari Passu Debt Creditors under New Pari Passu Notes or Pari Passu Facilities*).

"**Pari Passu Facility Agreement**" means a facility agreement setting out the terms of any Pari Passu Facility and which creates or evidences any Pari Passu Debt Liabilities.

"**Pari Passu Facility Commitment**" means any "Commitment" under and as defined in a Pari Passu Facility Agreement.

"**Pari Passu Facility Debt Service Reserve Account**" means, in relation to any Pari Passu Facility, any account in the name of Company established in connection with the Pari Passu Debt Documents relating to such Pari Passu Facility that may only be credited from time to time with such amounts as may be necessary for such account to operate as an interest accrual account or debt service reserve account in respect of the Pari Passu Debt Liabilities relating to such Pari Passu Facility and which account has been designated as such by the Parent and the relevant Creditor Representative and such designation has been acknowledged by the Intercreditor Agent.

"**Pari Passu Hedge Counterparty**" means each Hedge Counterparty to the extent it is owed Pari Passu Hedging Liabilities.

"**Pari Passu Hedge Credit Participation**" means, in relation to a Pari Passu Hedge Counterparty, the aggregate of:

(a) in respect of any hedging transaction of that Pari Passu Hedge Counterparty under any Hedging Agreement to the extent it constitutes a Pari Passu Hedging Liability that has, as of the date the calculation is made, been terminated or closed out in accordance with the terms of this Agreement, the amount, if any, payable to it under any Hedging Agreement in respect of that termination or close-out as of the date of termination or close-out (and before taking into account any interest accrued on that amount since the date of termination or close-out) to the extent that amount is unpaid (that amount to be certified by the relevant Pari Passu Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement) and to the extent it is a Pari Passu Hedging Liability; and

(b) after the Pari Passu Debt Discharge Date only, in respect of any hedging transaction of that Pari Passu Hedge Counterparty under any Hedging Agreement to the extent it constitutes a Pari Passu Hedging Liability that has, as of the date the calculation is made, not been terminated or closed out:

(i) if the relevant Hedging Agreement is based on an ISDA Master Agreement the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction, if the date on which the calculation is made was deemed to be an Early Termination Date (as defined in the relevant ISDA Master Agreement) for which the relevant Debtor is the Defaulting Party (as defined in the relevant ISDA Master Agreement); or

(ii) if the relevant Hedging Agreement is not based on an ISDA Master Agreement, the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction, if the date on which the calculation is made was deemed to be the date on which an event similar in meaning and effect (under that Hedging Agreement) to an Early Termination Date (as defined in any ISDA Master Agreement) occurred under that Hedging Agreement for which the relevant Debtor is in a position similar in meaning and effect (under that Hedging Agreement) to that of a Defaulting Party (under and as defined in the same ISDA Master Agreement),

that amount, in each case, to be certified by the relevant Pari Passu Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement.

"**Pari Passu Hedging Liabilities**" means the Hedging Liabilities to the extent they are not Super Senior Hedging Liabilities.

"**Pari Passu Lender**" means each "Lender" under and as defined in the relevant Pari Passu Facility Agreement that has become a Party as a Pari Passu Lender in respect of that Pari Passu Facility Agreement pursuant to Clause 25.12 (*Accession of Pari Passu Debt Creditors under New Pari Passu Notes or Pari Passu Facilities*).

“**Pari Passu Liabilities**” means the Pari Passu Debt Liabilities and the Pari Passu Hedging Liabilities.

“**Pari Passu Note Indenture**” means the Senior Secured 2019 Note Indenture, the Senior Secured 2021 Note Indenture and any other note indenture setting out the terms of any debt security which creates or evidences any Pari Passu Debt Liabilities.

“**Pari Passu Note Issuer**” means the Company or the Parent.

“**Pari Passu Note Trustees**” means each of:

(a) the Senior Secured 2019 Note Trustee;

(b) the Senior Secured 2021 Note Trustee; and

(c) any other note trustee in respect of Pari Passu Notes which has acceded to this Agreement as a Creditor Representative pursuant to Clause 25.12 (*Accession of Pari Passu Debt Creditors under New Pari Passu Notes or Pari Passu Facilities*),

each, a “**Pari Passu Note Trustee**”.

“**Pari Passu Noteholder**” means a Senior Secured 2019 Noteholder, a Senior Secured 2021 Noteholder and any other holder from time to time of any Pari Passu Notes in respect of which a person has acceded to this Agreement as Pari Passu Note Trustee.

“**Pari Passu Notes**” means:

(a) the Senior Secured 2019 Notes;

(b) the Senior Secured 2021 Notes; and

(c) any other senior secured notes issued or to be issued by a Pari Passu Note Issuer under a Pari Passu Note Indenture.

“**Pari Passu Notes Interest Accrual Account**” means:

(a) in relation to Senior Secured 2019 Notes, the Senior Secured 2019 Notes Interest Accrual Account;

(b) in relation to Senior Secured 2021 Notes, the Senior Secured 2021 Notes Interest Accrual Account; and

(c) in relation to any other Pari Passu Notes, any account in the name of Company established in connection with the Pari Passu Debt Documents relating to such Pari Passu Notes that may only be credited from time to time with such amounts as may be necessary for such account to operate as an interest accrual account in respect of the Pari Passu Debt Liabilities relating to such Pari Passu Notes and which account has been designated as such by the Parent and the relevant Creditor Representative and such designation has been acknowledged by the Intercreditor Agent.

“**Party**” means a party to this Agreement.

“**Payment**” means, in respect of any Liabilities (or any other liabilities or obligations), a payment, prepayment, repayment, redemption, defeasance or discharge of those Liabilities (or other liabilities or obligations).

“**Payment Netting**” means:

(a) in respect of a Hedging Agreement or a Hedging Ancillary Document based on an ISDA Master Agreement, netting under section 2(c) of the relevant ISDA Master Agreement; and

(b) in respect of a Hedging Agreement or a Hedging Ancillary Document not based on an ISDA Master Agreement, netting pursuant to any provision of that Hedging Agreement or a Hedging Ancillary Document which has a similar effect to the provision referenced in paragraph (a) above.

“**Permitted Automatic Early Termination**” means an Automatic Early Termination of a hedging transaction under a Hedging Agreement, the provision of which is permitted under Clause 5.12 (*Terms of Hedging Agreements*).

“**Permitted Bondco Payment**” means the Payments permitted by Clause 11.3 (*Permitted Payments: Bondco Liabilities*).

“**Permitted Credit Facility Payments**” means the Payments permitted by Clause 3.1 (*Payment of Credit Facility Liabilities*).

“**Permitted Hedge Close-Out**” means, in relation to a hedging transaction under a Hedging Agreement, a termination or close-out of that hedging transaction which is permitted pursuant to Clause 5.9 (*Permitted Enforcement: Hedge Counterparties*).

“**Permitted Hedge Payments**” means the Payments permitted by Clause 5.3 (*Permitted Payments: Hedging Liabilities*).

“**Permitted Intra-Group Payments**” means the Payments permitted by Clause 8.2 (*Permitted Payments: Intra-Group Liabilities*).

“**Permitted Pari Passu Debt Payments**” means the Payments permitted by Clause 4.1 (*Payment of Pari Passu Debt Liabilities*).

“**Permitted Payment**” means a Permitted Hedge Payment, a Permitted Intra-Group Payment, a Permitted Pari Passu Debt Payment, a Permitted Credit Facility Payment, a Permitted Bondco Payment or a Permitted Subordinated Creditor Payment.

“**Permitted Subordinated Creditor Payments**” means the Payments permitted by Clause 10.2 (*Permitted Payments: Subordinated Liabilities*).

“**Power of Attorney**” means the power of attorney granted by Propco on 26 November 2013 in favour of the POA Agent supplementing the Mortgage and any replacement power of attorney entered into by any successor POA Agent.

“**Primary Creditors**” means the Super Senior Creditors and the Pari Passu Creditors.

“**Propco**” means Studio City Developments Limited (formerly known as MSC Desenvolvimentos, Limitada and previously as as East Asia - Televisão por Satélite Limitada), a company incorporated under the laws of the Macau SAR, registered with the Macau Commercial Registry under number 14311 SO, with registered office at Rua de Évora, nos 199-207, Edifício Flower City, 1° andar, A1, Taipa, Macau.

“**Property**” of a member of the Group or of a Debtor or a Security Provider means:

(a) any asset of that member of the Group or of that Debtor or that Security Provider;

(b) any Subsidiary of that member of the Group or of that Debtor; and

(c) any asset of any such Subsidiary.

“**Qualified ECP Guarantor**” means, in respect of any Swap Obligation, any entity that has total assets exceeding US$10,000,000 at the time the relevant guarantee or grant of the relevant security interest becomes effective with respect to such Swap Obligation or such other person as constitutes an “eligible contract participant” under the Commodity Exchange
Act or any regulations promulgated thereunder and can cause another person to qualify as an “eligible contract participant” at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

“**Receiver**” means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Property.

“**Recoveries**” has the meaning given to that term in Clause 19.1 (*Order of application*).

“**Reimbursement Agreement**” means the reimbursement agreement dated 15 June 2012 and entered into between SCE and Melco Crown (as may be amended and supplemented from time to time).

“**Relevant Ancillary Lender**” means, in respect of any Credit Facility Cash Cover, the Ancillary Lender (if any) for which that Credit Facility Cash Cover is provided.

“**Relevant Issuing Bank**” means, in respect of any Credit Facility Cash Cover, the Issuing Bank (if any) for which that Credit Facility Cash Cover is provided.

“**Relevant Jurisdiction**” means, in relation to a Debtor:

(a) its jurisdiction of incorporation;

(b) any jurisdiction where any asset subject to or intended to be subject to the Transaction Security to be created by it is situated;

(c) any jurisdiction where it conducts its business; and

(d) the jurisdiction whose laws govern the perfection of any of the Transaction Security Documents entered into by it.

“**Relevant Liabilities**” means:

(a) in the case of a Creditor:

(i) the Liabilities owed to Creditors ranking (in accordance with the terms of this Agreement) *pari passu* with or in priority to that Creditor (as the case may be); and

(ii) all present and future liabilities and obligations, actual and contingent, of the Debtors to the Common Security Agent and/or the Intercreditor Agent; and

(b) in the case of a Debtor, the Liabilities owed to the Creditors together with all present and future liabilities and obligations, actual and contingent, of the Debtors to the Common Security Agent and/or the Intercreditor Agent.

“**Required Pari Passu Creditors**” means, subject to paragraph (e) of Clause 1.2 (*Construction*):

(a) each Creditor Representative acting on behalf of any Pari Passu Lenders or Pari Passu Noteholders; and

(b) at any time, those Pari Passu Hedge Counterparties whose Pari Passu Hedge Credit Participations at that time aggregate more than 50 per cent. of the total Pari Passu Hedge Credit Participations at that time.

“**Restricted Group**” means the Parent and each Restricted Subsidiary.

“**Restricted Subsidiary**” means a Subsidiary of the Parent other than an Unrestricted Subsidiary.

“**Rolled Loan**” has the meaning given to the term “Facility A Loan” in the original form of the Credit Facility Agreement.

“**Rolled Loan Cash Collateral**” has the meaning given to the term “Facility A Cash Collateral” in the Credit Facility Agreement.

“**Rolled Loan Cash Collateral Account**” has the meaning given to the term “Facility A Cash Collateral Account” in the Credit Facility Agreement.

“**Rolled Loan Discharge Date**” means the first date on which all Liabilities in respect of the Rolled Loan have been fully and finally discharged to the satisfaction of the Credit Facility Agent, whether or not as the result of an enforcement.

“**Rolled Loan Facility Lender**” means the “Lender” under and as defined in the Credit Facility Agreement of the Rolled Loan from time to time.

“**Rolled Loan Release Date**” means the first date on which:

(a) all of the Secured Obligations other than in respect of the Rolled Loan have been fully and finally discharged to the satisfaction of the relevant Creditor Representative(s), whether or not as the result of an enforcement, and the Secured Parties are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents;

(b) all of the Recoveries that have been received or recovered have been applied in accordance with Clause 19 (*Application of proceeds*) and the Intercreditor Agent (acting reasonably) does not anticipate any further Recoveries (other than in respect of the Transaction Security over the Rolled Loan Cash Collateral Account) being received or recovered;

(c) all of the Transaction Security established pursuant to the Continuing Macau Documents have been released in accordance with the terms of the Debt Documents or enforced in full or the consent of the Secured Parties required under the terms of the Debt Documents to consent to the release of the Transaction Security established pursuant to the Continuing Macau Documents has been obtained for the Rolled Loan Release Date to otherwise have occurred;

(d) the circumstances described in paragraph (c)(ii) or paragraph (c)(iii) of Clause 15.2 (*Instructions to enforce*) have occurred; or

(e) the Company is required to repay the Rolled Loan in accordance with clause 8.1 (*Illegality*) of the Credit Facility Agreement.

“**SCE**” means Studio City Entertainment Limited (formerly known as MSC Diversões, Limitada and previously as New Cotai Entertainment (Macau) Limited), a company incorporated under the laws of the Macau SAR, registered with the Macau Commercial Registry number 27610 SO, with registered office at Rua de Évora, nos 199-207, Edifício Flower City, 1° andar, A1, Taipa, Macau.

“**SCH5**” means Studio City Holdings Five Limited, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1789892), whose registered office is at Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands.

"**SCIH**" means Studio City International Holdings Limited, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 399970), whose registered office is at Offshore Incorporation Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands.

"**Secured Obligations**" means all the Liabilities and all other present and future liabilities and obligations at any time due, owing or incurred by any member of the Group and by each Debtor to any Secured Party under (or in connection with) the Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

"**Secured Obligations Documents**" means this Agreement, each Fee Letter, each Credit Facility Document, each Pari Passu Debt Document and each Hedging Agreement.

"**Secured Parties**" means the Common Security Agent, any Receiver or Delegate, the Intercreditor Agent and each of the Primary Creditors from time to time but, in the case of each Primary Creditor, only if it (or, in the case of a Pari Passu Noteholder, its Creditor Representative) is a Party or has acceded to this Agreement in the appropriate capacity pursuant to Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*).

"**Security**" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"**Security Documents**" means:

(a) each of the Transaction Security Documents;

(b) any other document entered into at any time by any of the Debtors or any Security Provider creating any guarantee, indemnity, Security or other assurance against financial loss in favour of any of the Secured Parties as security for any of the Secured Obligations; and

(c) any Security granted under any covenant for further assurance in any of the documents referred to in paragraphs (a) and (b) above.

"**Security Property**" means:

(a) the Transaction Security expressed to be granted in favour of the Common Security Agent as trustee for all or any of the Secured Parties and all proceeds of that Transaction Security;

(b) all obligations expressed to be undertaken by a Debtor or Security Provider to pay amounts in respect of the Liabilities to the Common Security Agent as trustee for all or any of the Secured Parties and secured by the Transaction Security together with all representations and warranties expressed to be given by a Debtor or a Security Provider in favour of the Common Security Agent as trustee for all or any of the Secured Parties;

(c) the Common Security Agent's interest in any trust fund created pursuant to Clause 13 (*Turnover of receipts*); and

(d) any other amounts or property, whether rights, entitlements, choses in action or otherwise, actual or contingent, which the Common Security Agent is required by the terms of the Debt Documents to hold as trustee on trust for all or any of the Secured Parties.

"**Security Provider**" means, at any time while any of its assets are subject to the Transaction Security:

(a) each of Studio City Holdings Five Limited and Melco Crown (Macau) Limited; and

(b) any other person that is not a member of the Group that creates or grants any Security in favour of any of the Secured Parties as security for any of the Secured Obligations over any of its assets,

which in each case has not ceased to be a Security Provider in accordance with this Agreement.

"**Senior Secured 2019 Note Creditors**" means the Senior Secured 2019 Noteholders and the Senior Secured 2019 Note Trustee.

"**Senior Secured 2019 Note Documents**" mean the Senior Secured 2019 Note Indenture, the Senior Secured 2019 Notes, the Common Security Documents, the Transaction Security Documents relating to the Senior Secured 2019 Notes Interest Accrual Account, the Senior Secured 2019 Note Guarantees (whether contained in the Senior Secured 2019 Note Indenture, as a notation of guarantee attached to the Senior Secured 2019 Notes or otherwise) and this Agreement.

"**Senior Secured 2019 Note Guarantees**" means the "Note Guarantees" as defined in the Senior Secured 2019 Note Indenture.

"**Senior Secured 2019 Note Indenture**" means the indenture governing the Senior Secured 2019 Notes dated on or about the date of this Agreement and made between, among others, the Senior Secured 2019 Note Trustee, the Company as Pari Passu Note Issuer and the Senior Secured 2019 Note guarantors and acceded to by the Intercreditor Agent and the Common Security Agent on or about the date of this Agreement.

"**Senior Secured 2019 Note Trustee**" means the note trustee in respect of the Senior Secured 2019 Notes.

"**Senior Secured 2019 Noteholders**" means the "Holders" as defined in the Senior Secured 2019 Note Indenture.

"**Senior Secured 2019 Notes**" means:

(a) the USD 350,000,000 aggregate principal amount of 5.875% senior secured notes due 2019 issued by the Company as Pari Passu Note Issuer pursuant to the Senior Secured 2019 Note Indenture; and

(b) any additional senior secured notes issued by the Company as Pari Passu Note Issuer pursuant to the Senior Secured 2019 Note Indenture as part of the same series of the senior secured notes issued under paragraph (a) above, *provided that* the incurrence of those notes does not breach the terms of any of the then existing Credit Facility Documents or Pari Passu Debt Documents.

"**Senior Secured 2019 Notes Interest Accrual Account**" means the Dollar-denominated note interest accrual account (together with any sub-accounts or related accounts, including for term deposits, established in connection therewith) established by, and in the name of, the Company in accordance with the terms of the Senior Secured 2019 Note Indenture.

"**Senior Secured 2021 Note Creditors**" means the Senior Secured 2021 Noteholders and the Senior Secured 2021 Note Trustee.

"**Senior Secured 2021 Note Documents**" mean the Senior Secured 2021 Note Indenture, the Senior Secured 2021 Notes, the Common Security Documents, the Transaction Security Documents relating to the Senior Secured 2021 Notes Interest Accrual Account, the Senior Secured 2021 Note Guarantees (whether contained in the Senior Secured 2021 Note Indenture, as a notation of guarantee attached to the Senior Secured 2021 Notes or otherwise) and this Agreement.

"**Senior Secured 2021 Note Guarantees**" means the "Note Guarantees" as defined in the Senior Secured 2021 Note Indenture.

"**Senior Secured 2021 Note Indenture**" means the indenture governing the Senior Secured 2021 Notes dated on or about the date of this Agreement and made between, among others, the Senior Secured 2021 Note Trustee, the Company as Pari Passu Note Issuer and the Senior Secured 2021 Note guarantors and acceded to by the Intercreditor Agent and the Common Security Agent on or about the date of this Agreement.

"**Senior Secured 2021 Note Trustee**" means the note trustee in respect of the Senior Secured 2021 Notes.

"**Senior Secured 2021 Noteholders**" means the "Holders" as defined in the Senior Secured 2021 Note Indenture.

"**Senior Secured 2021 Notes**" means:

(a) the USD 850,000,000 aggregate principal amount of 7.250% senior secured notes due 2021 issued by the Company as Pari Passu Note Issuer pursuant to the Senior Secured 2019 Note Indenture; and

(b) any additional senior secured notes issued by the Company as Pari Passu Note Issuer pursuant to the Senior Secured 2021 Note Indenture as part of the same series of the senior secured notes issued under paragraph (a) above, *provided that* the incurrence of those notes does not breach the terms of any of the then existing Credit Facility Documents or Pari Passu Debt Documents.

"**Senior Secured 2021 Notes Interest Accrual Account**" means the Dollar-denominated note interest accrual account (together with any sub-accounts or related accounts, including for term deposits, established in connection therewith) established by, and in the name of, the Company in accordance with the terms of the Senior Secured 2021 Note Indenture.

"**Services and Right to Use Agreement**" means the services and right to use agreement dated 11 May 2007 and originally made between SCE, New Cotai Entertainment, LLC and Melco Crown as amended, restated and supplemented from time to time, including pursuant to a supplemental agreement dated 15 June 2012 made between SCE, Melco Crown and New Cotai Entertainment, LLC.

"**Services and Right to Use Direct Agreement**" means the direct agreement dated 26 November 2013 and entered into between, among others, SCE, Melco Crown and the Common Security Agent in relation to the Services and Right to Use Agreement and the Reimbursement Agreement, as amended or modified from time to time.

"**Silverpoint**" means Silver Point Capital, L.P. and any successor to the investment management business thereof.

"**Shareholders' Agreement**" means the shareholders' agreement dated 27 July 2011 and made between MCE Cotai, New Cotai, LLC and others (as amended from time to time).

"**Sponsor Affiliate**" means:

(a) in the case of MCE, MCE and its Subsidiaries (other than any member of the Group);

(b) in the case of Silverpoint, Silverpoint, each of its Affiliates (other than any member of the Group), any trust of which Silverpoint or any of such Affiliates is a trustee, any partnership of which Silverpoint or any of such Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, Silverpoint or any of such Affiliates, *provided that* any such trust, fund or other entity which has been established for at least 6 months solely for the purpose of making, purchasing or investing in loans or debt securities and which is managed or controlled independently from all other trusts, funds or other entities managed or controlled by Silverpoint or any of such Affiliates which have been established for the primary or main purpose of investing in the share capital of companies shall not constitute a Sponsor Affiliate;

(c) in the case of Oaktree, Oaktree, each of its Affiliates (other than any member of the Group), any trust of which Oaktree or any of such Affiliates is a trustee, any partnership of which Oaktree or any of its Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, Oaktree or any of such Affiliates, *provided that* any such trust, fund or other entity which has been established for at least 6 months solely for the purpose of making, purchasing or investing in loans or debt securities and which is managed or controlled independently from all other trusts, funds or other entities managed or controlled by Oaktree or any of such Affiliates which have been established for the primary or main purpose of investing in the share capital of companies shall not constitute a Sponsor Affiliate; and

(d) in the case of a New Sponsor, the New Sponsor, each of its Affiliates (other than any member of the Group), any trust of which the New Sponsor or any of such Affiliates is a trustee, any partnership of which the New Sponsor or any of its Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, the New Sponsor or any of such Affiliates, *provided that* any such trust, fund or other entity which has been established for at least 6 months solely for the purpose of making, purchasing or investing in loans or debt securities and which is managed or controlled independently from all other trusts, funds or other entities managed or controlled by the New Sponsor or any of such Affiliates which have been established for the primary or main purpose of investing in the share capital of companies shall not constitute a Sponsor Affiliate.

"**Subordinated Creditors**" means any direct or indirect shareholder (or affiliate who is not a member of the Group) of the Parent (and their respective transferees and successors) which has made a loan or financial accommodation to the Parent or any other member of the Group, which is a Party or has acceded to this Agreement in the appropriate capacity pursuant to Clause 25.3 (*Accession and change of Subordinated Creditor*) and which in each case has not ceased to be a Subordinated Creditor in accordance with this Agreement.

"**Subordinated Liabilities**" means the Liabilities (for the avoidance of doubt, excluding the Bondco Liabilities) owed to the Subordinated Creditors by the Parent or any other member of the Group under each document or instrument setting out the terms of any credit facility, loan, notes, indenture or debt security or, as the case may be, any undocumented arrangement (whether by way of book entry or otherwise) establishing the same.

"**Subsidiary**" means, in relation to any company or corporation, a company or corporation:

(a) which is controlled, directly or indirectly, by the first mentioned company or corporation;

(b) more than half the issued share capital of which (or, in the case of any company or corporation in which SCH5 owns a Golden Share, more than half the issued share capital of which, excluding for these purposes that Golden Share from such issued share capital) is beneficially owned, directly or indirectly by the first mentioned company or corporation; or

(c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

"**Super Senior Credit Participation**" means, in relation to a Credit Facility Lender or a Super Senior Hedge Counterparty, the aggregate of:

(a) its aggregate Credit Facility Commitments, if any;

(b) in respect of any hedging transaction of that Super Senior Hedge Counterparty under any Hedging Agreement that has, as of the date the calculation is made, been terminated or closed out in accordance with the terms of this Agreement, the amount, if any, payable to it under any Hedging Agreement in respect of that termination or close-out as of the date of termination or close-out (and before taking into account any interest accrued on that amount since the date of termination or close-out) to the extent that amount is unpaid (that amount to be certified by the relevant Super Senior Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement) and to the extent it is a Super Senior Hedging Liability; and

(c) after the Credit Facility Lender Discharge Date only, in respect of any hedging transaction of that Super Senior Hedge Counterparty under any Hedging Agreement to the extent it constitutes a Super Senior Hedging Liability that has, as of the date the calculation is made, not been terminated or closed out:

   (i) if the relevant Hedging Agreement is based on an ISDA Master Agreement the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction, if the date on which the calculation is made was deemed to be an Early Termination Date (as defined in the relevant ISDA Master Agreement) for which the relevant Debtor is the Defaulting Party (as defined in the relevant ISDA Master Agreement); or

   (ii) if the relevant Hedging Agreement is not based on an ISDA Master Agreement, the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction, if the date on which the calculation is made was deemed to be the date on which an event similar in meaning and effect (under that Hedging Agreement) to an Early Termination Date (as defined in any ISDA Master Agreement) occurred under that Hedging Agreement for which the relevant Debtor is in a position similar in meaning and effect (under that Hedging Agreement) to that of a Defaulting Party (under and as defined in the same ISDA Master Agreement),

   that amount, in each case, to be certified by the relevant Super Senior Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement.

"**Super Senior Creditors**" means the Credit Facility Creditors and the Super Senior Hedge Counterparties.

"**Super Senior Discharge Date**" means the first date on which all Super Senior Liabilities (other than in respect of the principal amount of the Rolled Loan) have been fully and finally discharged to the satisfaction of the Credit Facility Agent (in the case of the Credit Facility Liabilities) and each Super Senior Hedge Counterparty (in the case of its Super Senior Hedging Liabilities), whether or not as the result of an enforcement, and the Super Senior Creditors are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.

"**Super Senior Hedge Counterparty**" means each Hedge Counterparty to the extent it is owed Super Senior Hedging Liabilities.

"**Super Senior Hedging Liabilities**" means Hedging Liabilities owed to any Hedge Counterparty in a Common Currency Amount not exceeding such Hedge Counterparty's Allocated Super Senior Hedging Amount.

"**Super Senior Hedging Amount**" means USD5,000,000.

"**Super Senior Hedging Certificate**" means a certificate substantially in the form set out in Schedule 8 (*Form of Super Senior Hedging Certificate*).

"**Super Senior Liabilities**" means the Credit Facility Liabilities and the Super Senior Hedging Liabilities.

"**Swap Obligation**" shall mean, with respect to any person, any obligation to pay or perform under any agreement, contract, or transaction that constitutes a "swap" within the meaning of section 1(a)(47) of the Commodity Exchange Act.

"**Tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"**Total Exchange Rate Hedging**" means, at any time, the aggregate of each Hedge Counterparty's Exchange Rate Hedging at that time.

"**Total Interest Rate Hedging**" means, at any time, the aggregate of each Hedge Counterparty's Interest Rate Hedging at that time.

"**Transaction Security**" means the Security created or evidenced or expressed to be created or evidenced under or pursuant to the Security Documents.

"**Transaction Security Documents**" means:

(a) the Services and Right to Use Direct Agreement;

(b) each of the documents listed as being a Transaction Security Document in Schedule 4 (*Transaction Security Documents*); and

(c) any other document entered into by any Debtor or Security Provider creating or expressed to create any Security over all or any part of its assets in respect of the obligations of any of the Debtors under any of the Debt Documents,

in each case, as amended, supplemented and/or confirmed from time to time

"**Unrestricted Subsidiary**" means a Subsidiary of the Parent which has been designated an "Unrestricted Subsidiary" for the purpose of (and in accordance with) all of the Credit Facility Documents and Pari Passu Debt Documents.

## 1.2 Construction

(a) Unless a contrary indication appears, a reference in this Agreement to:

(i) any "**Ancillary Lender**", "**Arranger**", "**Bondco**", "**Borrower**", "**Common Security Agent**", "**Credit Facility Agent**", "**Credit Facility Arranger**", "**Credit Facility Borrower**", "**Credit Facility Creditor**", "**Credit Facility Guarantor**", "**Credit Facility Lender**", "**Creditor**", "**Creditor Representative**", "**Debtor**", "**Existing Subordination Party**", "**Hedge Counterparty**", "**Hedging Ancillary Lender**", "**High Yield Note Trustee**", "**High Yield Noteholder**", "**Intercreditor Agent**", "**Intra-Group Lender**", "**Issuing Bank**", "**Pari Passu Arranger**", "**Pari Passu Note Trustee**", "**Pari Passu Noteholder**", "**Pari Passu Creditor**", "**Pari Passu Debt Creditor**", "**Pari Passu Hedge Counterparty**", "**Pari Passu Lender**", "**Pari Passu Note Issuer**" , "**Pari Passu Note Trustee**", "**Pari Passu Noteholder**" , "**Pari Passu Note Issuer**", "**Parent**", "**Party**", "**POA Agent**", "**Primary Creditor**", "**Rolled Loan Facility Lender**", "**Secured Party**", "**Security Provider**", "**Senior Secured Note Trustee**", "**Senior Secured Noteholder**", "**Senior Secured 2019 Note Creditor**", "**Senior Secured 2019 Note Trustee**", "**Senior Secured 2019 Noteholder**", "**Senior Secured 2021 Note Creditor**", "**Senior Secured 2021 Note Trustee**", "**Senior Secured 2021 Noteholder**", "**Subordinated Creditor**", "**Super Senior Creditor**" or "**Super Senior Hedge Counterparty**" shall be construed to be a reference to it in its capacity as such and not in any other capacity;

(ii) any "**Ancillary Lender**", "**Arranger**", "**Creditor**", "**Creditor Representative**", "**Debtor**", "**Hedge Counterparty**", "**Issuing Bank**", "**Party**" or "**Subordinated Creditor**" or the "**Common Security Agent**", the "**Intercreditor Agent**" or the "**POA Agent**" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Debt Documents and, in the cases of the Common Security Agent and the Intercreditor Agent, any person for the time being appointed as Common Security Agent, Common Security Agents or Intercreditor Agent (as applicable) in accordance with this Agreement;

(iii) "**assets**" includes present and future properties, revenues and rights of every description;

(iv) a "**Debt Document**" or any other agreement or instrument is (other than a reference to a "**Debt Document**" or any other agreement or instrument in "**original form**") a reference to that Debt Document, or other agreement or instrument, as amended, novated, supplemented, extended or restated as permitted by this Agreement;

(v) "**enforcing**" (or any derivation) the Transaction Security includes:

(A) the appointment of an administrator, receiver, administrative receiver, liquidator, compulsory manager or supervising or overseeing party (or any analogous officer in any jurisdiction) of a Debtor or Security Provider by the Common Security Agent; and

(B) the making of a demand under Clause 21.2 (*Parallel debt*) by the Security Agent;

(vi) a "**group of Creditors**" includes all the Creditors and a "**group of Primary Creditors**" includes all the Primary Creditors;

(vii) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

(viii) the "**original form**" of a "**Debt Document**" or any other agreement or instrument is a reference to that Debt Document, agreement or instrument as originally entered into (save that the "**original form**" of the Credit Facility Agreement is a reference to the form of the Credit Facility Agreement as amended and restated by the 2016 Amendment and Restatement Agreement);

(ix) a “**person**” includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);

(x) “**proceeds**” of a Distressed Disposal or of a Debt Disposal includes proceeds in cash;

(xi) a “**regulation**” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation; and

(xii) a provision of law is a reference to that provision as amended or re-enacted.

(b) Section, Clause and Schedule headings are for ease of reference only.

(c) A Default (including an Event of Default) is “**continuing**” if it has not been remedied or waived in accordance with the relevant Debt Document. An Acceleration Event is “**continuing**” if the notice in relation to such Acceleration Event has not been withdrawn , cancelled or otherwise ceased to have effect.

(d) A Pari Passu Lender or Pari Passu Noteholder providing “**cash cover**” for a Letter of Credit means a Pari Passu Lender or Pari Passu Noteholder paying an amount in the currency of the Letter of Credit to an interest-bearing account in the name of the Pari Passu Lender or Pari Passu Noteholder and the following conditions being met:

(i) the account is with the Issuing Bank;

(ii) until no amount is or may be outstanding under that Letter of Credit withdrawals from the account may only be made to pay an Issuing Bank amounts due and payable to it under the Credit Facility Documents; and

(iii) the Pari Passu Lender or Pari Passu Noteholder has executed a security document over the account, in form and substance satisfactory to the Issuing Bank with which that account is held, creating a first ranking security interest over that account.

(e) References to a Creditor Representative acting on behalf of the Pari Passu Debt Creditors of which it is the Creditor Representative means such Creditor Representative acting on behalf of the Pari Passu Debt Creditors of which it is the Creditor Representative with the consent of the proportion of such Pari Passu Debt Creditors required under and in accordance with the applicable Pari Passu Debt Documents (*provided that* if the relevant Pari Passu Debt Documents do not specify a voting threshold for a particular matter, the threshold will be a simple majority of the outstanding principal amount under those Pari Passu Debt Documents (excluding any Pari Passu Liabilities owned by a member of the Group or a Sponsor Affiliate)). A Creditor Representative will be entitled to seek instructions from the Pari Passu Debt Creditors of which it is the Credit Representative to the extent required by the applicable Pari Passu Debt Documents, as the case may be, as to any action to be taken by it under this Agreement.

(f) In determining whether any Liabilities have been fully and finally discharged, the relevant Creditor Representative (and, if applicable, the Intercreditor Agent or Common Security Agent) shall disregard contingent liabilities (such as the risk of clawback from a preference claim) except to the extent that it believes (after taking such legal advice as it consider appropriate and acting at the direction of the relevant Creditors) that there is a reasonable likelihood that those contingent liabilities will become actual liabilities or (with respect to the risk of clawback) if customary comfort documents are delivered to the relevant Creditor Representative (and, if applicable, the Intercreditor Agent or Common Security Agent) in form and substance satisfactory to it (acting at the direction of the relevant Creditors).

(g) Any matter expressed to require the consent or approval of the Credit Facility Lenders (or any specified majority thereof) or the Credit Facility Agent shall only require such consent or approval prior to the Credit Facility Lender Discharge Date (or, if later, the Rolled Loan Discharge Date) and shall be deemed not to require the consent of any Credit Facility Lender which has been repaid or prepaid in full in accordance with the Credit Facility Agreement.

(h) Any matter expressed to require the consent or approval of any Pari Passu Lenders (or any specified majority thereof) or of the Creditor Representative for any Pari Passu Lenders (acting on the instructions of such Pari Passu Lenders) in respect of a Pari Passu Facility shall only require such consent or approval on or after such time as that Pari Passu Facility has been made available and prior to the date that would be the Pari Passu Debt Discharge Date if such term were defined only by reference to the Pari Passu Debt Liabilities and Pari Passu Debt Documents relating to that Pari Passu Facility and shall be deemed not to require the consent of any Pari Passu Lender in respect of that Pari Passu Facility which has been repaid, prepaid or replaced in full in accordance with the relevant Pari Passu Debt Documents.

(i) Any matter expressed to require the consent or approval of any Pari Passu Noteholder (or any specified majority thereof) or of the Creditor Representative for any Pari Passu Noteholders (acting on the instructions of such Pari Passu Noteholders) in respect of any Pari Passu Notes shall only require such consent or approval on or after such time as such Pari Passu Notes have been issued and prior to the date that would be the Pari Passu Debt Discharge Date if such term were defined only by reference to the Pari Passu Debt Liabilities and Pari Passu Debt Documents relating to those Pari Passu Notes and shall be deemed not to require the consent of any Pari Passu Noteholder in respect of those Pari Passu Notes which have been redeemed, defeased or otherwise discharged in full in accordance with the relevant Pari Passu Debt Documents.

(j) Any consent to be given under this Agreement shall mean such consent is to be given in writing, which for the purposes of this Agreement will be deemed to include any instructions, waivers or consents provided through any applicable clearance system in accordance with the terms of the relevant Debt Document.

(k) References to any matter being "**permitted**" under one or more Debt Documents shall include references to such matters not being prohibited or have otherwise been approved under such Debt Documents.

(l) Secured Parties may only benefit from Recoveries to the extent that the Liabilities of such Secured Parties have the benefit of the guarantees or security under which such Recoveries are received and *provided* that, in all cases, the rights of such Secured Parties shall in any event be subject to the priorities set out in Clause 19 (*Application of proceeds*). This shall not prevent a Secured Party benefiting from such Recoveries where it was not possible as a result of the Agreed Security Principles for the Secured Party to obtain the relevant guarantees or security or affect, in any way, the operation of any other document that is not a Debt Document.

(m) In respect of the Services and Right to Use Direct Agreement:

(i) Pursuant to the 2016 Amendment and Restatement Agreement, the definitions of certain words and expressions set out in the Credit Facility Agreement, the principles of construction and interpretation in clause 1.2 (*Construction*) of the Credit Facility Agreement and certain clauses and provisions of the Credit Facility Agreement were amended, restated and/or modified (in the Credit Facility Agreement and/or by entry into and restatement in this Agreement), notwithstanding that such words and expressions, principles of construction and interpretation and clauses and provisions may have been referred to (and the definitions of such words and expressions and principles of construction and interpretation imported into or stated to apply) in the Services and Right to Use Direct Agreement. Notwithstanding such amendments, restatements and modifications, for the purposes of the Services and Right to Use Direct Agreement (A) such words and expressions shall have the meanings given to them in the original form of the Credit Facility Agreement (or as subsequently amended from time to time), including to the extent that any such word or expression is defined in the original form of the Credit Facility Agreement by way of cross reference to a definition or construction provision in this Agreement, (B) such principles of construction and interpretation shall apply as set out in clause 1.2 (*Construction*) in the original form of the Credit Facility Agreement (or as subsequently amended from time to time) and (C) such restated clauses and provisions shall continue to apply wherever (and in whichever Secured Obligations Document(s)) they have been restated.

(ii) Further, the Services and Right to Use Direct Agreement continues to apply to the Financial Indebtedness outstanding under the Credit Facility Agreement from time to time and (for the avoidance of doubt) all other Financial Indebtedness that constitutes Secured Obligations (as defined in this Agreement from time to time), notwithstanding that such other Financial Indebtedness may be documented under a Secured Obligations Document other than the Credit Facility Agreement, and such other Financial Indebtedness is, for the purposes of the Services and Right to Use Direct Agreement (only) and for so long as it is outstanding, deemed to have been incurred and be outstanding under the Credit Facility Agreement and that the creditors in respect of such Financial Indebtedness are creditors in respect of that Financial Indebtedness under the Credit Facility Agreement.

(iii) Without limitation or prejudice to paragraphs (i) and (ii) above, to reflect the intention of the relevant Parties as set out in paragraphs (i) and (ii) above, such Parties agree to the further arrangements set out in Schedule 5 (*Continuing Documents*).

(iv) Without prejudice to paragraph (iii) above, the Services and Right to Use Direct Agreement shall be read and construed for all purposes to give effect to paragraphs (i) and (ii) above such that, to the extent any words, expressions or references are not expressly referred to in the further arrangements set out in Schedule 5 (*Continuing Documents*):

(A) all other words, expressions and references that could reasonably be considered to affect the Secured Parties shall be read and construed as the Intercreditor Agent and the Borrower (each acting reasonably and having consulted with each Creditor Representative) consider necessary or desirable to give effect to the above and to the principle that the terms of the Services and Right to Use Direct Agreement apply to this Agreement, all Secured Obligations, all Secured Parties and all Secured Obligations Documents contemplated under or in this Agreement (including, without limitation, pursuant to Clause 2.6 (*Additional and/or refinancing debt*);

(B) in the case that the Services and Right to Use Direct Agreement refers to a requirement of a provision of the Credit Facility Agreement and that requirement has been or is (from time to time) amended, varied or deleted and not restated in another Secured Obligations Document (including, without limitation, (x) the reference in clause 28.1.2 (*Override*) of the Services and Right to Use Direct Agreement to paragraph 4.2 (*Reimbursement Agreement*) of schedule 7 (*Accounts*) of the Credit Facility Agreement and (y) the reference in clause 28.1.3 (*Override*) of the Services and Right to Use Direct Agreement to paragraph 26 of part I of schedule 9 (*Events of Default*) of the Credit Facility Agreement), that requirement shall be treated as having been satisfied for the purposes of the Services and Right to Use Direct Agreement; and

(C) in the case that the Services and Right to Use Direct Agreement refers to a provision of the Credit Facility Agreement that has been or is, from time to time, restated in the Credit Facility Agreement or another Secured Obligations Document (including this Agreement), the Services and Right to Use Direct Agreement shall be treated as referring to that restated provision.

(n) In respect of each Continuing Document (other than the Services and Right to Use Direct Agreement):

(i) Pursuant to the 2016 Amendment and Restatement Agreement, the definitions of certain words and expressions set out in the Credit Facility Agreement, the principles of construction and interpretation in clause 1.2 (*Construction*) of the Credit Facility Agreement and certain clauses and provisions of the Credit Facility Agreement were amended, restated and/or modified (in the Credit Facility Agreement and/or by entry into and restatement in this Agreement), notwithstanding that such words and expressions, principles of construction and interpretation and clauses and provisions may have been referred to (and the definitions of such words and expressions and principles of construction and interpretation imported into or stated to apply) in one or more of the Continuing Documents. Notwithstanding such amendments, restatements and modifications, for the purposes of each Continuing Document (other than the Services and Right to Use Direct Agreement) (A) such words and expressions shall have the meanings given to them in the original form of the Credit Facility Agreement (or as subsequently amended from time to time in accordance with this Agreement), including to the extent that any such word or expression is defined in the original form of the Credit Facility Agreement by way of cross reference to a definition or construction provision in this Agreement, (B) such principles of construction and interpretation shall apply as set out in clause 1.2 (*Construction*) of the original form of the Credit Facility Agreement (or as subsequently amended from time to time in accordance with this Agreement) and (C) such restated clauses and provisions shall continue to apply wherever (and in whichever separate Secured Obligations Document(s)) they have been restated.

(ii) The Parties that are party to each such Continuing Document hereby acknowledge their agreement that (A) such Continuing Document continues to apply to the Financial Indebtedness outstanding under the Credit Facility Agreement from time to time and (for the avoidance of doubt) all other Financial Indebtedness that constitutes Secured Obligations (as defined in this Agreement from time to time), notwithstanding that such other Financial Indebtedness may be documented under a Secured Obligations Document other than the Credit Facility Agreement and (B) such other Financial Indebtedness shall be, for the purposes of that Continuing Document (only, and without prejudice to the other provisions of this Agreement) and for so long as it is outstanding, treated as having been incurred and outstanding under the Credit Facility Agreement and that the creditors in respect of such Financial Indebtedness are creditors in respect of that Financial Indebtedness under the Credit Facility Agreement.

(iii) Without limitation or prejudice to paragraphs (i) and (ii) above, to reflect the intention of the relevant Parties as set out in paragraphs (i) and (ii) above, such Parties agree to the further arrangements set out in Schedule 5 (*Continuing Documents*).

**1.3 The Common Security Agent and Intercreditor Agent**

(a) Any reference in a Debt Document to the Common Security Agent providing approval or consent or making a request or direction or determination, or to an item or a person being acceptable to, satisfactory to, to the satisfaction or approved by or specified by the Common Security Agent, or requiring certain steps or actions to be taken, or the Common Security Agent exercising its discretion to permit or waive any action, or the Common Security Agent disagreeing with any calculation, are to be construed, unless otherwise specified, as references to the Common Security Agent taking such action or refraining from acting on the instructions of the Intercreditor Agent or, if applicable, the Instructing Group or any other Creditors or group of Creditors, and where the Common Security Agent is referred to in a Debt Document as acting “reasonably” or in a “reasonable” manner or as coming to an opinion or determination that is “reasonable” (or any similar or analogous wording is used), unless it is not required to do so, this shall mean that the Common Security Agent, as applicable, shall, where it has in fact sought such instructions, be acting or coming to an opinion or determination on the instructions of the Intercreditor Agent or, if applicable, the Instructing Group or any other Creditors or group of Creditors acting reasonably and that the Common Security Agent shall be under no obligation to determine the reasonableness of such instructions from the Intercreditor Agent or, if applicable, the Instructing Group or any other Creditors or group of Creditors or whether in giving such instructions the Intercreditor Agent or, if applicable, the Instructing Group or any other Creditors or group of Creditors are acting in a reasonable manner.

(b) Any reference in a Debt Document to the Intercreditor Agent providing approval or consent or making a request or direction or determination, or to an item or a person being acceptable to, satisfactory to, to the satisfaction or approved by or specified by the Intercreditor Agent, or requiring certain steps or actions to be taken, or the Intercreditor Agent exercising its discretion to permit or waive any action, or the Intercreditor Agent disagreeing with any calculation, are to be construed, unless otherwise specified, as references to the Intercreditor Agent taking such action or refraining from acting on the instructions of the Instructing Group or any other Creditors or group of Creditors (as applicable), and where the Intercreditor Agent is referred to in a Debt Document as acting “reasonably” or in a “reasonable” manner or as coming to an opinion or determination that is “reasonable” (or any similar or analogous wording is used), unless it is not required to do so, this shall mean that the Intercreditor Agent, as applicable, shall, where it has in fact sought such instructions, be acting or coming to an opinion or determination on the instructions of the Instructing Group or any other Creditors or group of Creditors (as applicable) acting reasonably and that the Intercreditor Agent shall be under no obligation to determine the reasonableness of such instructions from the Instructing Group or any other Creditors or group of Creditors (as applicable) or whether in giving such instructions the Intercreditor Agent or, if applicable, the Instructing Group or any other Creditors or group of Creditors (as applicable) are acting in a reasonable manner.

### 1.4 Mergers

(a) Any entity into which the Common Security Agent may be merged or converted or with which the Common Security Agent may be consolidated, or which results from any merger, conversion or consolidation to with the Common Security Agent shall be a party, or any succeeding entity, including Affiliates, to which the Common Security Agent shall sell or otherwise transfer:

(i) all or substantially all of its assets; or

(ii) all or substantially all of its corporate trust business,

shall, on the date when the merger, conversion, consolidation or transfer becomes effective and to the extent permitted by any applicable laws become the successor Common Security Agent under this Agreement without the execution or filing of any paper or any further act or formality on the part of the Parties and after the said effective date all references in this Agreement to the Common Security Agent shall be deemed to be references to such successor entity.

(b) Any entity into which the Intercreditor Agent may be merged or converted or with which the Intercreditor Agent may be consolidated, or which results from any merger, conversion or consolidation to with the Intercreditor Agent shall be a party, or any succeeding entity, including Affiliates, to which the Intercreditor Agent shall sell or otherwise transfer:

(i) all or substantially all of its assets; or

(ii) all or substantially all of its corporate trust business,

shall, on the date when the merger, conversion, consolidation or transfer becomes effective and to the extent permitted by any applicable laws become the successor Intercreditor Agent under this Agreement without the execution or filing of any paper or any further act or formality on the part of the Parties and after the said effective date all references in this Agreement to the Intercreditor Agent shall be deemed to be references to such successor entity.

### 1.5 Third party rights

(a) Unless expressly provided to the contrary in this Agreement, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or to enjoy the benefit of any term of this Agreement.

(b) Notwithstanding any term of this Agreement, the consent of any person who is not a Party is not required to rescind or vary this Agreement at any time.

(c) Any Receiver, Delegate, any other person described in paragraph (d) of Clause 7 (*Existing Subordination Deed*), any other person described in paragraph (b) of Clause 21.11 (*Exclusion of liability*) or other person described in paragraph (b) of Clause 23.10 (*Exclusion of liability*) may, subject to this Clause 1.5 and the Third Parties Act, rely on any Clause of this Agreement which expressly confers rights on it.

(d) The Third Parties Act shall apply to this Agreement in respect of any Pari Passu Noteholder. For the purposes of paragraph (b) above and this paragraph (d), upon any person becoming a Pari Passu Noteholder, such person shall be deemed to be a Party to this Agreement and shall be bound by the provisions of this Agreement and be deemed to receive the benefits of this Agreement, and be subject to the terms and conditions hereof, as if such person were a Party hereto.

## Section 2
## Ranking and Primary Creditors

### 2. Ranking and priority

### 2.1 Primary Creditor Liabilities

Each of the Parties agrees that the Credit Facility Liabilities, the Hedging Liabilities and the Pari Passu Debt Liabilities owed by the Debtors to the Primary Creditors shall rank in right and priority of payment *pari passu* and without any preference between them.

### 2.2 Transaction Security

Each of the Parties agrees that the Transaction Security shall rank and secure the Credit Facility Liabilities, the Hedging Liabilities and the Pari Passu Debt Liabilities (subject to the terms of this Agreement) *pari passu* and without any preference between them (but only to the extent that such Transaction Security is expressed to secure those Liabilities).

### 2.3 Subordinated and Intra-Group Liabilities

(a) Each of the Parties agrees that the Subordinated Liabilities and the Intra-Group Liabilities are postponed and subordinated to the Liabilities owed by the Debtors to the Primary Creditors.

(b) This Agreement does not purport to rank any of the Subordinated Liabilities or the Intra-Group Liabilities as between themselves.

### 2.4 Creditor Representative Amounts

Subject to Clause 19 (*Application of proceeds*) where applicable, nothing in this Agreement will prevent payment by the Parent or any Debtor of the Creditor Representative Amounts or the receipt and retention of such Creditor Representative Amounts by the relevant Creditor Representative(s).

### 2.5 Anti-layering

Notwithstanding anything in any Debt Document to the contrary, until the Pari Passu Debt Discharge Date, no Debtor shall, without the approval of the Required Pari Passu Creditors, issue or allow to remain outstanding any Liabilities that:

(a) are secured or expressed to be secured by Common Transaction Security on a basis (i) junior to any of the Super Senior Liabilities but (ii) senior to any of the Pari Passu Debt Liabilities;

(b) are expressed to rank so that they are subordinated to any of the Super Senior Liabilities but are senior to any of the Pari Passu Debt Liabilities; or

(c) are contractually subordinated in right of payment to any of the Super Senior Liabilities and senior in right of payment to the Pari Passu Debt Liabilities,

in each case, unless such ranking or subordination arises as a matter of law.

### 2.6 Additional and/or refinancing debt

(a) The Creditors acknowledge that the Debtors (or any of them) may wish to:

(i) incur additional Borrowing Liabilities and/or Guarantee Liabilities in respect of such additional Borrowing Liabilities; or

(ii) refinance Borrowing Liabilities and/or Guarantee Liabilities in respect of such additional Borrowing Liabilities,

which, in any such case, are intended to rank *pari passu* with or in priority to any existing Liabilities (but not in priority to the Super Senior Liabilities) and/or share *pari passu* with or in priority to any existing Liabilities (but not in priority to the Super Senior Liabilities) in any existing Common Transaction Security and/or to rank behind any existing Liabilities and/or to share in any existing Common Transaction Security behind such existing Liabilities.

(b) Subject to Clause 2.5 (*Anti-layering*), without limiting the generality of any other applicable provision of this Agreement including Clause 25.11 (*Accession of Credit Facility Creditors under New Credit Facilities*), the Creditors confirm that if and to the extent a financing or refinancing referred to in paragraph (a) above and such ranking and such Security is not prohibited by the terms of the Debt Documents at such time, they will (at the cost of the Debtors) co-operate with the Debtors with a view to enabling such financing or refinancing and such sharing in the Common Transaction Security to take place. In particular, but without limitation, each of the Secured Parties hereby irrevocably authorises and directs each of their Creditor Representatives, the Intercreditor Agent and the Common Security Agent (as applicable) to execute any amendment to this Agreement and such other Debt Documents required to reflect such arrangements to the extent such financing, refinancing and/or sharing is not prohibited by such Debt Documents.

## 3. Credit Facility Creditors and Credit Facility Liabilities

### 3.1 Payment of Credit Facility Liabilities

(a) Subject to paragraph (b) below and Clause 3.2 (*Rolled Loan – restrictions*), and without prejudice to any restrictions contained in the Pari Passu Debt Documents (other than this Agreement), the Debtors may make Payments of the Credit Facility Liabilities at any time in accordance with, and subject to the provisions of, the relevant Credit Facility Documents.

(b) Subject to paragraph (b) of Clause 12.3 (*Set-off*) and Clause 19.3 (*Treatment of Credit Facility Cash Cover and Credit Facility Lender Cash Collateral*), following the occurrence of an Acceleration Event which is continuing no member of the Group may make Payments of (or in satisfaction of) the Credit Facility Liabilities (save in the case of Liabilities constituting Creditor Representative Amounts) except from Enforcement Proceeds distributed in accordance with Clause 19 (*Application of proceeds*), other than any distribution or dividend out of any Debtor's unsecured assets (*pro rata* to each unsecured creditor's claim) made by a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer appointed in respect of any Debtor or any of its assets, (unless, at any time at which the Intercreditor Agent or Common Security Agent is required to act in accordance with Enforcement Instructions issued by the Majority Super Senior Creditors pursuant to Clause 15.2 (*Instructions to enforce*), the Majority Super Senior Creditors give notice to the Intercreditor Agent that the restrictions in each of paragraph (b) of Clause 3.1 (*Payment of Credit Facility Liabilities*), paragraph (b) of Clause 4.1 (*Payment of Pari Passu Debt Liabilities*) and the proviso to Clause 5.2 (*Restriction on Payments: Hedging Liabilities*) will cease to apply), *provided* that in the case where the only Acceleration Event that is continuing is a Credit Facility Acceleration Event, one or more members of the Group may make Payments to effect the Credit Facility Lender Discharge Date (in which case and conditional upon such event occurring, that Credit Facility Acceleration Event shall be deemed to have ceased to occur for the purposes of this paragraph (b), notwithstanding that a principal amount of the Rolled Loan may be outstanding at such time).

### 3.2 Rolled Loan – restrictions

(a) The provisions of this Clause 3.2 shall override anything in this Agreement or the other Debt Documents to the contrary. No amendment or waiver may be made that has the effect of changing or which relates to this Clause 3.2 without the consent of each Pari Passu Note Trustee on behalf of the Pari Passu Noteholders in respect of which it is the Creditor Representative, the Pari Passu Lenders, the Intercreditor Agent and the Rolled Loan Facility Lender.

(b) Each Debtor and the Rolled Loan Facility Lender agrees for the benefit of the Secured Parties that, unless and until the Rolled Loan Release Date has occurred:

(i) in the case of each Debtor, it shall not (and it shall procure that no member of the Group and none of their other Affiliates will) make Payments (or encourage any other person to make Payments) of (or in satisfaction of) or exercise any set off against the Liabilities in respect of the principal amount of the Rolled Loan (other than Payment of the Rolled Loan at its maturity as set out in the Credit Facility Agreement (the "**Permitted Rolled Loan Payment**")) and, in the case of the Rolled Loan Facility Lender, it shall not accept any such Payments (or encourage any person to make such Payments or accept such Payments on its behalf) of (or in satisfaction of) or exercise any set off in respect of the Liabilities in respect of the principal amount of the Rolled Loan owed to it (other than the Permitted Rolled Loan Payment), in each case except from Enforcement Proceeds distributed in accordance with Clause 19 (*Application of proceeds*), other than any distribution or dividend out of any Debtor's unsecured assets (*pro rata* to each unsecured creditor's claim) made by a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer appointed in respect of any Debtor or any of its assets;

(ii) in the case of the Company, it shall not make or take any steps to make any withdrawal from the Rolled Loan Cash Collateral Account other than to directly facilitate the making of the Permitted Rolled Loan Payment or to reimburse itself after having made the Permitted Rolled Loan Payment;

(iii) in the case of each Debtor, it shall not (and it shall procure that no member of the Group and none of their other Affiliates will) purchase or offer to purchase any interest in the Rolled Loan;

(iv) in the case of the Rolled Loan Facility Lender, it shall not knowingly transfer or assign all or any interest in the Rolled Loan to a Sponsor Affiliate;

(v) it shall not amend the terms of the Credit Facility Documents with respect to the Rolled Loan if the amendment would be an amendment to the amount or terms of repayment or prepayment (mandatory or otherwise) of all or part of the Rolled Loan, if the amendment would be an amendment to any date of repayment or prepayment (mandatory or otherwise) of the Rolled Loan so as to provide for the earlier repayment or prepayment of all or part of the Rolled Loan or to establish any right of the Rolled Loan Facility Lender to demand the prepayment of the Rolled Loan in addition to any rights contained in the original form of the Credit Facility Agreement (or to waive or amend the conditionality contained in the original form of the Credit Facility Agreement with respect to such rights in a manner that would be adverse to the interests of the Pari Passu Creditors); and

(vi) in the case of the Rolled Loan Facility Lender, it shall not take any Enforcement Action in respect of the principal amount of the Rolled Loan or any Transaction Security in respect of the Rolled Loan Cash Collateral Account (i) other than after the occurrence of an Insolvency Event in relation to the Company in which case it reserves its rights to be able to exercise any right it may otherwise have to (x) accelerate the Rolled Loan or declare the Rolled Loan prematurely due and payable or payable on demand or (y) claim and prove in the liquidation of the Company for the principal amount of the Rolled Loan or (ii) in the case of a failure by the Company to make the Permitted Rolled Loan Payment in accordance with the terms of the Credit Facility Agreement and *provided* that no Common Transaction Initial Enforcement Notice has been delivered pursuant to Clause 15.2 (*Instructions to enforce*), unless and until the date falling six (6) months after the date of such failure has occurred.

(c) In the case of a Payment made and purported to have effect in breach of the provisions of paragraph (b)(i) above, such purported effect shall be void and deemed not to have occurred and shall instead be deemed an advance by the relevant payer (or, if such payer is not a Party, an advance by the Company) of a loan in an amount equal to the amount of such Payment to the Rolled Loan Facility Lender, such loan being immediately repayable by the Rolled Loan Facility Lender and the Rolled Loan Facility Lender undertakes for the benefit of the other Secured Parties to repay such loan as soon as reasonably practicable.

(d) In the case of a purported set off in respect of the Liabilities in respect of the principal amount of the Rolled Loan that would be in breach of paragraph (b)(i) above, such purported set off shall be void and deemed not to have occurred.

(e) In the case of a purported transfer or assignment or purchase of any other interest in the Rolled Loan that would be in breach of paragraph (b)(iii) above, such purported transfer or assignment or purchase shall be void and deemed not to have occurred.

(f) In the case of a transfer or assignment or purchase of any other interest in the Rolled Loan by a Sponsor Affiliate on or before the Rolled Loan Release Date, to the extent that such Sponsor Affiliate is a Party or becomes a Party, that Sponsor Affiliate agrees to promptly on request by the Intercreditor Agent transfer all of its interests in the Rolled Loan to a person nominated by the Intercreditor Agent (acting on the instructions of any Secured Party that is not a member of the Group or a Sponsor Affiliate (and, in the case of the receipt of instructions from more than one such Secured Party, on the basis of the first instructions received)) for one Hong Kong dollar (HK$1) and on such other terms as the Intercreditor Agent (acting on the instructions of any Secured Party that is not a member of the Group or a Sponsor Affiliate) may stipulate (and, in the case of the receipt of instructions from more than one such Secured Party, on the basis of the first instructions received).

(g) The Intercreditor Agent shall not authorise any withdrawal from the Rolled Loan Cash Collateral Account on or before the Rolled Loan Release Date.

(h) In the case of a failure by the Company to make the Permitted Rolled Loan Payment in accordance with the terms of the Credit Facility Agreement, the provisions of Clause 6.1 (*Option to purchase: Pari Passu Debt Creditors*) shall apply *mutatis mutandis* as if such failure were a Distress Event, that provision applied only to the Rolled Loan Facility Lender's rights, benefits and obligations in respect of the Rolled Loan and paragraph (c) of Clause 6.1 (*Option to purchase: Pari Passu Debt Creditors*) did not apply.

(i) No Debtor shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Debt Document by the operation of this Clause 3.2 even if its obligation to make that Payment is restricted at any time by the terms of this Clause 3.2.

### 3.3 Security: Credit Facility Creditors

(a) Other than as set out in this Clause 3.3, no Debtor shall (and each Debtor shall procure that no member of the Group will) grant to any of the Credit Facility Creditors the benefit of any Security in respect of that Credit Facility Creditor's Secured Obligations or otherwise permit such Security to subsist.

(b) Other than as set out in Clause 3.5 (*Security: Ancillary Lenders and Issuing Banks*) and without prejudice to paragraph (c) below, the Credit Facility Creditors may take, accept or receive the benefit of any Security in respect of the Credit Facility Liabilities from any member of the Group in addition to the Common Transaction Security that (except for any Security permitted under Clause 3.5 (*Security: Ancillary Lenders and Issuing Banks*)) to the extent legally possible and subject to any Agreed Security Principles is, at the same time, also offered either:

(i) to the Common Security Agent as trustee for the other Secured Parties in respect of their Liabilities; or

(ii) in the case of any jurisdiction in which effective Security cannot be granted in favour of the Common Security Agent as trustee for the Secured Parties:

(A) to the other Secured Parties in respect of their Liabilities; or

(B) to the Common Security Agent under a parallel debt structure for the benefit of the other Secured Parties,

and ranks in the same order of priority as that contemplated in Clause 2.2 (*Transaction Security*), *provided* that all amounts received or recovered by any Secured Party with respect to such Security are immediately payable to the Common Security Agent to be held in accordance with this Agreement and applied in accordance with Clause 19 (*Application of proceeds*).

(c) The Rolled Loan Facility Lender may take, accept or receive the benefit of Security over the Rolled Loan Cash Collateral Account.

### 3.4 Guarantees: Credit Facility Creditors

(a) Other than as set out in this Clause 3.4, no Debtor shall (and each Debtor shall procure that no member of the Group will) incur or allow to remain outstanding any guarantee, indemnity or other assurance against loss in respect of the Credit Facility Creditors' Secured Obligations.

(b) Other than as set out in Clause 3.5 (*Security: Ancillary Lenders and Issuing Banks*), the Credit Facility Creditors may take, accept or receive the benefit of any guarantee, indemnity or other assurance against loss from any member of the Group in respect of the Credit Facility Liabilities in addition to those in:

(i) the original form of the Credit Facility Agreement; or

(ii) this Agreement; or

(iii) the original form of Mandate Documents (as defined in the Credit Facility Agreement) (or any equivalent provision in any mandate documents, commitment and fee letters entered into in connection with any additional Credit Facility made available under the Credit Facility Agreement after the date of this Agreement and which is similar in meaning and effect); or

(iv) the original form of the Rolled Loan Cash Collateral; or

(v) any fee letter in respect of fees payable to the Credit Facility Agent or any Credit Facility Arranger; or

(vi) any Common Assurance,

if (except for any guarantee, indemnity or other assurance against loss permitted under Clause 3.5 (*Security: Ancillary Lenders and Issuing Banks*)) and to the extent legally possible and subject to any Agreed Security Principles, at the same time it is also offered to the other Secured Parties in respect of their Liabilities and ranks in the same order of priority as that contemplated in Clause 2 (*Ranking and priority*) and all amounts received or recovered by any Secured Party with respect to such guarantee, indemnity or other assurance against loss on or after an Acceleration Event which is continuing are immediately payable to the Common Security Agent to be held in accordance with this Agreement and applied in accordance with Clause 19 (*Application of proceeds*).

**3.5 Security: Ancillary Lenders and Issuing Banks**

No Ancillary Lender or Issuing Bank will, unless the prior consent of the Majority Super Senior Creditors and the Required Pari Passu Creditors is obtained, take, accept or receive from any member of the Group the benefit of any Security, guarantee, indemnity or other assurance against loss in respect of any of the Liabilities owed to it other than:

(a) the Common Transaction Security;

(b) each guarantee, indemnity or other assurance against loss contained in:

(i) the original form of the Credit Facility Agreement;

(ii) this Agreement; or

(iii) any Common Assurance;

(c) indemnities and assurances against loss contained in the Ancillary Documents no greater in extent than any of those referred to in paragraph (b) above;

(d) any Credit Facility Cash Cover permitted under the Credit Facility Documents relating to any Ancillary Facility or for any Letter of Credit issued by the Issuing Bank;

(e) the indemnities contained in an ISDA Master Agreement (in the case of a Hedging Ancillary Document which is based on an ISDA Master Agreement) or any indemnities which are similar in meaning and effect to those indemnities (in the case of a Hedging Ancillary Document which is not based on an ISDA Master Agreement); or

(f) any Security, guarantee, indemnity or other assurance against loss giving effect to, or arising as a result of the effect of, any netting or set-off arrangement relating to the Ancillary Facilities for the purpose of netting debit and credit balances arising under the Ancillary Facilities.

**3.6 Restriction on Enforcement: Ancillary Lenders and Issuing Banks**

Subject to Clause 3.7 (*Permitted Enforcement: Ancillary Lenders and Issuing Banks*), so long as any of the Super Senior Liabilities (other than any Liabilities owed to the Ancillary Lenders or Issuing Banks) are or may be outstanding, none of the Ancillary Lenders nor the Issuing Banks shall be entitled to take any Enforcement Action in respect of any of the Liabilities owed to it.

**3.7 Permitted Enforcement: Ancillary Lenders and Issuing Banks**

(a) Each Ancillary Lender and Issuing Bank may take Enforcement Action which would be available to it but for Clause 3.6 (*Restriction on Enforcement: Ancillary Lenders and Issuing Banks*) if:

(i) at the same time as, or prior to, that action, Enforcement Action has been taken in respect of the Credit Facility Liabilities (excluding the Liabilities owing to Ancillary Lenders and the Issuing Banks), in which case the Ancillary Lenders and the Issuing Banks may take the same Enforcement Action as has been taken in respect of those Credit Facility Liabilities;

(ii) on or prior to the Credit Facility Lender Discharge Date, that action is contemplated by the Credit Facility Agreement or Clause 3.5 (*Security: Ancillary Lenders and Issuing Banks*);

(iii) after the Credit Facility Lender Discharge Date, that action is contemplated by the Credit Facility Agreement or Clause 3.5 (*Security: Ancillary Lenders and Issuing Banks*);

(iv) that Enforcement Action is taken in respect of Credit Facility Cash Cover which has been provided in accordance with the Credit Facility Agreement;

(v) at the same time as or prior to, that action, the consent of the Majority Super Senior Creditors is obtained; or

(vi) an Insolvency Event has occurred in relation to any member of the Group, in which case after the occurrence of that Insolvency Event, each Ancillary Lender and each Issuing Bank shall be entitled (if it has not already done so) to exercise any right it may otherwise have in respect of that member of the Group to:

(A) accelerate any of that member of the Group's Credit Facility Liabilities or declare them prematurely due and payable on demand;

(B) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Credit Facility Liabilities;

(C) exercise any right of set-off or take or receive any Payment in respect of any Credit Facility Liabilities of that member of the Group; or

(D) claim and prove in the liquidation of that member of the Group for the Credit Facility Liabilities owing to it.

**3.8 Amendments and waivers: Credit Facility Agreement**

(a) The Credit Facility Lenders agree for the benefit of the other Secured Parties that they shall not, prior to the Pari Passu Discharge Date, amend (i) the terms of paragraphs (k) or (l) of clause 1.2 (*Construction*) of the original form of the Credit Facility Agreement, (ii) the definitions of "Secured Obligations", "Secured Obligations Documents", "Secured Parties", "Security Agent", "Services and Right to Use Direct Agreement", "Account", "Completion Support Release Date", "Continuing Documents", "Debt Service Accrual Account", "Debt Service Reserve Account", "Direct Agreement", "Equity", "Excess Cashflow", "First Utilisation", "Gaming Area", "Group Insured", "Hedging Agreement", "Hedging Liabilities", "High Yield Note Disbursement Agreement", "High Yield Note Interest Reserve Account", "High Yield Net Proceeds Account", "Insurance Policy", "Major Project Documents", "Permitted Distribution", "Pledge of Enterprise", "Repayment Instalment", "Representative", "Specific Contracts", "Subordinated Creditor", "Subordinated Debt", "Subordination Deed" and "Term Loan Facility" each as set out in the original form of the Credit Facility Agreement or (iii) the proviso to the definition of any of the following defined terms: "Agent", "Event of Default", "Facility", "Finance Document", "Finance Party" or "Lender" each as set out in the original form of the Credit Facilities Agreement, in each case unless:

(i) the amendment or waiver is of a minor, technical or administrative nature or corrects a manifest error and is not prejudicial to the Pari Passu Creditors (taken as a whole); or

(ii) the prior consent of the Required Pari Passu Creditors is obtained.

(b) The Credit Facility Lenders further agree for the benefit of the other Secured Parties that they shall not, prior to the Pari Passu Discharge Date, otherwise amend clause 1.2 (*Construction*) of the Credit Facility Agreement in a manner that could reasonably be considered to be (i) inconsistent with the arrangements contemplated in paragraphs (m) or (n) of Clause 1.2 (*Construction*) or Clause 32 (*Services and Right to Use Direct Agreement*) or (ii) materially prejudicial to the interests of the Secured Parties (taken as a whole) in respect of clauses 11 (*Secured Parties' Enforcement Action*) to 19 (*Statement of Secured Obligations*) (inclusive) of the Services and Right to Use Direct Agreement.

(c) The Debtors and the Credit Facility Creditors agree that the reference in paragraph (1) of the definition of "Permitted Liens" in schedule 11 (*Definitions*) to Indebtedness Incurred pursuant to section 4(b)(i) of schedule 10 (*Covenants*) of the Credit Facility Agreement shall be read and construed as a reference to Indebtedness Incurred pursuant to clause (A)(x) of that section, only.

## 4. Pari Passu Debt Creditors and Pari Passu Debt Liabilities

### 4.1 Payment of Pari Passu Debt Liabilities

(a) Subject to paragraph (b) below, and without prejudice to any restrictions contained in the Credit Facility Documents (other than this Agreement), the Debtors may make Payments of the Pari Passu Debt Liabilities at any time in accordance with, and subject to the provisions of, the Pari Passu Debt Documents.

(b) Following the occurrence of an Acceleration Event which is continuing (until the occurrence of the later of the Super Senior Discharge Date and the Rolled Loan Discharge Date), no member of the Group may make Payments of (or in satisfaction of) the Pari Passu Debt Liabilities (save in the case of Liabilities constituting Creditor Representative Amounts) except from Enforcement Proceeds distributed in accordance with Clause 19 (*Application of proceeds*), other than any distribution or dividend out of any Debtor's unsecured assets (*pro rata* to each unsecured creditor's claim) made by a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer appointed in respect of any Debtor or any of its assets, (unless, at any time at which the Common Security Agent is required to act in accordance with Enforcement Instructions issued by the Majority Super Senior Creditors pursuant to Clause 15.2 (*Instructions to enforce*), the Majority Super Senior Creditors give notice to the Intercreditor Agent that the restrictions in each of paragraph (b) of Clause 3.1 (*Payment of Credit Facility Liabilities*), paragraph (b) of Clause 4.1 (*Payment of Pari Passu Debt Liabilities*) and the proviso to Clause 5.2 (*Restriction on Payments: Hedging Liabilities*) will cease to apply), *provided* that any amount standing to the credit of a Pari Passu Facility Debt Service Reserve Account or a Pari Passu Notes Interest Accrual Account as at the date of the Acceleration Event may be applied in payment of interest and other scheduled debt servicing in accordance with the terms of the applicable Pari Passu Debt Document(s).

**4.2 Security: Pari Passu Debt Creditors**

(a) Other than as set out in this Clause 4.2, no Debtor shall (and each Debtor shall procure that no member of the Group will) grant to any of the Pari Passu Debt Creditors the benefit of any Security in respect of that Pari Passu Debt Creditor's Secured Obligations or otherwise permit such Security to subsist.

(b) Without prejudice to paragraphs (c) to (f) below, the Pari Passu Debt Creditors may take, accept or receive the benefit of any Security in respect of the Pari Passu Debt Liabilities from any member of the Group in addition to the Common Transaction Security that to the extent legally possible and subject to any Agreed Security Principles is, at the same time, also offered either:

(i) to the Common Security Agent as trustee for the other Secured Parties in respect of their Liabilities; or

(ii) in the case of any jurisdiction in which effective Security cannot be granted in favour of the Common Security Agent as trustee for the Secured Parties:

(A) to the other Secured Parties in respect of their Liabilities; or

(B) to the Common Security Agent under a parallel debt structure for the benefit of the other Secured Parties,

and (subject to the terms of this Agreement) ranks in the same order of priority as that contemplated in Clause 2.2 (*Transaction Security*), *provided* that all amounts received or recovered by any Secured Party with respect to such Security are immediately payable to the Common Security Agent to be
held in accordance with this Agreement and applied in accordance with Clause 19 (*Application of proceeds*).

(c) The Senior Secured 2019 Note Creditors may take, accept or receive the benefit of Security over the Senior Secured 2019 Notes Interest Accrual Account.

(d) The Senior Secured 2021 Note Creditors may take, accept or receive the benefit of Security over the Senior Secured 2021 Notes Interest Accrual Account.

(e) The Pari Passu Debt Creditors in respect of a series of Pari Passu Notes (other than the Senior Secured 2019 Notes and the Senior Secured 2021 Notes) may take, accept or receive the benefit of Security over the Pari Passu Notes Interest Accrual Account relating to such series of Pari Passu Notes.

(f) The Pari Passu Debt Creditors in respect of a Pari Passu Facility may take, accept or receive the benefit of Security over the Pari Passu Facility Debt Service Reserve Account relating to such Pari Passu Facility.

**4.3 Guarantees: Pari Passu Debt Creditors**

(a) Other than as set out in this Clause 4.3, no Debtor shall (and each Debtor shall procure that no member of the Group will) incur or allow to remain outstanding any guarantee, indemnity or other assurance against loss in respect of the Pari Passu Debt Creditors' Secured Obligations.

(b) The Pari Passu Debt Creditors may take, accept or receive the benefit of any guarantee, indemnity or other assurance against loss from any member of the Group in respect of the Pari Passu Debt Liabilities in addition to those in:

(i) the original forms of the Senior Secured 2019 Note Indenture, the Senior Secured 2019 Notes, the Senior Secured 2019 Note Guarantees, the Senior Secured 2021 Note Indenture, the Senior Secured 2021 Notes and the Senior Secured 2021 Note Guarantees or any Equivalent Provision in a Pari Passu Note Indenture or Pari Passu Facility Agreement; or

(ii) this Agreement; or

(iii) the original form of any Transaction Security Agreement in respect of any Credit-Specific Transaction Security applicable to such Pari Passu Debt Liabilities entered into on or about the date of this Agreement (or any substantially equivalent guarantee, indemnity or other assurance against loss in any other Transaction Security Agreement in respect of any Credit-Specific Transaction Security applicable to such Pari Passu Debt Liabilities); or

(iv) any Common Assurance,

if and to the extent legally possible and subject to any Agreed Security Principles at the same time it also offered to the other Secured Parties in respect of their respective Liabilities and (subject to the terms of this Agreement) ranks in the same order of priority as that contemplated in Clause 2 (*Ranking and priority*) and all amounts received or recovered by any Secured Party with respect to such guarantee, indemnity or other assurance against loss on or after an Acceleration Event which is continuing are immediately payable to the Common Security Agent to be held in accordance with this Agreement and applied in accordance with Clause 19 (*Application of proceeds*).

## 5. Hedge Counterparties and Hedging Liabilities

### 5.1 Identity of Hedge Counterparties

(a) Subject to paragraph (b) below, no entity providing hedging arrangements to any Debtor shall be entitled to share in any of the Transaction Security or in the benefit of any guarantee or indemnity in respect of any of the liabilities and obligations arising in relation to those hedging arrangements nor shall those liabilities and obligations be treated as Hedging Liabilities unless that entity is or becomes a Party as a Hedge Counterparty.

(b) Paragraph (a) above shall not apply to a Hedging Ancillary Lender.

### 5.2 Restriction on Payments: Hedging Liabilities

The Debtors shall not, and shall procure that no other member of the Group will, make any Payment of the Hedging Liabilities at any time unless:

(a) that Payment is permitted under Clause 5.3 (*Permitted Payments: Hedging Liabilities*); or

(b) the taking or receipt of that Payment is permitted under paragraph (b) of Clause 5.9 (*Permitted Enforcement: Hedge Counterparties*),

*provided that* (unless, at any time at which the Common Security Agent is required to act in accordance with Enforcement Instructions issued by the Majority Super Senior Creditors pursuant to Clause 15.2 (*Instructions to enforce*), the Majority Super Senior Creditors give notice to the Security Agent that the restrictions in each of paragraph (b) of Clause 3.1 (*Payment of Credit Facility Liabilities*), paragraph (b) of Clause 4.1 (*Payment of Pari Passu Debt Liabilities*) and this proviso will cease to apply), following the occurrence of an Acceleration Event which is continuing (until the occurrence of the later of the Super Senior Discharge Date and the Rolled Loan Discharge Date), no member of the Group may make Payments of the Hedging Liabilities except from Enforcement Proceeds distributed in accordance with Clause 19 (*Application of proceeds*), other than any distribution or dividend out of any Debtor's unsecured assets (*pro rata* to each unsecured creditor's claim) made by a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer appointed in respect of any Debtor or any of its assets.

**5.3 Permitted Payments: Hedging Liabilities**

(a) Subject to paragraph (b) below, the Debtors may make Payments to any Hedge Counterparty in respect of the Hedging Liabilities then due to that Hedge Counterparty under any Hedging Agreement in accordance with the terms of that Hedging Agreement:

(i) if the Payment is a scheduled Payment arising under the relevant Hedging Agreement;

(ii) to the extent that the relevant Debtor's obligation to make the Payment arises as a result of the operation of:

(A) any of sections 2(d) (*Deduction or Withholding for Tax*), 2(e) (*Default Interest; Other Amounts*), 8(a) (*Payment in the Contractual Currency*), 8(b) (*Judgments*) and 11 (*Expenses*) of the 1992 ISDA Master Agreement (if the Hedging Agreement is based on a 1992 ISDA Master Agreement);

(B) any of sections 2(d) (*Deduction or Withholding for Tax*), 8(a) (*Payment in the Contractual Currency*), 8(b) (*Judgments*), 9(h)(i) (*Prior to Early Termination*) and 11 (*Expenses*) of the 2002 ISDA Master Agreement (if the Hedging Agreement is based on a 2002 ISDA Master Agreement); or

(C) any provision of a Hedging Agreement which is similar in meaning and effect to any provision listed in paragraphs (A) or (B) above (if the Hedging Agreement is not based on an ISDA Master Agreement);

(iii) to the extent that the relevant Debtor's obligation to make the Payment arises from a Non-Credit Related Close-Out;

(iv) to the extent that:

(A) the relevant Debtor's obligation to make the Payment arises from:

(1) a Credit Related Close-Out in relation to that Hedging Agreement; or

(2) a Permitted Automatic Early Termination under that Hedging Agreement which arises as a result of an event relating to a Debtor; and

(B) no Event of Default is continuing at the time of that Payment or would result from that Payment;

(v) to the extent that no Event of Default is continuing or would result from that Payment and the relevant Debtor's obligation to make the Payment arises as a result of a close-out or termination arising as a result of:

(A) section 5(a)(vii) (*Bankruptcy*) of the 1992 ISDA Master Agreement (if the relevant Hedging Agreement is based on a 1992 ISDA Master Agreement) and the Event of Default (as defined in the relevant Hedging Agreement) has occurred with respect to the relevant Hedge Counterparty;

(B) section 5(a)(vii) (*Bankruptcy*) of the 2002 ISDA Master Agreement (if the relevant Hedging Agreement is based on a 2002 ISDA Master Agreement) and the Event of Default (as defined in the relevant Hedging Agreement) has occurred with respect to the relevant Hedge Counterparty;

(C) any provision of a Hedging Agreement which is similar in meaning and effect to any provision listed in paragraphs (A) or (B) above (if the Hedging Agreement is not based on an ISDA Master Agreement) and the equivalent event of default has occurred with respect to the relevant Hedge Counterparty; or

(D) the relevant Debtor terminating or closing-out the relevant Hedging Agreement as a result of a Hedging Force Majeure and the Termination Event (as defined in the relevant Hedging Agreement in the case of a Hedging Agreement based on an ISDA Master Agreement) or the equivalent termination event (in the case of a Hedging Agreement not based on an ISDA Master Agreement) has occurred with respect to the relevant Hedge Counterparty; or

(vi) if the Majority Super Senior Creditors and the Required Pari Passu Creditors give prior consent to the Payment being made.

(b) No Payment may be made to a Hedge Counterparty under paragraph (a) above if any scheduled Payment due from that Hedge Counterparty to a Debtor under a Hedging Agreement to which they are both party is due and unpaid unless the prior consent of the Majority Super Senior Creditors and the Required Pari Passu Creditors is obtained. For the avoidance of doubt, this provision shall not affect any Payment which is due from a Hedge Counterparty to a Debtor pursuant to a Hedging Agreement to which that Hedge Counterparty and Debtor are both party and which is being terminated or closed out.

(c) Failure by a Debtor to make a Payment to a Hedge Counterparty which results solely from the operation of paragraph (b) above shall, without prejudice to Clause 5.4 (*Payment obligations continue*), not result in a default (however described) in respect of that Debtor under that Hedging Agreement.

**5.4 Payment obligations continue**

No Debtor shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Debt Document by the operation of Clauses 5.2 (*Restriction on Payment: Hedging Liabilities*) and 5.3 (*Permitted Payments: Hedging Liabilities*) even if its obligation to make that Payment is restricted at any time by the terms of any of those Clauses.

**5.5 No acquisition of Hedging Liabilities**

The Debtors shall not, and shall procure that no other member of the Group will:

(a) enter into any Liabilities Acquisition; or

(b) beneficially own all or any part of the share capital of a company that is party to a Liabilities Acquisition,

in respect of any of the Hedging Liabilities, unless the prior consent of the Majority Super Senior Creditors and the Required Pari Passu Creditors is obtained.

**5.6 Amendments and waivers: Hedging Agreements**

(a) Subject to paragraph (b) below, the Hedge Counterparties may not, at any time, amend or waive any term of the Hedging Agreements.

(b) A Hedge Counterparty may amend or waive any term of a Hedging Agreement in accordance with the terms of that Hedging Agreement if the amendment or waiver (i) does not breach another term of this Agreement and (ii) would not result in a breach of the Credit Facility Agreement or any Pari Passu Debt Document.

**5.7 Security: Hedge Counterparties**

The Hedge Counterparties may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss from any member of the Group in respect of the Hedging Liabilities other than:

(a) the Common Transaction Security;

(b) any guarantee, indemnity or other assurance against loss contained in:

(i) the original form of Clause 5.15 (*Hedge Counterparties' guarantee and indemnity*) and Schedule 9 (*Hedge Counterparties' guarantee and indemnity*);

(ii) this Agreement (other than Clause 5.15 (*Hedge Counterparties' guarantee and indemnity*) and Schedule 9 (*Hedge Counterparties' guarantee and indemnity*));

(iii) any Common Assurance; or

(iv) the relevant Hedging Agreement no greater in extent than any of those referred to in paragraphs (i) to (iii) above;

(c) as otherwise contemplated by Clauses 3.3 (*Security: Credit Facility Creditors*), 3.4 (*Guarantees: Credit Facility Creditors*), 4.2 (*Security: Pari Passu Debt Creditors*); and 4.3 (*Guarantees: Pari Passu Debt Creditors*); and

(d) the indemnities contained in the ISDA Master Agreements (in the case of a Hedging Agreement which is based on an ISDA Master Agreement) or any indemnities which are similar in meaning and effect to those indemnities (in the case of a Hedging Agreement which is not based on an ISDA Master Agreement).

**5.8 Restriction on Enforcement: Hedge Counterparties**

Subject to Clause 5.9 (*Permitted Enforcement: Hedge Counterparties*) and Clause 5.10 (*Required Enforcement: Hedge Counterparties*) and without prejudice to each Hedge Counterparty's rights under Clauses 15.3 (*Enforcement Instructions*) and 15.5 (*Manner of Enforcement*), the Hedge Counterparties shall not take any Enforcement Action in respect of any of the Hedging Liabilities or any of the hedging transactions under any of the Hedging Agreements at any time.

**5.9 Permitted Enforcement: Hedge Counterparties**

(a) To the extent it is able to do so under the relevant Hedging Agreement, a Hedge Counterparty may terminate or close-out in whole or in part any hedging transaction under that Hedging Agreement prior to its stated maturity:

***Non-Credit Related Close-Outs***

(i) if, prior to a Distress Event, the Parent has confirmed in writing to that Hedge Counterparty that that termination or close-out would not result in a breach of any term of a Credit Facility Document or Pari Passu Debt Document;

(ii) if a Hedging Force Majeure has occurred in respect of that Hedging Agreement;

(iii) to the extent necessary to comply with paragraph (c) of Clause 5.13 (*Total Interest Rate Hedging and Total Exchange Rate Hedging*);

(iv) to ensure that the Common Currency Amount of a Hedge Counterparty's Hedging Liabilities does not exceed its Allocated Super Senior Hedging Amount;

***Credit Related Close-Outs***

(i) if a Distress Event has occurred;

(ii) if an Event of Default has occurred under clause 24.5 (*Insolvency*) or clause 24.6 (*Insolvency proceedings*) of the Credit Facility Agreement, paragraphs (a)(7) and (a)(8) of section 6.01 (*Events of Default*) of the Senior Secured 2019 Note Indenture or paragraphs (a)(7) and (a)(8) of section 6.01 (*Events of Default*) of the Senior Secured 2021 Note Indenture (or, in each case, any Equivalent Provision of a Pari Passu Facility Agreement or Pari Passu Note Indenture) in relation to a Debtor which is party to that Hedging Agreement; or

(iii) if the Majority Super Senior Creditors and the Required Pari Passu Creditors give prior consent to that termination or close-out being made.

(b) After the occurrence of an Insolvency Event in relation to any member of the Group, each Hedge Counterparty shall be entitled to exercise any right it may otherwise have in respect of that member of the Group to:

(i) prematurely close-out or terminate any Hedging Liabilities of that member of the Group;

(ii) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Hedging Liabilities;

(iii) exercise any right of set-off or take or receive any Payment in respect of any Hedging Liabilities of that member of the Group; or

(iv) claim and prove in the liquidation of that member of the Group for the Hedging Liabilities owing to it.

**5.10 Required Enforcement: Hedge Counterparties**

(a) Subject to paragraph (b) below, a Hedge Counterparty shall promptly terminate or close-out in full any hedging transaction under all or any of the Hedging Agreements to which it is party prior to their stated maturity, following:

(i) the occurrence of an Acceleration Event which is continuing and delivery to it of a notice from the Intercreditor Agent that that Acceleration Event has occurred and is continuing; and

(ii) delivery to it of a subsequent notice from the Intercreditor Agent (acting on the instructions of the Instructing Group) instructing it to do so.

(b) Paragraph (a) above shall not apply to the extent that that Acceleration Event occurred as a result of an arrangement made between any Debtor and any Primary Creditor with the purpose of bringing about that Acceleration Event.

**5.11 Treatment of payments due to Debtors on termination of Hedging Transactions**

(a) If, on termination of any hedging transaction under any Hedging Agreement occurring after a Distress Event, a settlement amount or other amount (following the application of any Close-Out Netting, Payment Netting or Inter-Hedging Agreement Netting in respect of that Hedging Agreement) falls due from a Hedge Counterparty to the relevant Debtor then that amount shall be paid by that Hedge Counterparty to the Common Security Agent, treated as the proceeds of enforcement of the Transaction Security and applied in accordance with the terms of this Agreement.

(b) The payment of that amount by the Hedge Counterparty to the Common Security Agent in accordance with paragraph (a) above shall discharge the Hedge Counterparty's obligation to pay that amount to that Debtor.

**5.12 Terms of Hedging Agreements**

The Hedge Counterparties (to the extent party to the Hedging Agreement in question) and the Debtors party to the Hedging Agreements shall ensure that, at all times:

(a) each Hedging Agreement documents only hedging arrangements entered into for the purpose of hedging the types of liabilities described in the definition of "**Hedging Agreement**" and that no other hedging arrangements are carried out under or pursuant to a Hedging Agreement;

(b) each Hedging Agreement is based either:

(i) on an ISDA Master Agreement; or

(ii) on another framework agreement which is similar in effect to an ISDA Master Agreement;

(c) in the event of a termination of the hedging transaction entered into under a Hedging Agreement, whether as a result of:

(i) a Termination Event or an Event of Default, each as defined in the relevant Hedging Agreement (in the case of a Hedging Agreement which is based on an ISDA Master Agreement); or

(ii) an event similar in meaning and effect to either of those described in paragraph (i) above (in the case of a Hedging Agreement which is not based on an ISDA Master Agreement),

that Hedging Agreement will:

(A) if it is based on a 1992 ISDA Master Agreement, provide for payments under the “Second Method” and will make no material amendment to section 6(e) (*Payments on Early Termination*) of the ISDA Master Agreement;

(B) if it is based on a 2002 ISDA Master Agreement, make no material amendment to section 6(e) (*Payments on Early Termination*) of the ISDA Master Agreement; or

(C) if it is not based on an ISDA Master Agreement, provide for any other method the effect of which is that the party to which that event is referable will be entitled to receive payment under the relevant termination provisions if the net replacement value of all terminated transactions entered into under that Hedging Agreement is in its favour;

(d) each Hedging Agreement will not provide for Automatic Early Termination other than to the extent that:

(i) the provision of Automatic Early Termination is consistent with practice in the relevant derivatives market, taking into account the legal status and jurisdiction of incorporation of the parties to that Hedging Agreement; and

(ii) that Automatic Early Termination is:

(A) as provided for in section 6(a) (*Right to Terminate following Event of Default*) of the 1992 ISDA Master Agreement (if the Hedging Agreement is based on a 1992 ISDA Master Agreement);

(B) as provided for in section 6(a) (*Right to Terminate Following Event of Default*) of the 2002 ISDA Master Agreement (if the Hedging Agreement is based on a 2002 ISDA Master Agreement); or

(C) similar in effect to that described in paragraphs (A) or (B) above (if the Hedging Agreement is not based on an ISDA Master Agreement);

(e) each Hedging Agreement will provide that the relevant Hedge Counterparty will be entitled to designate an Early Termination Date or otherwise be able to terminate each transaction under such Hedging Agreement if so required pursuant to Clause 5.10 (*Required Enforcement: Hedge Counterparties*); and

(f) each Hedging Agreement will permit the relevant Hedge Counterparty and each relevant Debtor to take such action as may be necessary to comply with Clause 5.13 (*Total Interest Rate Hedging and Total Exchange Rate Hedging*).

**5.13 Total Interest Rate Hedging and Total Exchange Rate Hedging**

(a) The Parent shall procure that, at all times:

(i) the Total Interest Rate Hedging does not exceed the Floating Rate Term Outstandings; and

(ii) the Total Exchange Rate Hedging does not exceed the Other Currency Term Outstandings.

(b) Subject to paragraph (a) above, if:

(i) the Total Interest Rate Hedging is less than the Floating Rate Term Outstandings, a Debtor may (but, subject to any express requirement in a Pari Passu Debt Document shall be under no obligation to) enter into additional hedging arrangements to increase the Total Interest Rate Hedging; or

(ii) the Total Exchange Rate Hedging is less than the Other Currency Term Outstandings, a Debtor may (but, subject to any express requirement in a Pari Passu Debt Document, shall be under no obligation to) enter into additional hedging arrangements to increase the Total Exchange Rate Hedging.

(c) If any reduction in the Floating Rate Term Outstandings or the Other Currency Term Outstandings results in:

(i) an Interest Rate Hedge Excess then, on the same day (or as soon as reasonably practicable thereafter) as that reduction becomes effective in accordance with the terms of the relevant Debt Document, the relevant Debtor(s) shall, and the Parent shall procure that the relevant Debtor(s) shall, reduce each Hedge Counterparty's Interest Rate Hedging by that Hedge Counterparty's Interest Rate Hedging Proportion of that Interest Rate Hedge Excess by terminating or closing out any relevant hedging transaction(s) in full or in part, as may be necessary; or

(ii) an Exchange Rate Hedge Excess then, on the same day (or as soon as reasonably practicable thereafter) as that reduction becomes effective in accordance with the terms of the relevant Debt Document, the relevant Debtor(s) shall, and the Parent shall procure that the relevant Debtor(s) shall, reduce each Hedge Counterparty's Exchange Rate Hedging by that Hedge Counterparty's Exchange Rate Hedging Proportion of that Exchange Rate Hedge Excess by terminating or closing out any relevant hedging transaction(s) in full or in part, as may be necessary.

(d) The relevant Debtor(s) shall, and the Parent shall procure that the relevant Debtor(s) will, pay to that Hedge Counterparty (in accordance with the relevant Hedging Agreement) an amount equal to the sum of all payments (if any) that become due from each relevant Debtor to a Hedge Counterparty under the relevant Hedging Agreement(s) as a result of any action described in paragraph (c) above.

(e) Each Hedge Counterparty shall co-operate in any process described in paragraph (d) above and shall pay (in accordance with the relevant Hedging Agreement(s)) any amount that becomes due from it under the relevant Hedging Agreement(s) to a Debtor as a result of any action described in paragraph (c) above.

**5.14 Allocation of Super Senior Hedging Liabilities**

(a) The Parent may from time to time allocate (or reallocate or effect the release of any previous allocation of) the Super Senior Hedging Amount in whole or in part to one or more Hedge Counterparties subject to this Clause 5.14 (*Allocation of Super Senior Hedging Liabilities*).

(b) Any allocation or reallocation or release of any previous allocation of the Super Senior Hedging Amount (whether in whole or in part) by the Parent shall only take effect on receipt by the Intercreditor Agent (which receipt shall be acknowledged promptly) of a Super Senior Hedging Certificate which complies with the conditions set out in this Clause 5.14 (*Allocation of Super Senior Hedging Liabilities*).

(c) The Intercreditor Agent shall only be required to recognise and give effect to any allocation, reallocation or release of the Super Senior Hedging Amount requested by the Parent pursuant to any Super Senior Hedging Certificate to the extent such Super Senior Hedging Certificate:

(i) complies in form and substance with the form of Super Senior Hedging Certificate set out in Schedule 8 (*Form of Super Senior Hedging Certificate*);

(ii) has been duly executed by: (A) the Parent; (B) the Hedge Counterparty to whom any portion of the available Super Senior Hedging Amount is to be allocated and (C) if applicable, any Hedge Counterparty who is to release any portion of any Super Senior Hedging Amount previously allocated to it in accordance with this Clause 5.14 (*Allocation of Super Senior Hedging Liabilities*);

(iii) identifies the portion of the Super Senior Hedging Amount (by reference to an amount in the Common Currency) that is to be allocated to the proposed new Super Senior Hedge Counterparty and/or released by an existing Super Senior Hedge Counterparty;

(iv) identifies the relevant Hedging Agreement pursuant to which the relevant Hedging Liabilities arise; and

(v) complies with paragraph (d) below and does not otherwise purport to allocate any part of the Super Senior Hedging Amount which is not available for allocation or which has previously been allocated and not released to any other Hedge Counterparty pursuant to this Clause 5.14 (*Allocation of Super Senior Hedging Liabilities*).

(d) No Allocated Super Senior Hedging Amount may, whether on an individual basis or when aggregated with all previously Allocated Super Senior Hedging Amounts (to the extent not released pursuant to this Clause 5.14 (*Allocation of Super Senior Hedging Liabilities*)), exceed the lower of:

(i) the Super Senior Hedging Amount; and

(ii) any hedging limit specified in any Credit Facility Agreement or any Pari Passu Debt Document entered into after the date of this Agreement and notified in writing to the Intercreditor Agent by the relevant Creditor Representative to the extent that such limit is not lower than the aggregate of all Allocated Super Senior Hedging Amounts existing as at the date of notification.

(e) The Intercreditor Agent shall not accept or give effect to any Super Senior Hedging Certificate to the extent it allocates or purports to allocate any part of the Super Senior Hedging Amount in breach of paragraph (d) above.

(f) An Allocated Super Senior Hedging Amount may not be:

(i) changed without the prior written consent of the relevant Hedge Counterparty to whom such Allocated Super Senior Hedging Amount has been allocated pursuant to this Clause 5.14 (*Allocation of Super Senior Hedging Liabilities*); or

(ii) allocated to another Hedge Counterparty or to any other Hedging Liabilities or Hedging Agreement other than through delivery of a Super Senior Hedging Certificate duly executed by the Parent and each Hedge Counterparty who agrees to release or reallocate any part of the Allocated Super Senior Hedging Amount.

(g) The Intercreditor Agent shall maintain a register for the recording of the names and addresses of the Hedge Counterparties and the Allocated Super Senior Hedging Amounts of each such Hedge Counterparty (the "**Register**"). The entries in the Register shall be conclusive absent manifest error, and the Parent, the Intercreditor Agent, the Common Security Agent and the Hedge Counterparties shall treat each person whose name is recorded in the Register as a Super Senior Hedge Counterparty for the purposes of this Agreement to the extent of its Super Senior Hedging Liabilities. The Register shall be available for inspection by the Parent and any Hedge Counterparty, at all reasonable times and on reasonable notice to the Intercreditor Agent.

**5.15 Hedge Counterparties' guarantee and indemnity**

Each Debtor agrees that it will be bound by the obligations set out in Schedule 9 (*Hedge Counterparties' guarantee and indemnity*).

**5.16 Notice and acknowledgement of Common Transaction Security**

Each Hedge Counterparty, by its accession to this Agreement as a Hedge Counterparty, acknowledges receipt of notice of assignment pursuant to the applicable Transaction Security Documents in respect of the Common Transaction Security of the proceeds owing by that Hedge Counterparty to any Debtor pursuant to the Hedging Agreement(s) to which that Hedge Counterparty is a party.

**6. Option to purchase and Hedge Transfer**

**6.1 Option to purchase: Pari Passu Debt Creditors**

(a) Any of the Pari Passu Noteholders and Pari Passu Lenders may, after a Distress Event, by giving not less than ten days' prior notice in writing to the Intercreditor Agent, require the transfer to them (or to a nominee or nominees), in accordance with Clause 25.5 (*Change of Credit Facility Lender or Pari Passu Lender under an Existing Credit Facility or Pari Passu Facility*), of all, but not part, of the rights, benefits and obligations in respect of the Credit Facility Liabilities (including, for the avoidance of doubt, all Liabilities relating to the Rolled Loan) (such Pari Passu Noteholders and Pari Passu Lenders so requiring, the "**Purchasing Secured Creditors**") if:

(i) that transfer is lawful and, subject to paragraph (ii) below, otherwise permitted by the terms of the Credit Facility Agreement;

(ii) any conditions relating to such a transfer contained in the Credit Facility Agreement are complied with, other than:

(A) any requirement to obtain the consent of, or consult with, any Debtor or other member of the Group relating to such transfer, which consent or consultation shall not be required; and

(B) any requirement that the Purchasing Secured Creditors (or their nominee or nominees) as Credit Facility Lenders must satisfy the requirements of paragraph (a)(ii) of clause 25.2 (*Conditions of assignment or transfer*) of the original form of the Credit Facility Agreement or must not be a "Defaulting Lender" (as defined in the original form of the Credit Facility Agreement), which conditions shall not be required to be satisfied; and

(C) (x) any requirement that the Purchasing Secured Creditors provide cash cover for any Letter of Credit then outstanding in excess of the amount equal to 105 per cent. of the sum of all Letters of Credit then outstanding and the aggregate facing and similar fees that would accrue thereon through the stated maturity of such Letters of Credit (assuming no drawings thereon before stated maturity), which requirement in respect of such excess shall not be required to be satisfied and (y) to the extent the Purchasing Secured Creditors provide cash cover (in the amount set forth in the Credit Facility Agreement, subject to the limit in (x) above) for any Letter of Credit then outstanding, the consent of the relevant Issuing Bank relating to such transfer, which consent shall not be required; and

(D) any condition more onerous than those contained in clause 25.1 (*Assignments and transfers by the Lenders*) of the original form of the Credit Facility Agreement;

(iii) the Credit Facility Agent, on behalf of the Credit Facility Lenders, is paid an amount by the Purchasing Secured Creditors equal to the aggregate of:

(A) any amounts provided as cash cover by the Purchasing Secured Creditors for any Letter of Credit (as envisaged in paragraph (ii)(C) above);

(B) all of the Credit Facility Liabilities at that time (whether or not due), including all amounts that would have been payable under the Credit Facility Documents if the Credit Facility Liabilities were being prepaid by the relevant Debtors on the date of that payment (including, for the avoidance of doubt, any amounts that would have been payable under clause 13.4 (*Break Costs*) of the original form of the Credit Facility Agreement); and

(C) all costs and expenses (including legal fees) incurred by the Credit Facility Agent and/or the Credit Facility Lenders as a consequence of giving effect to that transfer,

together, and subject to paragraph (b) below, the "**Capped Purchase Amount**";

(iv) as a result of that transfer the Credit Facility Lenders have no further actual or contingent liability to any Debtor under the relevant Debt Documents;

(v) an indemnity is provided from the Purchasing Secured Creditors (or from another third party acceptable to all the Credit Facility Lenders) in a form satisfactory to each Credit Facility Lender in respect of all losses which may be sustained or incurred by any Credit Facility Lender as a consequence of any sum received or recovered by any Credit Facility Lender from any person being required (or it being alleged that it is required) to be paid back by or clawed back from any Credit Facility Lender for any reason; and

(vi) the transfer is made without recourse to, or representation or warranty from, the Credit Facility Lenders, except that each Credit Facility Lender shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer, it has taken all necessary action to authorise the making by it of that transfer and that it is transferring all of its rights, benefits and obligations in respect of its Credit Facility Liabilities.

(b) The Credit Facility Agent shall, within five Business Days of request, provide in reasonable detail a written statement setting out all amounts comprising the Capped Purchase Amount, *provided* that (i) such written statement is provided within five Business Days of request and (ii) such amounts are reasonable and in the absence of manifest error, the amounts set out in such written statement shall, in aggregate, constitute the Capped Purchase Amount. In the event the criteria set out in either subparagraph (i) or sub-paragraph (ii) of this paragraph are not fulfilled, the Capped Purchase Amount shall constitute the aggregate of the principal amount of all outstanding loans under the Credit Facility Agreement (including cash cover for outstanding Letters of Credit issued thereunder) and all interest and fees which will have accrued on such loans and Letters of Credit up to and including the date of payment of the Capped Purchase Amount to the Credit Facility Agent, each as calculated by the Purchasing Secured Creditors.

(c) Subject to paragraph (c) of Clause 6.2 (*Hedge Transfer: Pari Passu Debt Creditors*), the Purchasing Secured Creditors may only require a Credit Facility Lender Liabilities Transfer if, at the same time, they require a Hedge Transfer in accordance with Clause 6.2 (*Hedge Transfer: Pari Passu Debt Creditors*) and if, for any reason, a Hedge Transfer cannot be made in accordance with Clause 6.2 (*Hedge Transfer*: *Pari Passu Debt Creditors*), no Credit Facility Lender Liabilities Transfer may be required to be made.

(d) The Creditor Representatives in respect of the Credit Facilities shall, at the request of the Purchasing Secured Creditors notify the Pari Passu Noteholders and Pari Passu Lenders of:

(i) the sum of the amounts described in paragraphs (a)(iii)(B) and (C) above; and

(ii) the amount of each Letter of Credit for which cash cover is to be provided by all the Purchasing Secured Creditors.

(e) If more than one Purchasing Secured Creditor wishes to exercise the option to purchase the Credit Facility Liabilities in accordance with paragraph (a) above, each such Purchasing Secured Creditor shall:

(i) acquire the Credit Facility Liabilities *pro rata*, in the proportion that its Pari Passu Credit Participation bears to the aggregate Pari Passu Credit Participations of all the Purchasing Secured Creditors at the time of such purchase; and

(ii) inform the Senior Secured 2019 Note Trustee in accordance with the terms of the Senior Secured 2019 Note Indenture, the Senior Secured 2021 Note Trustee in accordance with the terms of the Senior Secured 2021 Note Indenture or the relevant Creditor Representative(s) in accordance with the terms of the relevant Pari Passu Debt Documents, who will determine (consulting with each other as required) the appropriate share of the Credit Facility Liabilities to be acquired by each such Purchasing Secured Creditor and who shall inform each such Purchasing Secured Creditor accordingly,

and the Senior Secured 2019 Note Trustee, the Senior Secured 2021 Note Trustee or the relevant Creditor Representative(s) (as applicable) shall promptly inform the Credit Facility Agent and the Hedging Counterparties of the Purchasing Secured Creditors intention to exercise the option to purchase the Credit Facility Liabilities.

**6.2 Hedge Transfer: Pari Passu Debt Creditors**

(a) Any of the Pari Passu Noteholders and Pari Passu Lenders may, after a Distress Event, by giving not less than ten days' prior notice in writing to the Intercreditor Agent, require a Hedge Transfer (such Pari Passu Noteholders and Pari Passu Lenders so requiring, the "**Hedge Transfer Lenders**"):

(i) if either:

(A) the Hedge Transfer Lenders are also Purchasing Secured Creditors and the Purchasing Secured Creditors require, at the same time, a Credit Facility Lender Liabilities Transfer; or

(B) the Hedge Transfer Lenders require that Hedge Transfer at any time on or after the Credit Facility Lender Discharge Date; and

(ii) if:

(A) that transfer is lawful and otherwise permitted by the terms of the Hedging Agreements in which case no Debtor or other member of the Group shall be entitled to withhold its consent to that transfer;

(B) any conditions (other than the consent of, or any consultation with, any Debtor or other member of the Group) relating to that transfer contained in the Hedging Agreements are complied with;

(C) each Hedge Counterparty is paid (in the case of a positive number) or pays (in the case of a negative number) an amount equal to the aggregate of (i) the Hedging Purchase Amount in respect of the hedging transactions under the relevant Hedging Agreement at that time and (ii) all costs and expenses (including legal fees) incurred as a consequence of giving effect to that transfer (together, subject to paragraph (b) below, the "**Capped Hedge Purchase Amount**");

(D) as a result of that transfer, the Hedge Counterparties have no further actual or contingent liability to any Debtor under the Hedging Agreements;

(E) an indemnity is provided from the Hedge Transfer Lenders who are receiving (or for which a nominee is receiving) that transfer (or from another third party acceptable to the relevant Hedge Counterparty) in a form satisfactory to the relevant Hedge Counterparty in respect of all losses which may be sustained or incurred by that Hedge Counterparty in consequence of any sum received or recovered by that Hedge Counterparty being required (or it being alleged that it is required) to be paid back by or clawed back from the Hedge Counterparty for any reason; and

(F) that transfer is made without recourse to, or representation or warranty from, the relevant Hedge Counterparty, except that the relevant Hedge Counterparty shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer, it has taken all necessary action to authorise the making by it of that transfer and that it is transferring all of its rights, benefits and obligations in respect of each Hedging Agreement, each Hedging Liability and each Hedge Counterparty Obligation.

(b) The relevant Hedge Counterparty shall, within two Business Days of a written request, provide in reasonable detail a written statement setting out all amounts comprising the Capped Hedge Purchase Amount. Provided that (i) such written statement is provided within two Business Days' of request and (ii) such amounts are reasonable and in the absence of manifest error, the amounts set out in such written statement shall, in aggregate, constitute the Capped Hedge Purchase Amount. In the event the criteria set out in either sub-paragraph (i) or sub-paragraph (ii) are not fulfilled, the Capped Hedge Purchase Amount shall be an amount calculated by the Hedge Transfer Lenders (and, to assist in that calculation, the Debtors will promptly provide all reasonable assistance required by the Hedge Transfer Lenders including, without limitation, copies of all Hedging Agreements)

(c) The Hedge Transfer Lenders and any Hedge Counterparty may agree (in respect of the Hedging Agreements (or one or more of them) to which that Hedge Counterparty is a party) that a Hedge Transfer required by the Hedge Transfer Lenders pursuant to paragraph (a) above shall not apply to that Hedging Agreement(s) or to the Hedging Liabilities and Hedge Counterparty Obligations under that Hedging Agreement(s).

(d) If more than one Hedge Transfer Lender exercises the option to Hedge Transfer in accordance with this Clause 6.2, each such Hedge Transfer Lender shall:

(i) carry out the Hedge Transfer pro rata, in the proportion that its Senior Credit Participation bears to the aggregate Senior Credit Participations of all the Hedge Transfer Lenders; and

(ii) inform the Senior Secured 2019 Note Trustee in accordance with the terms of the Senior Secured 2019 Note Indenture., the Senior Secured 2021 Note Trustee in accordance with the terms of the Senior Secured 2021 Note Indenture or the relevant Creditor Representative(s) in accordance with the terms of the relevant Pari Passu Debt Documents, who will determine (consulting with each other as required) the appropriate share of the Hedge Transfer to be acquired by each such Hedge Transfer Lender and who shall inform each such Hedge Transfer Lender accordingly,

and the Senior Secured 2019 Note Trustee, the Senior Secured 2021 Note Trustee or the relevant Creditor Representative(s) (as applicable) shall promptly inform the relevant Hedging Counterparties accordingly.

**Section 3**
**Other Creditors**

## 7. Existing Subordination Deed

(a) The Company and the Common Security Agent refer to the Subordination Deed dated 26 November 2013 between the Debtors, the parties listed therein as subordinated creditors and the Common Security Agent as security agent (together, the "**Existing Subordination Parties**") (the "**Existing Subordination Deed**"). The Company (as the Borrower under the Existing Subordination Deed) and the Common Security Agent (as Security Agent under the Existing Subordination Deed) hereby agree that, as at the date of this Agreement, the Existing Subordination Deed is terminated and is replaced by this Agreement, all of the rights of each Existing Subordination Party under the Existing Subordination Deed are waived in full and the Existing Subordination Parties are released from further obligations towards one another under the Existing Subordination Deed.

(b) The Company and the Common Security Agent refer to the Assignment of Subordinated Debt dated 26 November 2013 between Studio City Holdings Limited and the Common Security Agent as security agent (the "**Existing Assignment of Subordination**"). The Secured Parties hereby authorise and instruct the Common Security Agent to and the Common Security Agent (as Security Agent under the Existing Assignment of Subordination) hereby agrees that, as at the date of this Agreement, the Existing Assignment of Subordination is terminated, all of the rights of the Common Security Agent (as Security Agent under the Existing Assignment of Subordination) are waived in full and the Common Security Agent and Studio City Holdings Limited are released from further obligations towards one another under the Existing Assignment of Subordination.

(c) Studio City Holdings Limited may rely on this Clause 7 subject to Clause 1.5 (*Third party rights*) and the provisions of the Third Parties Act.

(d) Clauses 1 (*Definitions and interpretation*) and 36 (*Governing law*) shall apply to this Clause 7.

## 8. Intra-Group Lenders and Intra-Group Liabilities

### 8.1 Restriction on Payment: Intra-Group Liabilities

Prior to the Final Discharge Date, the Debtors shall not, and shall procure that no other member of the Group will, make any Payments of the Intra-Group Liabilities at any time unless:

(a) that Payment is permitted under Clause 8.2 (*Permitted Payments: Intra-Group Liabilities*); or

(b) the taking or receipt of that Payment is permitted under paragraph (c) of Clause 8.7 (*Permitted Enforcement: Intra-Group Lenders*).

### 8.2 Permitted Payments: Intra-Group Liabilities

(a) Subject to paragraph (b) below, the Debtors may make Payments in respect of the Intra-Group Liabilities (whether of principal, interest or otherwise) from time to time when due.

(b) Payments in respect of the Intra-Group Liabilities may not be made pursuant to paragraph (a) above if, at the time of the Payment, an Acceleration Event has occurred and is continuing unless:

(i) the Majority Super Senior Creditors and the Required Pari Passu Creditors consent to that Payment being made; or

(ii) that Payment is made to facilitate the making of a Permitted Credit Facility Payment, a Permitted Hedge Payment or a Permitted Pari Passu Debt Payment.

**8.3 Payment obligations continue**

No Debtor shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Debt Document by the operation of Clauses 8.1 (*Restriction on Payment: Intra-Group Liabilities*) and 8.2 (*Permitted Payments: Intra-Group Liabilities*) even if its obligation to make that Payment is restricted at any time by the terms of any of those Clauses.

**8.4 Acquisition of Intra-Group Liabilities**

(a) Subject to paragraph (b) below, each Debtor may, and may permit any other member of the Group to:

(i) enter into any Liabilities Acquisition; or

(ii) beneficially own all or any part of the share capital of a company that is party to a Liabilities Acquisition,

in respect of any Intra-Group Liabilities at any time.

(b) Subject to paragraph (c) below, no action described in paragraph (a) above may take place in respect of any Intra-Group Liabilities if:

(i) that action would result in a breach of a Credit Facility Agreement, a Pari Passu Note Indenture or a Pari Passu Facility Agreement; or

(ii) at the time of that action, an Acceleration Event has occurred and is continuing.

(c) The restrictions in paragraph (b) above shall not apply if:

(i) the Majority Super Senior Creditors and the Required Pari Passu Creditors consent to that action; or

(ii) that action is taken to facilitate the making of a Permitted Credit Facility Payment, a Permitted Hedge Payment or a Permitted Pari Passu Debt Payment.

**8.5 Security: Intra-Group Lenders**

Prior to the Final Discharge Date, the Intra-Group Lenders may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss in respect of the Intra-Group Liabilities unless the prior consent of the Majority Super Senior Creditors and the Required Pari Passu Creditors is obtained.

**8.6 Restriction on Enforcement: Intra-Group Lenders**

Subject to Clause 8.7 (*Permitted Enforcement: Intra-Group Lenders*), none of the Intra-Group Lenders shall be entitled to take any Enforcement Action in respect of any of the Intra-Group Liabilities at any time prior to the Final Discharge Date unless otherwise directed by the Intercreditor Agent or the Common Security Agent pursuant to Clause 15.6 (*Exercise of voting rights*) or 18 (*Further assurance – disposals and releases*), save in the case of making any demand for any payment, set off, account combination or payment netting that would be a Permitted Payment.

**8.7 Permitted Enforcement: Intra-Group Lenders**

After the occurrence of an Insolvency Event in relation to any member of the Group, each Intra-Group Lender may (unless otherwise directed by the Intercreditor Agent or the Common Security Agent or unless the Intercreditor Agent or the Common Security Agent has taken, or has given notice that it intends to take, action on behalf of that Intra-Group Lender in accordance with Clause 12.5 (*Filing of claims*)), exercise any right it may otherwise have against that member of the Group to:

(a) accelerate any of that member of the Group's Intra-Group Liabilities or declare them prematurely due and payable or payable on demand;

(b) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Intra-Group Liabilities;

(c) exercise any right of set-off or take or receive any Payment in respect of any Intra-Group Liabilities of that member of the Group; or

(d) claim and prove in the liquidation of that member of the Group for the Intra-Group Liabilities owing to it.

**8.8 Representations: Intra-Group Lenders**

Each Intra-Group Lender which is not a Debtor represents and warrants to the Primary Creditors, the Intercreditor Agent and the Common Security Agent that:

(a) it is a limited liability corporation or company duly incorporated or organised, as the case may be, and validly existing under the laws of its jurisdiction of incorporation or organisation, as the case may be;

(b) subject to the Legal Reservations, the obligations expressed to be assumed by it in this Agreement are legal, valid, binding and enforceable obligations; and

(c) the entry into and performance by it of this Agreement and the transactions contemplated herein, do not and will not conflict with:

(i) any law or regulation applicable to it;

(ii) its constitutional documents; or

(iii) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument binding on it that could be materially adverse to the interests of the Secured Parties (taken as a whole).

## 9. [Reserved]

## 10. Subordinated Liabilities

### 10.1 Restriction on Payment: Subordinated Liabilities

Prior to the Final Discharge Date, neither the Parent nor any other Debtor shall, and the Parent shall procure that no other member of the Group will, make any Payment of the Subordinated Liabilities at any time unless:

(a) that Payment is permitted under Clause 10.2 (*Permitted Payments: Subordinated Liabilities*); or

(b) the taking or receipt of that Payment is permitted under Clause 10.8 (*Permitted Enforcement: Subordinated Creditors*).

### 10.2 Permitted Payments: Subordinated Liabilities

(a) The Parent may make Payments in respect of the Subordinated Liabilities then due if:

(i) the Payment is expressly permitted or not prohibited (as applicable) by each of the Credit Facility Agreement, the Pari Passu Facility Agreements (if any) and the Pari Passu Note Indentures (if any); or

(ii) the Majority Super Senior Creditors and the Required Pari Passu Creditors each consent to that Payment being made.

(b) Nothing in this Agreement shall prohibit or restrict any roll-up or capitalisation of any amount in respect of any Subordinated Liabilities or the issue of any payment in kind instruments in satisfaction of any amount in respect of any Subordinated Liabilities or any forgiveness, write-off or capitalisation of any Subordinated Liabilities or the release or other discharge of any such Subordinated Liabilities.

### 10.3 Payment obligations continue

Neither the Parent nor any other Debtor shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Debt Document by the operation of Clauses 10.1 (*Restriction on Payment: Subordinated Liabilities*) and 10.2 (*Permitted Payments: Subordinated Liabilities*) even if its obligation to make that Payment is restricted at any time by the terms of any of those Clauses.

### 10.4 No acquisition of Subordinated Liabilities

Prior to the Final Discharge Date, the Debtors shall not, and shall procure that no other member of the Group will:

(a) enter into any Liabilities Acquisition; or

(b) beneficially own all or any part of the share capital of a company that is party to a Liabilities Acquisition,

in respect of any of the Subordinated Liabilities, unless the prior consent of the Majority Super Senior Creditors and the Required Pari Passu Creditors is obtained.

### 10.5 Amendments and waivers: Subordinated Creditors

Prior to the Final Discharge Date, the Subordinated Creditors may not amend, waive or agree the terms of any of the documents or instruments pursuant to which the Subordinated Liabilities are constituted unless:

(a) such amendment or waiver is expressly permitted or not prohibited (as applicable) by each of the Credit Facility Agreement, the Pari Passu Facility Agreements (if any) and the Pari Passu Note Indentures (if any);

(b) the prior consent of the Majority Super Senior Creditors and the Required Pari Passu Creditors is obtained; or

(c) that amendment, waiver or agreement is of a minor or administrative nature and is not prejudicial to any of the Secured Parties.

### 10.6 Security: Subordinated Creditors

The Subordinated Creditors may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss from any member of the Group in respect of any of the Subordinated Liabilities prior to the Final Discharge Date.

### 10.7 Restriction on Enforcement: Subordinated Creditors

Subject to Clause 10.8 (*Permitted Enforcement: Subordinated Creditors*), no Subordinated Creditor shall be entitled to take any Enforcement Action in respect of any of the Subordinated Liabilities at any time prior to the Final Discharge Date, unless otherwise directed by the Intercreditor Agent or the Common Security Agent pursuant to Clause 15.6 (*Exercise of voting rights*) or 18 (*Further assurance – disposals and releases*), save in the case of making any demand for any payment, set off, account combination or payment netting that would be a Permitted Payment.

### 10.8 Permitted Enforcement: Subordinated Creditors

After the occurrence of an Insolvency Event in relation to any member of the Group, each Subordinated Creditor may (unless otherwise directed by the Intercreditor Agent or the Common Security Agent or unless the Intercreditor Agent or the Common Security Agent has taken, or has given notice that it intends to take, action on behalf of that Subordinated Creditor in accordance with Clause 12.5 (*Filing of claims*)) exercise any right it may otherwise have in respect of that member of the Group to:

(a) accelerate any of that member of the Group’s Subordinated Liabilities or declare them prematurely due and payable or payable on demand;

(b) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Subordinated Liabilities;

(c) exercise any right of set-off or take or receive any Payment in respect of any Subordinated Liabilities of that member of the Group; or

(d) claim and prove in the liquidation of that member of the Group for the Subordinated Liabilities owing to it.

### 10.9 Representations: Subordinated Creditors

Each Subordinated Creditor represents and warrants to the Primary Creditors, the Intercreditor Agent and the Common Security Agent that:

(a) it is a limited liability corporation or company duly incorporated or organised, as the case may be, and validly existing under the laws of its jurisdiction of incorporation or organisation, as the case may be;

(b) subject to the Legal Reservations, the obligations expressed to be assumed by it in this Agreement are legal, valid, binding and enforceable obligations; and

(c) the entry into and performance by it of this Agreement and the transactions contemplated herein, do not and will not conflict with:

(i) any law or regulation applicable to it;

(ii) its constitutional documents; or

(iii) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument binding on it that could be materially adverse to the interests of the Secured Parties (taken as a whole).

## 11. Bondco Liabilities

### 11.1 Bondco Loan Agreements

The Parent shall not enter into any Bondco Loan Agreement with any person that is not a Party to this Agreement (or does not become a Party to this Agreement substantially concurrently with its entry into any Bondco Loan Agreement) as a Bondco at any time prior to the Final Discharge Date to the extent that, at the time of its entry into that Bondco Loan Agreement, any Credit Facility Agreement, any Pari Passu Facility Agreement or any Pari Passu Note Indenture in respect of which any Liabilities or commitments are outstanding contains any restriction on any of the Payments to be made by the Parent under that Bondco Loan Agreement.

### 11.2 Restriction on Payment: Bondco Liabilities

Prior to the Final Discharge Date, neither the Parent nor any other Debtor shall, and the Parent shall procure that no other member of the Group will, make any Payment of Bondco Liabilities in respect of the principal amount of any Bondco Loan and no Bondco shall accept any such Payments unless that Payment is permitted under Clause 11.3 (*Permitted Payments: Bondco Liabilities*).

### 11.3 Permitted Payments: Bondco Liabilities

The Parent, any other Debtor or any other member of the Group may make Payments in respect of the principal amount of any Bondco Loan and Bondco may accept any such Payments if:

(a) at the time such Payment would be made, that Payment is expressly permitted or not prohibited (as applicable) by each of the Credit Facility Agreement, the Pari Passu Facility Agreements (if any) and the Pari Passu Note Indenture (if any); or

(b) the Majority Super Senior Creditors and the Required Pari Passu Creditors each consent to that Payment being made.

**11.4 Payment obligations continue**

Neither the Parent nor any other Debtor shall be released from the liability to make any Payment under any Bondco Loan Agreement by the operation of Clause 11.2 (*Restriction on Payment: Bondco Liabilities*) even if its obligation to make that Payment is restricted at any time by the terms that Clause.

## Section 4
## Insolvency, turnover and Enforcement

### 12. Effect of Insolvency Event

#### 12.1 Credit Facility Cash Cover

This Clause 12 is subject to Clause 19.3 (*Treatment of Credit Facility Cash Cover and Credit Facility Lender Cash Collateral*) and Clause 24.5 (*Turnover obligations*).

#### 12.2 Distributions

(a) After the occurrence of an Insolvency Event in relation to any member of the Group, any Party entitled to receive a distribution out of the assets of that member of the Group (in the case of a Primary Creditor, only to the extent that such amount constitutes Enforcement Proceeds) in respect of Liabilities owed to that Party shall, to the extent it is able to do so, direct the person responsible for the distribution of the assets of that member of the Group to make that distribution to the Common Security Agent (or to such other person as the Common Security Agent shall direct) until the Liabilities owing to the Secured Parties have been paid in full.

(b) The Common Security Agent shall apply distributions made to it under paragraph (a) above in accordance with Clause 19 (*Application of proceeds*).

#### 12.3 Set-off

(a) Subject to paragraph (b) below, to the extent that any member of the Group's Liabilities are discharged by way of set-off (mandatory or otherwise) after the occurrence of an Insolvency Event in relation to that member of the Group, any Creditor which benefited from that set-off shall (in the case of a Primary Creditor, only to the extent that such amount constitutes Enforcement Proceeds) pay an amount equal to the amount of the Liabilities owed to it which are discharged by that set-off to the Common Security Agent for application in accordance with Clause 19 (*Application of proceeds*).

(b) Paragraph (a) above shall not apply to:

(i) any Close-Out Netting by a Hedge Counterparty or a Hedging Ancillary Lender;

(ii) any Payment Netting by a Hedge Counterparty or a Hedging Ancillary Lender;

(iii) any Inter-Hedging Agreement Netting by a Hedge Counterparty; and

(iv) any Inter-Hedging Ancillary Document Netting by a Hedging Ancillary Lender.

#### 12.4 Non-Cash Distributions

If the Common Security Agent or any other Secured Party receives a distribution in a form other than cash in respect of any of the Liabilities, the Liabilities will not be reduced by that distribution until and except to the extent that the realisation proceeds are actually applied towards the Liabilities, including pursuant to any composition or creditors' agreement.

### 12.5 Filing of claims

On or after the occurrence of an Insolvency Event in relation to any member of the Group, each Creditor irrevocably authorises the Intercreditor Agent and the Common Security Agent (as applicable), on its behalf, to:

(a) take any Enforcement Action (in accordance with the terms of this Agreement) against that member of the Group;

(b) demand, sue, prove and give receipt for any or all of that member of the Group's Liabilities;

(c) collect and receive all distributions on, or on account of, any or all of that member of the Group's Liabilities; and

(d) file claims, take proceedings and do all other things the Intercreditor Agent or the Common Security Agent considers reasonably necessary to recover that member of the Group's Liabilities.

### 12.6 Further assurance – Insolvency Event

Each Creditor will:

(a) do all things that the Intercreditor Agent or the Common Security Agent requests in order to give effect to this Clause 12; and

(b) if the Intercreditor Agent or the Common Security Agent is not entitled to take any of the actions contemplated by this Clause 12 or if the Intercreditor Agent or the Common Security Agent requests that a Creditor take that action, undertake that action itself in accordance with the instructions of the Intercreditor Agent or the Common Security Agent or grant a power of attorney to the Intercreditor Agent or the Common Security Agent (on such terms as the Intercreditor Agent or the Common Security Agent may reasonably require) to enable the Intercreditor Agent or the Common Security Agent to take such action (as applicable).

### 12.7 Instructions

(a) For the purposes of Clause 12.2 (*Distributions*), Clause 12.5 (*Filing of claims*) and Clause 12.6 (*Further assurance – Insolvency Event*) the Common Security Agent shall act:

(i) on the instructions of the Intercreditor Agent (acting on the instructions of the Instructing Group or relevant Secured Parties, as applicable) or the Instructing Group; or

(ii) in the absence of any such instructions, as the Common Security Agent sees fit.

(b) For the purposes of Clause 12.5 (*Filing of claims*) and Clause 12.6 (*Further assurance – Insolvency Event*) the Intercreditor Agent shall act:

(i) on the instructions of the Instructing Group; or

(ii) in the absence of any such instructions, as the Intercreditor Agent sees fit.

## 13. Turnover of receipts

### 13.1 Credit Facility Cash Cover

This Clause 13 is subject to Clause 19.3 (*Treatment of Credit Facility Cash Cover and Credit Facility Lender Cash Collateral*) and Clause 24.5 (*Turnover obligations*).

### 13.2 Turnover by the Primary Creditors

Subject to Clause 13.4 (*Exclusions*) and to Clause 13.5 (*Permitted assurance and receipts*), if at any time prior to the Final Discharge Date any Primary Creditor receives or recovers any Enforcement Proceeds or any Pari Passu Creditor receives or recovers any amount in respect of any Guarantee Liabilities (whether before or after an Insolvency Event) in each case except in accordance with Clause 19 (*Application of proceeds*), that Primary Creditor will:

(a) in relation to receipts and recoveries not received or recovered by way of set-off:

(i) hold an amount of that receipt or recovery equal to the Relevant Liabilities (or if less, the amount received or recovered) on trust for the Common Security Agent and promptly pay or distribute that amount to the Common Security Agent for application in accordance with the terms of this Agreement; and

(ii) promptly pay or distribute an amount equal to the amount (if any) by which the receipt or recovery exceeds the Relevant Liabilities to the Common Security Agent for application in accordance with the terms of this Agreement; and

(b) in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery to the Common Security Agent for application in accordance with the terms of this Agreement.

### 13.3 Turnover by the other Creditors

Subject to Clause 13.4 (*Exclusions*) and to Clause 13.5 (*Permitted assurance and receipts*), if at any time prior to the Final Discharge Date, any Creditor other than a Primary Creditor receives or recovers:

(a) any Payment or distribution of, or on account of or in relation to, any of the Liabilities which is neither:

(i) a Permitted Payment; nor

(ii) made in accordance with Clause 19 (*Application of proceeds*);

(b) other than where paragraph (a) of Clause 12.3 (*Set-off*) applies, any amount by way of set-off in respect of any of the Liabilities owed to it which does not give effect to a Permitted Payment;

(c) notwithstanding paragraphs (a) and (b) above, and other than where paragraph (a) of Clause 12.3 (*Set-off*) applies, any amount:

(i) on account of, or in relation to, any of the Liabilities:

(A) after the occurrence of a Distress Event; or

(B) as a result of any other litigation or proceedings against a member of the Group (other than after the occurrence of an Insolvency Event in respect of that member of the Group); or

(ii) by way of set-off in respect of any of the Liabilities owed to it after the occurrence of a Distress Event,

other than, in each case, any amount received or recovered in accordance with Clause 19 (*Application of proceeds*);

(d) the proceeds of any enforcement of any Transaction Security except in accordance with Clause 19 (*Application of proceeds*); or

(e) other than where paragraph (a) of Clause 12.3 (*Set-off*) applies, any distribution or Payment of, or on account of or in relation to, any of the Liabilities owed by any member of the Group which is not in accordance with Clause 19 (*Application of proceeds*) and which is made as a result of, or after, the occurrence of an Insolvency Event in respect of that member of the Group,

that Creditor will:

(i) in relation to receipts and recoveries not received or recovered by way of set-off:

(A) hold an amount of that receipt or recovery equal to the Relevant Liabilities (or if less, the amount received or recovered) on trust for the Common Security Agent and promptly pay or distribute that amount to the Common Security Agent for application in accordance with the terms of this Agreement; and

(B) promptly pay or distribute an amount equal to the amount (if any) by which the receipt or recovery exceeds the Relevant Liabilities to the Common Security Agent for application in accordance with the terms of this Agreement; and

(ii) in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery to the Common Security Agent for application in accordance with the terms of this Agreement.

**13.4 Exclusions**

Clause 13.2 (*Turnover by the Primary Creditors*) and Clause 13.3 (*Turnover by other Creditors*) shall not apply to any receipt or recovery:

(a) by way of:

(i) Close-Out Netting by a Hedge Counterparty or a Hedging Ancillary Lender;

(ii) Payment Netting by a Hedge Counterparty or a Hedging Ancillary Lender;

(iii) Inter-Hedging Agreement Netting by a Hedge Counterparty; or

(iv) Inter-Hedging Ancillary Document Netting by a Hedging Ancillary Lender;

(b) made in accordance with Clause 20 (*Equalisation*).

**13.5 Permitted assurance and receipts**

Nothing in this Agreement shall restrict the ability of any Primary Creditor, Bondco or Subordinated Creditor to:

(a) arrange with any person which is not a member of the Group any assurance against loss in respect of, or reduction of its credit exposure to, a Debtor (including assurance by way of credit based derivative or sub-participation); or

(b) make any assignment or transfer permitted by Clause 25 (*Changes to the Parties*),

which:

(i) is expressly permitted or not prohibited (as applicable) by each of the Credit Facility Agreement, the Pari Passu Facility Agreements (if any) and the Pari Passu Note Indentures (if any); and

(ii) is not in breach of:

(A) Clause 5.5 (*No acquisition of Hedging Liabilities*); or

(B) Clause 10.4 (*No acquisition of Subordinated Liabilities*),

and that Primary Creditor, Bondco or Subordinated Creditor shall not be obliged to account to any other Party for any sum received by it as a result of that action.

**13.6 Amounts received by Debtors**

If any of the Debtors receives or recovers any amount which, under the terms of any of the Debt Documents, should have been paid to the Common Security Agent, that Debtor will:

(a) hold an amount of that receipt or recovery equal to the Relevant Liabilities (or if less, the amount received or recovered) on trust for the Common Security Agent and promptly pay that amount to the Common Security Agent for application in accordance with the terms of this Agreement; and

(b) promptly pay an amount equal to the amount (if any) by which the receipt or recovery exceeds the Relevant Liabilities to the Common Security Agent for application in accordance with the terms of this Agreement.

**13.7 Saving provision**

If, for any reason, any of the trusts expressed to be created in this Clause 13 should fail or be unenforceable, the affected Creditor or Debtor will promptly pay or distribute an amount equal to that receipt or recovery to the Common Security Agent to be held on trust by the Common Security Agent for application in accordance with the terms of this Agreement.

## 14. Redistribution

**14.1 Recovering Creditor's Rights**

(a) Any amount paid or distributed by a Creditor (a "**Recovering Creditor**") to the Common Security Agent under Clause 12 (*Effect of Insolvency Event*) or Clause 13 (*Turnover of receipts*) shall be treated as having been paid or distributed by the relevant Debtor and shall be applied by the Common Security Agent in accordance with Clause 19 (*Application of proceeds*).

(b) On an application by the Common Security Agent pursuant to Clause 19 (*Application of proceeds*) of a Payment or distribution received by a Recovering Creditor from a Debtor, as between the relevant Debtor and the Recovering Creditor an amount equal to the amount received or recovered by the Recovering Creditor and paid or distributed to the Common Security Agent by the Recovering Creditor (the "**Shared Amount**") will be treated as not having been paid or distributed by that Debtor.

### 14.2 Reversal of Redistribution

(a) If any part of the Shared Amount received or recovered by a Recovering Creditor becomes repayable or returnable to a Debtor and is repaid or returned by that Recovering Creditor to that Debtor, then:

(i) each Party that received any part of that Shared Amount pursuant to an application by the Common Security Agent of that Shared Amount under Clause 14.1 (*Recovering Creditor's rights*) (a "**Sharing Party**") shall (subject to Clause 24 (*Pari Passu Note Trustee protections*)), upon request of the Common Security Agent, pay or distribute to the Common Security Agent for the account of that Recovering Creditor an amount equal to the appropriate part of its share of the Shared Amount (together with an amount as is necessary to reimburse that Recovering Creditor for its proportion of any interest on the Shared Amount which that Recovering Creditor is required to pay) (the "**Redistributed Amount**"); and

(ii) as between the relevant Debtor and each relevant Sharing Party, an amount equal to the relevant Redistributed Amount will be treated as not having been paid or distributed by that Debtor.

(b) The Common Security Agent shall not be obliged to pay or distribute any Redistributed Amount to a Recovering Creditor under paragraph (a)(i) above until it has been able to establish to its satisfaction that it has actually received that Redistributed Amount from the relevant Sharing Party.

### 14.3 Deferral of Subrogation

(a) No Creditor (other than a Subordinated Creditor) or Debtor will exercise any rights which it may have by reason of the performance by it of its obligations under the Debt Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights under the Debt Documents of any Creditor (other than a Subordinated Creditor) which ranks ahead of it in accordance with the priorities set out in Clause 2 (*Ranking and priority*) or the order of application in Clause 19 (*Application of proceeds*) until such time as all of the Liabilities owing to each prior ranking Creditor (or, in the case of any Debtor, owing to each Creditor (other than a Subordinated Creditor)) have been irrevocably discharged in full.

(b) No Subordinated Creditor will exercise any rights which it may have to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights under the Debt Documents of any Creditor until such time as all of the Liabilities owing to each Creditor (other than a Subordinated Creditor) have been irrevocably discharged in full.

## 15. Enforcement of Transaction Security

### 15.1 Credit Facility Cash Cover

This Clause 15 is subject to Clause 19.3 (*Treatment of Credit Facility Cash Cover and Credit Facility Lender Cash Collateral*).

## 15.2 Instructions to enforce

(a) (i) In the case of the Common Transaction Security, if either the Majority Super Senior Creditors or the Majority Pari Passu Creditors wish to issue Enforcement Instructions in respect of any Common Transaction Security, the Creditor Representatives (and, if applicable, Hedge Counterparties) representing the Primary Creditors comprising the Majority Super Senior Creditors or Majority Pari Passu Creditors (as the case may be) shall deliver a copy of those proposed Enforcement Instructions in respect of the Common Transaction Security (a "**Common Transaction Security Initial Enforcement Notice**") to the Intercreditor Agent and the Intercreditor Agent shall promptly forward such Common Transaction Security Initial Enforcement Notice to each Creditor Representative and each Hedge Counterparty which did not deliver such Common Transaction Security Initial Enforcement Notice.

(ii) In the case of any Transaction Security in respect of a Pari Passu Notes Interest Accrual Account, if the Creditor Representative representing the Pari Passu Noteholders in respect of the Pari Passu Notes to which the Pari Passu Notes Interest Accrual Account relates (acting on behalf of such Pari Passu Noteholders) wishes to issue Enforcement Instructions in respect of such Transaction Security, that Creditor Representative shall deliver a copy of those Enforcement Instructions in respect of such Credit-Specific Transaction Security to the Intercreditor Agent and the Intercreditor Agent shall promptly forward such Enforcement Instructions to the Common Security Agent.

(iii) In the case of any Transaction Security in respect of a Pari Passu Facility Debt Service Reserve Account, if the Creditor Representative representing the Pari Passu Lenders in respect of the Pari Passu Facility to which the Pari Passu Facility Debt Service Reserve Account relates (acting on behalf of such Pari Passu Lenders) wishes to issue Enforcement Instructions in respect of such Transaction Security, that Creditor Representative shall deliver a copy of those Enforcement Instructions in respect of such Credit-Specific Transaction Security to the Intercreditor Agent and the Intercreditor Agent shall promptly forward such Enforcement Instructions to the Common Security Agent.

(b) The delivery of a Common Transaction Security Initial Enforcement Notice to the Intercreditor Agent shall commence a 30-day consultation period (or such shorter period as the relevant Creditor Representatives shall agree) (the "**Initial Consultation Period**") during which time the Creditor Representatives for each of the Super Senior Creditors and the Pari Passu Creditors (or, in the case of any group of Secured Parties that choses to do so, a representative or committee of such creditor group appointed in place of its Creditor Representative for this purpose), shall consult with each other in good faith with a view to coordinating the proposed instructions as to Enforcement of the Common Transaction Security and shall use their reasonable commercial efforts to keep the Intercreditor Agent informed of such consultation and coordination efforts. Such Creditor Representatives shall not be obliged to consult (or, in the case of (ii) below, shall only be obliged to consult for such shorter period of time as the Intercreditor Agent (acting reasonably and, if it chooses (in its sole discretion) to do so, on the advice of its legal counsel or other relevant professional adviser) may determine) in accordance with this paragraph (b) (and, accordingly, no Initial Consultation Period shall arise or there shall be no further obligation to consult, as applicable) if:

(i) an Insolvency Event has occurred and is continuing in respect of a Debtor or the Security Provider;

(ii) an Event of Default being continuing in relation to Liabilities owed to the relevant Secured Parties, a Creditor Representative acting on behalf of any Secured Party(ies) (such Secured Party(ies) having made a determination acting reasonably and in good faith) notifies the Intercreditor Agent that:

(A) to enter into or continue such consultations and thereby delay the commencement of enforcement of the Common Transaction Security could reasonably be expected to have a material adverse effect on the ability to effect a Distressed Disposal or on the expected realisation proceeds of any Enforcement; or

(B) the circumstances described in paragraph (c)(ii) or paragraph (c)(iii) below have occurred; or

(iii) the Creditor Representatives of each other group of Secured Parties agree on the proposed Enforcement Instructions and that no Initial Consultation Period (or further consultation during such Initial Consultation Period) is required.

(c) If the consultation as may be required pursuant to paragraph (b) above has taken place (such consultation to be considered to have taken place regardless of whether each Creditor Representative (having been invited to do so at reasonable times and on a reasonable basis) has participated or has participated in good faith, so long as the Creditor Representative that delivered the Common Transaction Security Initial Enforcement Notice has complied or made itself available so as to comply with its obligation to do so) (the "**Consultation Condition**" having been "**satisfied**" and, for this purpose, unless otherwise advised by a Creditor Representative, the Intercreditor Agent is entitled to assume that the required consultation has taken place upon the expiry of the Initial Consultation Period):

(i) subject to paragraphs (c)(ii), (c)(iii) and (d) below, the Intercreditor Agent shall deliver to the Common Security Agent the Enforcement Instructions in respect of the Common Transaction Security received from the Majority Pari Passu Creditors;

(ii) if:

(A) the Majority Pari Passu Creditors have not either:

(1) made a determination as to the method of Enforcement (save with respect to any Credit-Specific Transaction Security) they wish to instruct the Common Security Agent to pursue (and notified the Intercreditor Agent of that determination in writing); or

(2) appointed a Financial Adviser to assist them in making such a determination,

within 3 months of the date of the Common Transaction Security Initial Enforcement Notice; or

(B) the Super Senior Discharge Date or the Rolled Loan Discharge Date has not occurred within 6 months of the date of the Common Transaction Security Initial Enforcement Notice,

then the Intercreditor Agent shall deliver to the Common Security Agent the Enforcement Instructions in respect of the Common Transaction Security received from the Majority Super Senior Creditors; and

(iii) if the Majority Pari Passu Creditors have not either:

(A) made a determination as to the method of Enforcement (save with respect to any Credit-Specific Transaction Security) they wish to instruct the Common Security Agent to pursue (and notified the Intercreditor Agent of that determination in writing); or

(B) appointed a Financial Adviser to assist them in making such a determination,

and the Majority Super Senior Creditors:

(1) determine in good faith (and notify the other Creditor Representatives, the Hedge Counterparties and the Intercreditor Agent) that a delay in issuing Enforcement Instructions in respect of the Common Transaction Security could reasonably be expected to have a material adverse effect on the ability to effect a Distressed Disposal or on the expected realisation proceeds of any such Enforcement; and

(2) deliver Enforcement Instructions in respect of the Common Transaction Security which they reasonably believe to be consistent with the Enforcement Principles before the Intercreditor Agent has received any Enforcement Instructions in respect of the Common Transaction Security from the Majority Pari Passu Creditors,

then the Intercreditor Agent shall deliver to the Common Security Agent the Enforcement Instructions in respect of the Common Transaction Security received from the Majority Super Senior Creditors.

(d) If an Insolvency Event (other than an Insolvency Event directly caused by any Enforcement Action taken by or at the request or direction of a Super Senior Creditor) is continuing with respect to a Debtor or the Security Provider then the Intercreditor Agent shall, to the extent the Majority Super Senior Creditors elect to provide such Enforcement Instructions in respect of the Common Transaction Security (such Enforcement Instructions to be limited to such Enforcement as may be reasonably necessary to preserve and protect the claims and interest of the Super Senior Creditors), deliver to the Common Security Agent the Enforcement Instructions in respect of the Common Transaction Security received from the Majority Super Senior Creditors.

(e) The Common Security Agent shall act in accordance with any Enforcement Instructions received from the Intercreditor Agent pursuant to this Clause 15 (and not withdrawn), save that (i) in the case of Enforcement Instructions delivered to the Common Security Agent pursuant to paragraph (d) above, the Common Security Agent shall only act in accordance with such Enforcement Instructions until the Super Senior Discharge Date has occurred and (ii) in the case of Enforcement Instructions delivered to the Common Security Agent pursuant to paragraphs (c)(ii) or (c)(iii) above, the Common Security Agent shall only act in accordance with such Enforcement Instructions until later of the Super Senior Discharge Date and the Rolled Loan Discharge Date.

### 15.3 Enforcement Instructions

(a) The Common Security Agent may refrain from enforcing the Transaction Security or taking any other action as to Enforcement unless instructed otherwise by the Intercreditor Agent and the Intercreditor Agent may refrain from delivering such instructions to the Common Security Agent or taking any other action as to Enforcement unless instructed otherwise by the Instructing Group in accordance with Clause 15.2 (*Instructions to enforce*).

(b) Subject to Clause 15.2 (*Instructions to enforce*), the applicable Instructing Group may deliver or refrain from delivering instructions to the Intercreditor Agent directing the Common Security Agent to take action as to Enforcement in accordance with the Enforcement Principles as they see fit by way of the issuance of Enforcement Instructions.

(c) The Intercreditor Agent and the Common Security Agent are entitled to rely on and comply with instructions given in accordance with this Clause 15.3.

**15.4 Enforcement of Transaction Security – Rolled Loan Cash Collateral**

(a) This Clause 15.4 is subject to Clause 3.2 (*Rolled Loan – restrictions*).

(b) If the Rolled Loan Facility Lender wishes to take Enforcement Action in respect of any Transaction Security in respect of the Rolled Loan Cash Collateral Account, the Rolled Loan Facility Lender shall first inform the Intercreditor Agent in writing of its intention to do so and the Intercreditor Agent shall promptly forward such notice to the Common Security Agent and each Creditor Representative. The Rolled Loan Facility Lender shall not take Enforcement Action in respect of any Transaction Security in respect of the Rolled Loan Cash Collateral Account on or before the date that is five (5) Business Days after the delivery of such notice to the Intercreditor Agent.

(c) If at any time prior to the Final Discharge Date (for these purposes, ignoring any amounts in respect of the Rolled Facility Loan) the Rolled Loan Facility Lender receives or recovers any Enforcement Proceeds in respect of the Rolled Loan Cash Collateral, it will hold and apply such Enforcement Proceeds (or an amount equal to such Enforcement Proceeds) in accordance with Clause 13.2 (*Turnover by the Primary Creditors*), save that it shall not be required to do so and shall be entitled to apply such Enforcement Proceeds as it choses in circumstances where such Enforcement Proceeds have been received or recovered in connection with Enforcement Action taken as permitted by limb (ii) of paragraph (b)(vi) of Clause 3.2 (*Rolled Loan – restrictions*).

**15.5 Manner of Enforcement**

(a) If the Transaction Security is being enforced or other action as to Enforcement is being taken pursuant to Clause 15.3 (*Enforcement Instructions*), the Common Security Agent shall enforce the Transaction Security (other than the Rolled Loan Cash Collateral) or take other action as to Enforcement in such manner (including, without limitation, the selection of any administrator (or any analogous officer in any jurisdiction) of any Debtor or Security Provider to be appointed by the Common Security Agent) as the applicable Instructing Group shall instruct (*provided* that such instructions are consistent with the Enforcement Principles) or, in the absence of any such instructions, as the Intercreditor Agent (as it considers in its own discretion to be appropriate and consistent with the Enforcement Principles) has instructed the Common Security Agent to do so or, in the absence of any such instructions, as the Common Security Agent considers in its discretion to be appropriate and consistent with the Enforcement Principles.

(b) If the Majority Super Senior Creditors or any Required Pari Passu Creditor (in each case acting reasonably) consider that the Common Security Agent is enforcing (or the Intercreditor Agent has directed the Common Security Agent to enforce) the Common Transaction Security in a manner that is not consistent with the Enforcement Principles, subject to paragraph (a) above, the applicable Creditor Representative (the "**Notifying Creditor Representative**") shall give notice to the Intercreditor Agent (and the Intercreditor Agent shall promptly forward such notice to the Common Security Agent and each Creditor Representative which did not deliver such notice) after which the Creditor Representatives for each of the Super Senior Creditors and the Pari Passu Creditors (or, in the case of any group of Secured Parties that choses to do so, a representative or committee of such creditor group appointed in place of its Creditor Representative for this purpose), shall consult with the Intercreditor Agent and the Common Security Agent for a period of 10 days (or such lesser period as the Notifying Creditor Representative may agree) with a view to agreeing the manner of Enforcement of the Common Transaction Security, *provided* that the such Creditor Representatives shall not be obliged to consult under this paragraph (b) more than once in relation to each Enforcement Action.

### 15.6 Exercise of voting rights

(a) Subject to paragraph (c) below, each Creditor (other than each Creditor Representative and each Arranger) agrees with the Intercreditor Agent and the Common Security Agent that it will cast its vote in any proposal put to the vote by or under the supervision of any judicial or supervisory authority in respect of any insolvency, pre-insolvency or rehabilitation or similar proceedings relating to any member of the Group as instructed by the Intercreditor Agent.

(b) Subject to paragraph (c) below, the Intercreditor Agent shall give instructions for the purposes of paragraph (a) above in accordance with any instructions given to it by the applicable Instructing Group, *provided that* any such instructions have been given in accordance with Clause 15.3 (*Enforcement Instructions*), taking into account the arrangements contemplated in paragraph (e) of Clause 17.4 (*Restriction on Enforcement*).

(c) Nothing in this Clause 15.6 entitles any party to exercise or require any other Primary Creditor to exercise such power of voting or representation to (i) waive, reduce, discharge, extend the due date for (or change the basis for accrual of any) payment of or reschedule any of the Liabilities owed to that Primary Creditor or (ii) impair or otherwise adversely affect any Credit-Specific Transaction Security.

### 15.7 Waiver of rights

To the extent permitted under applicable law and subject to Clause 15.3 (*Enforcement Instructions*), Clause 15.5 (*Manner of Enforcement*), Clause 17.2 (*Proceeds of Distressed Disposals and Debt Disposals*) and Clause 19 (*Application of proceeds*), each of the Secured Parties and the Debtors waives all rights it may otherwise have to require that the Transaction Security be enforced in any particular order or manner or at any particular time or that any amount received or recovered from any person, or by virtue of the enforcement of any of the Transaction Security or of any other security interest, which is capable of being applied in or towards discharge of any of the Secured Obligations is so applied.

### 15.8 Duties owed

Each of the Secured Parties and the Debtors acknowledges that, in the event that the Common Security Agent enforces or is instructed to enforce the Transaction Security, the duties of the Common Security Agent and of any Receiver or Delegate owed to them in respect of the method, type and timing of that enforcement or of the exploitation, management or realisation of any of that Transaction Security shall, subject to Clause 17.2 (*Proceeds of Distressed Disposals and Debt Disposals*), be no different to or greater than the duty that is owed by the Common Security Agent, Receiver or Delegate to the Debtors under general law.

### 15.9 Enforcement through Common Security Agent only

(a) Subject to paragraph (b) below, no Secured Party shall have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any right, power, authority or discretion arising under the Transaction Security Documents except through the Common Security Agent.

(b) Subject to the terms and conditions of this Agreement (including Clauses 3.2 (*Rolled Loan – restrictions*) and Clause 15.4 (*Enforcement of Transaction Security – Rolled Loan Cash Collateral*)), the Rolled Loan Facility Lender shall have independent power to enforce and have recourse to the Credit-Specific Transaction Security in respect of the Rolled Loan Cash Collateral and to exercise any right, power, authority or discretion arising under the Transaction Security Documents related to such Transaction Security.

**15.10 Alternative Enforcement Actions**

After the Common Security Agent has commenced Enforcement of the Common Transaction Security, it shall not accept (and the Intercreditor Agent shall not deliver to it) any subsequent instructions as to Enforcement (save (i) with respect to any Credit-Specific Transaction Security, (ii) in the case where paragraph (c)(ii) or (d) of Clause 15.2 (*Instructions to enforce*) applies, (iii) after the Super Senior Discharge Date, where paragraph (d) of Clause 15.2 (*Instructions to enforce*) had applied or (iv) after the later of the Super Senior Discharge Date and the Rolled Loan Discharge Date, where any of paragraphs (c)(ii) or (c)(iii) of Clause 15.2 (*Instructions to enforce*) had applied) from anyone other than the Instructing Group that instructed it to commence such enforcement of the Common Transaction Security, regarding any other enforcement of the Common Transaction Security over or relating to shares or assets directly or indirectly the subject of the enforcement of the Common Transaction Security which has been commenced (and, for the avoidance of doubt, during any enforcement of the Common Transaction Security only paragraph (b) of the definition of Instructing Group shall be applicable in relation to any instructions (save with respect to any Credit-Specific Transaction Security) given to the Intercreditor Agent and the Common Security Agent by the Instructing Group under this Agreement).

**15.11 Power of Attorney**

The POA Agent shall not exercise any right under a Power of Attorney until after the delivery of an Enforcement Notice to the Company and to Propco and unless the Common Security Agent has instructed it to do so.

**15.12 Livranças**

The Common Security Agent shall not present any of the Livranças for payment until after the delivery of an Enforcement Notice to the Company and each Guarantor. Notwithstanding the terms of the Livrança Covering Letter, the aggregate amount to be inserted by the Common Security Agent into the Livranças may not exceed the aggregate amount of the Secured Obligations as at the date of such insertion by the Common Security Agent.

**15.13 High Yield Note Guarantees**

(a) The Parent shall ensure that the relevant documents or instruments relating to (or in respect of) each Additional High Yield Note, Additional High Yield Note Refinancing and High Yield Note Refinancing contain a provision for the release of each High Yield Note Guarantee relating to the corresponding Additional High Yield Note, Additional High Yield Note Refinancing Indebtedness or High Yield Note Refinancing Indebtedness that is equivalent in form, substance and effect to section 11.08(c) (*Release of Guarantees*) of the original form of the High Yield Note Indenture (each, a "**Required Release Provision**").

(b) No Debtor and no Bondco shall amend, vary or waive section 11.08(c) (*Release of Guarantees*) of the original form of the High Yield Note Indenture or any Required Release Provision without the prior written consent of the Intercreditor Agent (acting on the instructions of the Majority Super Senior Creditors and the Required Pari Passu Creditors).

## Section 5
## Non-Distressed Disposals, Distressed Disposals and claims

### 16. Non-Distressed Disposals

#### 16.1 Definitions

In this Clause 16:

(a) "**Disposal Proceeds**" means the proceeds of a Non-Distressed Disposal;

(b) "**Non-Distressed Disposal**" means a disposal of:

(i) an asset of a member of the Group; or

(ii) an asset which is subject to the Transaction Security,

to a person or persons outside the Group where:

(A) either (x) one Officer of the Parent certifies for the benefit of the Intercreditor Agent and the Common Security Agent (and such certification is not objected to by the Credit Facility Agent within five (5) Business Days of receipt of such certificate) that that disposal is expressly permitted or not prohibited (as applicable) under the Credit Facility Documents, (y) the Credit Facility Agent notifies the Intercreditor Agent and the Common Security Agent that that disposal is expressly permitted or not prohibited (as applicable) under the Credit Facility Documents or (z) the Majority Lenders (as defined in the Credit Facilities Agreement) consent to that disposal;

(B) either (x) one Officer of the Parent certifies for the benefit of the Intercreditor Agent and the Common Security Agent that the disposal and, if the disposal is of Charged Property, the release of Transaction Security is expressly permitted or not prohibited (as applicable) under the Pari Passu Debt Documents (*provided that* such certificate has been provided to the relevant Creditor Representative(s) and the relevant Creditor Representative(s) have not objected to such certificate within 5 Business Days of receipt of such certificate) or (y) the Creditor Representative in respect of each Pari Passu Facility Agreement and Pari Passu Note Indenture authorises the release; and

(C) that disposal is not a Distressed Disposal; and

(c) "**Officer**" means the Chairman of the Board, Chief Executive Officer, Chief Financial Officer, President, any Executive Vice President, Senior Vice President or Vice President, Treasurer or Secretary of the Parent, or any Directors of the Board or any person acting in that capacity, in each case acting with due authority.

#### 16.2 Facilitation of Non-Distressed Disposals

(a) If a disposal of an asset is a Non-Distressed Disposal, the Common Security Agent is irrevocably authorised (at the cost of the Parent (*provided* that the Common Security Agent acts reasonably) and without any consent, sanction, authority or further confirmation from any Creditor, other Secured Party or Debtor) but subject to paragraph (b) below:

(i) to release the Transaction Security or any other claim (relating to a Debt Document) over that asset;

(ii) where that asset consists of shares in the capital of a member of the Group, to release the Transaction Security or any other claim (relating to a Debt Document) over that member of the Group's Property; and

(iii) to execute and deliver or enter into any release of the Transaction Security or any claim described in paragraphs (i) and (ii) above and issue any certificates of non-crystallisation of any floating charge or any consent to dealing that may, in the discretion of the Common Security Agent, be considered necessary or desirable.

(b) Each release of Transaction Security or any claim described in paragraph (a) above shall become effective only on the making of the relevant Non-Distressed Disposal.

**16.3 Facilitation of other releases**

(a) If a release of Transaction Security is (i) required to effect amendments to the Secured Obligations Documents that have been duly consented to and approved under the terms of the Secured Obligations Documents and such release would comply with the terms and conditions of section 11 (*Impairment of Security Interest*) of schedule 10 (*Covenants*) pursuant to clause 23.1 (*Notes covenants*) of the Credit Facility Agreement, section 4.21 (*Impairment of Security Interest*) of the Senior Secured 2019 Note Indenture, section 4.21 (*Impairment of Security Interest*) of the Senior Secured 2021 Note Indenture and each Equivalent Provision of any other Pari Passu Debt Document or (ii) conditional upon repayment or prepayment in full of the Secured Liabilities and the payment of all other amounts then due and payable under the Secured Obligations Documents so as to achieve the Final Discharge Date, the Common Security Agent is irrevocably authorised (at the cost of the Parent (*provided* that the Common Security Agent acts reasonably) and without any consent, sanction, authority or further confirmation from any Creditor, other Secured Party or Debtor) but subject to paragraph (b) below:

(i) to release the Transaction Security or any other claim (relating to a Debt Document) over that asset;

(ii) where that asset consists of shares in the capital of a member of the Group, to release the Transaction Security or any other claim (relating to a Debt Document) over that member of the Group's Property; and

(iii) to execute and deliver or enter into any release of the Transaction Security or any claim described in paragraphs (i) and (ii) above and issue any certificates of non-crystallisation of any floating charge or any consent to dealing that may, in the discretion of the Common Security Agent, be considered necessary or desirable.

(b) Each release of Transaction Security or any claim described in paragraph (a) above shall become effective only on the making of the relevant transaction (and, if applicable, entry into any replacement Transaction Security that may be required pursuant to the terms and conditions of section 11 (*Impairment of Security Interest*) of schedule 10 (*Covenants*) pursuant to clause 23.1 (*Notes covenants*) of the Credit Facility Agreement, section 4.21 (*Impairment of Security Interest*) of the Senior Secured 2019 Note Indenture, section 4.21 (*Impairment of Security Interest*) of the Senior Secured 2021 Note Indenture and each Equivalent Provision of any other Pari Passu Debt Document).

(c) In connection with the entry into this Agreement, the Secured Parties (other than the Common Security Agent) irrevocably authorise and instruct the Common Security Agent to execute and deliver or enter into each release of the Transaction Security listed under the heading "Release documents for Onshore Security" in schedule 4 (*Conditions subsequent documents*) of the 2016 Amendment and Restatement Agreement. The Parent agrees that such execution, deliver or entry into such releases shall be at its cost (*provided* that the Common Security Agent acts reasonably) and shall not require any consent, sanction, authority or further confirmation from any Debtor. Each other Creditor confirms that its consent is not required for such releases.

**16.4 Disposal Proceeds**

Subject to Clause 3.2 (*Rolled Loan – restrictions*), if any Disposal Proceeds are required to be applied (or offered to be applied) in mandatory prepayment or redemption of the Credit Facility Liabilities or the Pari Passu Debt Liabilities then those Disposal Proceeds shall be applied (or, if relevant, offered and then applied, if required) in accordance with the Debt Documents and the consent of any other Party shall not be required for that application or offer.

**16.5 Release of Unrestricted Subsidiaries**

If a member of the Group is designated as an Unrestricted Subsidiary in accordance with the terms of each of the Credit Facility Documents and the Pari Passu Debt Documents, the Common Security Agent is irrevocably authorised and obliged (at the cost of the relevant Debtor or the Parent (*provided* that the Common Security Agent acts reasonably) and without any consent, sanction, authority or further confirmation from any Creditor or Debtor):

(a) to release the Transaction Security or any other claim (relating to a Debt Document) over that member of the Group's assets; and

(b) to execute and deliver or enter into any release of the Transaction Security or any claim described in paragraph (a) above and issue any certificates of non-crystallisation of any floating charge or any consent to dealing that may, in the discretion of the Common Security Agent, be considered necessary or desirable or as requested by the Parent.

**17. Distressed Disposals**

**17.1 Facilitation of Distressed Disposals**

Subject to Clause 17.4 (*Restriction on Enforcement*), if a Distressed Disposal is being effected the Common Security Agent is irrevocably authorised (at the cost of the Parent and without any consent, sanction, authority or further confirmation from any Creditor, other Secured Party or Debtor):

(a) **Release of Transaction Security/non-crystallisation certificates**: to release the Transaction Security (and any claims thereunder) or any other claim over the asset subject to the Distressed Disposal and execute and deliver or enter into any release of that Transaction Security or claim and issue any letters of non-crystallisation of any floating charge or any consent to dealing that may, in the discretion of the Common Security Agent, be considered necessary or desirable;

(b) **Release of liabilities and Transaction Security on a share sale (Debtor)**: if the asset subject to the Distressed Disposal consists of shares and/or other equity interests in the capital of a Debtor, to release:

(i) that Debtor and any Subsidiary of that Debtor from all or any part of:

(A) its Borrowing Liabilities;

(B) its Guarantee Liabilities; and

(C) its Other Liabilities;

(ii) any Transaction Security granted by the Holding Company of that Debtor over the shares and other equity interests in the capital of that Debtor and any Transaction Security granted by that Debtor or any Subsidiary of that Debtor over any of its assets; and

(iii) any other claim of a Bondco, Subordinated Creditor, an Intra-Group Lender, or another Debtor over that Debtor's assets or over the assets of any Subsidiary of that Debtor,

on behalf of the relevant Creditors and Debtors;

(c) **Release of liabilities and Transaction Security on a share sale (Holding Company)**: if the asset subject to the Distressed Disposal consists of shares and/or other equity interests in the capital of any Holding Company of a Debtor, to release:

(i) that Holding Company and any Subsidiary of that Holding Company from all or any part of:

(A) its Borrowing Liabilities;

(B) its Guarantee Liabilities; and

(C) its Other Liabilities;

(ii) any Transaction Security granted by the Holding Company of that Holding Company over the shares and other equity interests in the capital of that Holding Company and any Transaction Security granted by any Subsidiary of that Holding Company over any of its assets; and

(iii) any other claim of a Bondco, Subordinated Creditor, an Intra-Group Lender or another Debtor over the assets of any Subsidiary of that Holding Company,

on behalf of the relevant Creditors and Debtors;

(d) **Facilitative disposal of liabilities on a share sale**: if the asset subject to the Distressed Disposal consists of shares and/or other equity interests in the capital of a Debtor or the Holding Company of a Debtor and the Intercreditor Agent or Common Security Agent decides to dispose of all or any part of:

(i) the Liabilities (other than Liabilities due to any Creditor Representative or Arranger or the Liabilities in respect of the principal amount outstanding in respect of the Rolled Loan); or

(ii) the Debtors' Intra-Group Receivables,

owed by that Debtor or Holding Company or any Subsidiary of that Debtor or Holding Company on the basis that any transferee of those Liabilities or Debtors' Intra-Group Receivables (the "**Transferee**") will not be treated as a Primary Creditor or a Secured Party for the purposes of this Agreement, to execute and deliver or enter into any agreement to dispose of all or part of those Liabilities or Debtors' Intra-Group Receivables on behalf of the relevant Creditors and Debtors, *provided that* notwithstanding any other provision of any Debt Document the Transferee shall not be treated as a Primary Creditor or a Secured Party for the purposes of this Agreement;

(e) **Sale of liabilities on a share sale**: if the asset subject to the Distressed Disposal consists of shares and/or other equity interests in the capital of a Debtor or the Holding Company of a Debtor and the Intercreditor Agent or Common Security Agent decides to dispose of all or any part of:

(i) the Liabilities (other than Liabilities due to any Creditor Representative or Arranger or the Liabilities in respect of the principal amount outstanding in respect of the Rolled Loan); or

(ii) the Debtors' Intra-Group Receivables,

owed by that Debtor or Holding Company or any Subsidiary of that Debtor or Holding Company on the basis that any transferee of those Liabilities or Debtors' Intra-Group Receivables will be treated as a Primary Creditor or a Secured Party for the purposes of this Agreement, to execute and deliver or enter into any agreement to dispose of:

(A) all (and not part only) of the Liabilities owed to the Primary Creditors (other than to any Creditor Representative or Arranger); and

(B) all or part of any other Liabilities (other than Liabilities owed to any Creditor Representative or Arranger) and the Debtors' Intra-Group Receivables,

on behalf of, in each case, the relevant Creditors and Debtors;

(f) **Transfer of obligations in respect of liabilities on a share sale**: if the asset subject to the Distressed Disposal consists of shares and/or other equity interests in the capital of a Debtor or the Holding Company of a Debtor (the "**Disposed Entity**") and the Intercreditor Agent or Common Security Agent decides to transfer to another Debtor (the "**Receiving Entity**") all or any part of the Disposed Entity's obligations or any obligations of any Subsidiary of that Disposed Entity in respect of:

(i) the Intra-Group Liabilities; or

(ii) the Debtors' Intra-Group Receivables,

to execute and deliver or enter into any agreement to:

(A) agree to the transfer of all or part of the obligations in respect of those Intra-Group Liabilities or Debtors' Intra-Group Receivables on behalf of the relevant Intra-Group Lenders and Debtors to which those obligations are owed and on behalf of the Debtors which owe those obligations; and

(B) to accept the transfer of all or part of the obligations in respect of those Intra-Group Liabilities or Debtors' Intra-Group Receivables on behalf of the Receiving Entity or Receiving Entities to which the obligations in respect of those Intra-Group Liabilities or Debtors' Intra-Group Receivables are to be transferred.

**17.2 Proceeds of Distressed Disposals and Debt Disposals**

The net proceeds of each Distressed Disposal and each Debt Disposal shall be paid, or distributed, to the Common Security Agent for application in accordance with Clause 19 (*Application of proceeds*) and, to the extent that any Liabilities Sale has occurred, as if that Liabilities Sale had not occurred.

**17.3 Fair value**

(a) In the case of:

(i) a Distressed Disposal; or

(ii) a Debt Disposal,

effected by, or at the request of, the Common Security Agent, the Common Security Agent shall act in accordance with this Agreement, *provided* that the Parties instructing the Intercreditor Agent and/or the Common Security Agent shall take reasonable care to obtain a fair market price having regard to the prevailing market conditions (though none of such Parties shall have any obligation to postpone (or request the postponement of) any Distressed Disposal or Debt Disposal in order to achieve a higher price).

(b) The requirement in paragraph (a) above shall be satisfied (and as between the Creditors and the Debtors shall be conclusively presumed to be satisfied) and the Common Security Agent will be taken to have discharged all its obligations in this respect under this Agreement, the other Debt Documents and generally at law if:

(i) that Distressed Disposal or Debt Disposal is made pursuant to any process or proceedings approved or supervised by or on behalf of any court of law or any Government Authority of the Macau SAR;

(ii) that Distressed Disposal or Debt Disposal is made by, at the direction of or under the control of, a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer (or any analogous officer in any jurisdiction) appointed in respect of a member of the Group or the assets of a member of the Group;

(iii) that Distressed Disposal or Debt Disposal is made pursuant to a Competitive Sales Process or a process contemplated under Services and Right to Use Direct Agreement; or

(iv) if a Financial Adviser appointed by the Common Security Agent in accordance with Schedule 7 (*Enforcement Principles*) has delivered a Fairness Opinion to the Common Security Agent in respect of that Distressed Disposal or Debt Disposal.

**17.4 Restriction on Enforcement**

If a Distressed Disposal, a Liabilities Sale or a Debt Disposal is being effected:

(a) the Common Security Agent is not authorised to release any Debtor, Subsidiary or Holding Company from any Borrowing Liabilities or Guarantee Liabilities owed to any Primary Creditor except in accordance with this Clause 17 (*Distressed Disposals*);

(b) no Distressed Disposal, Liabilities Sale or Debt Disposal may be made for consideration in a form other than cash except to the extent contemplated by Schedule 7 (*Enforcement Principles*);

(c) the relevant Primary Creditors shall simultaneously effect the unconditional release (or unconditional transfer to the purchaser of the relevant member of the Group) of all Borrowing Liabilities, Guarantee Liabilities and Other Liabilities owing to the Primary Creditors by the relevant Debtor and each of its direct and indirect Subsidiaries;

(d) the Common Security Agent is not authorised to release any Debtor, Subsidiary or Holding Company from any Borrowing Liabilities or Guarantee Liabilities owed to the Rolled Loan Facility Lender in respect of the Rolled Loan in connection with a Distressed Disposal unless the cash amount of the Enforcement Proceeds of such Distressed Disposal is equal to or in excess of the lower of (i) the amount standing to the credit of the Rolled Loan Cash Collateral Account or (ii) the then principal amount of the Rolled Loan and, in such case, an amount of such Enforcement Proceeds in cash equal to the amount standing to the credit of the Rolled Loan Cash Collateral Account (or, if lower, the then principal amount of the Rolled Loan) shall be treated for the purposes of Clause 19 (*Application of proceeds*) as a Recovery from the Transaction Security over the Rolled Loan Cash Collateral Account and not as a Recovery from the Common Transaction Security; and

(e) in the case that any Pari Passu Debt Liability is secured by any Credit-Specific Transaction Security, the Common Security Agent is not authorised to release any Debtor, Subsidiary or Holding Company from that Pari Passu Debt Liability in connection with a Distressed Disposal unless the cash amount of the Enforcement Proceeds of such Distressed Disposal (less the amount, if any, to be first treated as a Recovery from the Transaction Security over the Rolled Loan Cash Collateral Account) is equal to or in excess of the amount standing to the credit of the Pari Passu Notes Interest Accrual Account or Pari Passu Facility Debt Service Reserve Account (as applicable) (or, if lower, the amount of such Pari Passu Liability) plus the equivalent amount relating to each other Pari Passu Debt Liability similarly affected, and, in such case, an amount of such Enforcement Proceeds in cash equal to the amount standing to the credit of the relevant Pari Passu Notes Interest Accrual Account or Pari Passu Facility Debt Service Reserve Account (or, if lower, the then principal amount of such Pari Passu Debt Liability) shall be treated for the purposes of Clause 19 (*Application of proceeds*) as a Recovery from the Transaction Security over that Pari Passu Notes Interest Accrual Account or Pari Passu Facility Debt Service Reserve Account (as applicable) and not as a Recovery from the Common Transaction Security.

**17.5 Appointment of Financial Adviser**

Without prejudice to Clause 21.8 (*Rights and discretions*), the Intercreditor Agent may engage, or approve the engagement of, pay for and rely on the services of a Financial Adviser in accordance with Schedule 7 (*Enforcement Principles*).

**17.6 Actions**

(a) For the purposes of Clause 17.1 (*Facilitation of Distressed Disposals*) the Common Security Agent shall act:

(i) on the instructions of the Intercreditor Agent or the Instructing Group; or

(ii) in the absence of any such instructions, as the Security Agent sees fit.

(b) For the purposes of Clause 17.1 (*Facilitation of Distressed Disposals*) the Intercreditor Agent shall act:

(i) on the instructions of the Instructing Group; or

(ii) in the absence of any such instructions, as the Intercreditor Agent sees fit.

## 18. Further assurance – disposals and releases

Each Creditor and Debtor will:

(a) do all things that the Intercreditor Agent or the Common Security Agent requests in order to give effect to Clause 16 (*Non-Distressed Disposals*) and Clause 17 (*Distressed Disposals*) (which shall include, without limitation, the execution of any assignments, transfers, releases or other documents that the Intercreditor Agent or the Common Security Agent may consider to be necessary to give effect to the releases or disposals contemplated by those Clauses); and

(b) if the Intercreditor Agent or the Security Agent is not entitled to take any of the actions contemplated by those Clauses or if the Intercreditor Agent or the Common Security Agent requests that any Creditor or Debtor take any such action, take that action itself in accordance with the instructions of the Intercreditor Agent or the Common Security Agent,

*provided that* the proceeds of those disposals are applied in accordance with Clause 16 (*Non-Distressed Disposals)* or Clause 17 (*Distressed Disposals*) as the case may be.

**Section 6**
**Proceeds**

## 19. Application of proceeds

### 19.1 Order of application

(a) In this Clause 19.1:

"**Sale**" has the meaning given to that term in the Services and Right to Use Direct Agreement; and

"**Purchase Right**" has the meaning given to that term in the Services and Right to Use Direct Agreement.

(b) Subject to paragraphs (d) and (e) of Clause 17.4 (*Restriction on Enforcement*), Clause 19.2 (*Prospective Liabilities*) and Clause 19.3 (*Treatment of Credit Facility Cash Cover and Credit Facility Lender Cash Collateral*), all amounts from time to time received or recovered by the Common Security Agent pursuant to the terms of any Debt Document or in connection with the realisation or Enforcement or a transaction in lieu of Enforcement of all or any part of the Transaction Security (for the purposes of this Clause 19, the "**Recoveries**") shall be held by the Common Security Agent on trust to apply them at any time as the Intercreditor Agent (in its discretion) sees fit to direct or the Common Security Agent (in its discretion) sees fit (subject, in the case of paragraph (x) below, to the timing conditions specified therein), to the extent permitted by applicable law (and subject to the provisions of this Clause 19), in the following order of priority:

(i) other than any Recoveries from any Credit-Specific Transaction Security, in discharging any sums owing to the Common Security Agent (other than pursuant to Clause 21.2 (*Parallel debt*)), any Receiver or any Delegate;

(ii) other than any Recoveries from any Credit-Specific Transaction Security, in payment or reimbursement to:

(A) where (A) a Secured Party (or Secured Parties) has (or have) paid or funded any amount referred to in clauses 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreemen*t) to 5.5 (*Termination rights in the Final Grace Period*) of the Services and Right to Use Direct Agreement and (B) Melco Crown has not paid or funded any such amounts), to that Secured Party (or, as the case may be, on a *pro rata* basis between such Secured Parties) on account of all such amounts; or

(B) where a Secured Party (or Secured Parties) has (or have) paid or funded any amount referred to in clauses 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*) to 5.5 (*Termination rights in the Final Grace Period*) of the Services and Right to Use Direct Agreement (and Melco Crown has also, together with such Secured Party or Secured Parties, funded such amounts), on a *pro rata* basis to the Secured Party (or, as the case may be, Secured Parties) and Melco Crown on account of all such amounts, save where a Sale is or has been made pursuant to the Purchase Right in which circumstances payment or reimbursement should be made to the Secured Party (or, as the case may be, Secured Parties) only; or

(C) where Melco Crown has paid or funded any amount referred to in clauses 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*) to 5.5 (*Termination rights in the Final Grace Period*) of the Services and Right to Use Direct Agreement (and no Secured Party has paid or funded any such amounts) and provided that no Sale is or has been made pursuant to the Purchase Right, to Melco Crown on account of all such amounts;

(iii) other than any Recoveries from any Credit-Specific Transaction Security, in discharging any sums owing to the Intercreditor Agent, the POA Agent and in payment to the Creditor Representatives of the Creditor Representative Amounts;

(iv) other than any Recoveries from any Credit-Specific Transaction Security, in discharging all costs and expenses incurred by any Primary Creditor in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of this Agreement or any action taken at the request of the Intercreditor Agent or the Common Security Agent under Clause 12.6 (*Further assurance – Insolvency Event*);

(v) other than any Recoveries from any Credit-Specific Transaction Security, in payment or distribution to:

(A) the Credit Facility Agent on its own behalf and on behalf of the Credit Facility Creditors; and

(B) the Super Senior Hedge Counterparties,

for application towards the discharge of:

(1) the Credit Facility Liabilities (in accordance with the terms of the Credit Facility Documents); and

(2) the Super Senior Hedging Liabilities up to an aggregate maximum amount equal to the Super Senior Hedging Amount (and, in the case of each Super Senior Hedging Liability, up to an aggregate maximum amount equal to the portion of the Super Senior Hedging Amount allocated to that Liability in accordance with this Agreement) on a *pro rata* basis between the Super Senior Hedging Liabilities of each Super Senior Hedge Counterparty and with such *pro rata* allocation to be determined by reference to each Super Senior Hedge Counterparty's Allocated Super Senior Hedging Amount,

on a *pro rata* basis between paragraph (1) and paragraph (2) above;

(vi) other than any Recoveries from any Credit-Specific Transaction Security, in payment or distribution to:

(A) the Creditor Representatives in respect of any Pari Passu Debt Liabilities on its own behalf and on behalf of the Pari Passu Debt Creditors for which it is the Creditor Representative; and

(B) the Pari Passu Hedge Counterparties,

for application towards the discharge of:

(1) the Pari Passu Debt Liabilities (in accordance with the terms of the relevant Pari Passu Debt Documents) on a *pro rata* basis between Pari Passu Debt Liabilities under separate Pari Passu Facility Agreements (such *pro rata* calculation to be made without regard to any discharge of Pari Passu Debt Liabilities as a result of any application of Recoveries in accordance with paragraph (vii) below);

(2) the Pari Passu Debt Liabilities (in accordance with the terms of the relevant Pari Passu Debt Documents) on a *pro rata* basis between Pari Passu Debt Liabilities under separate Pari Passu Note Indentures (such *pro rata* calculation to be made without regard to any discharge of Pari Passu Debt Liabilities constituting interest obligations or obligations in respect of scheduled amortisation payments or redemptions (in each case other than at final maturity) as a result of any application of Recoveries in accordance with paragraph (viii) below); and

(3) the Pari Passu Hedging Liabilities on a *pro rata* basis between the Pari Passu Hedging Liabilities of each Pari Passu Hedge Counterparty,

on a *pro rata* basis between paragraph (1), paragraph (2) and paragraph (3) above (such *pro rata* calculation to be made without regard to any discharge of Pari Passu Debt Liabilities constituting interest obligations or obligations in respect of scheduled amortisation payments or redemptions (in each case other than at final maturity) as a result of any application of Recoveries in accordance with paragraph (vii) or (viii) below);

(vii) in case of Recoveries from any Credit-Specific Transaction Security over any Pari Passu Facility Debt Service Reserve Account, in payment or distribution to the Creditor Representative in respect of the Pari Passu Facility to which that Pari Passu Facility Debt Service Reserve Account relates on behalf of the Pari Passu Lenders for which it is the Creditor Representative for application towards the discharge of the Pari Passu Debt Liabilities constituting interest obligations or obligations in respect of scheduled amortisation payments or redemptions (in each case other than at final maturity) in respect of that Pari Passu Facility (in accordance with the terms of the relevant Pari Passu Debt Documents) and, thereafter, in payment or distribution pursuant to paragraph (vi) above as if such Recoveries were not from a Credit-Specific Transaction Security;

(viii) in case of Recoveries from any Credit-Specific Transaction Security over any Pari Passu Notes Interest Accrual Account, in payment or distribution to the Pari Passu Notes Trustee in respect of the Pari Passu Notes to which that Pari Passu Notes Interest Accrual Account relates on behalf of the Pari Passu Noteholders for which it is the Creditor Representative for application towards the discharge of the Pari Passu Debt Liabilities constituting interest obligations in respect of those Pari Passu Notes (in accordance with the terms of the relevant Pari Passu Debt Documents) and, thereafter, in payment or distribution pursuant to paragraph (vi) above as if such Recoveries were not from a Credit-Specific Transaction Security;

(ix) other than any Recoveries from any Credit-Specific Transaction Security, in payment or distribution to the Credit Facility Agent on behalf of the Rolled Loan Facility Lender for application in or towards the discharge of the Liabilities in respect of the Rolled Loan (in accordance with the terms of the Credit Facility Agreement);

(x) in case of Recoveries from any Credit-Specific Transaction Security over the Rolled Loan Cash Collateral Account, only on or after a Release Event has occurred, to the Credit Facility Agent on behalf of the Rolled Loan Facility Lender for application in or towards the discharge of the Liabilities in respect of the Rolled Loan (in accordance with the terms of the Credit Facility Agreement);

(xi) if none of the Debtors is under any further actual or contingent liability under any Credit Facility Document, Hedging Agreement or Pari Passu Debt Document, in payment or distribution to any person to whom the Common Security Agent is obliged to pay or distribute in priority to any Debtor; and

(xii) the balance, if any, in payment or distribution to the relevant Debtor.

**19.2 Prospective Liabilities**

Following a Distress Event the Common Security Agent may, in its discretion hold any amount of the Recoveries in one or more interest bearing suspense or impersonal accounts in the name of the Common Security Agent with such financial institution (including itself) as the Common Security Agent shall think fit (the interest being credited to the relevant account for so long as the Common Security Agent shall think fit for later application under Clause 19.1 (*Order of application*) in respect of:

(a) any sum to the Common Security Agent, any Receiver or any Delegate; and

(b) any part of the Liabilities,

that the Common Security Agent reasonably considers, in each case, might become due or owing at any time in the future.

**19.3 Treatment of Credit Facility Cash Cover and Credit Facility Lender Cash Collateral**

(a) Nothing in this Agreement shall prevent any Issuing Bank or Ancillary Lender taking any Enforcement Action in respect of any Credit Facility Cash Cover which has been provided for it in accordance with the Credit Facility Agreement.

(b) To the extent that any Credit Facility Cash Cover is not held with the Relevant Issuing Bank or Relevant Ancillary Lender, all amounts from time to time received or recovered in connection with the realisation or enforcement of that Credit Facility Cash Cover shall be paid to the Common Security Agent and shall be held by the Common Security Agent on trust to apply them at any time as the Common Security Agent (in its discretion) sees fit, to the extent permitted by applicable law, in the following order of priority:

(i) to the Relevant Issuing Bank or Relevant Ancillary Lender towards the discharge of the Credit Facility Liabilities for which that Credit Facility Cash Cover was provided; and

(ii) the balance, if any, in accordance with Clause 19.1 (*Order of application*).

(c) To the extent that any Credit Facility Cash Cover is held with the Relevant Issuing Bank or Relevant Ancillary Lender, nothing in this Agreement shall prevent that Relevant Issuing Bank or Relevant Ancillary Lender receiving and retaining any amount in respect of that Credit Facility Cash Cover.

(d) Nothing in this Agreement shall prevent any Issuing Bank receiving and retaining any amount in respect of any Credit Facility Lender Cash Collateral provided for it in accordance with the Credit Facility Agreement.

## 19.4 Investment of Cash Proceeds

Prior to the application of the proceeds of the Security Property in accordance with Clause 19.1 (*Order of application*) the Common Security Agent may, in its discretion, hold all or part of any cash proceeds in one or more interest bearing suspense or impersonal accounts in the name of the Common Security Agent with such financial institution (including itself) and for so long as the Common Security Agent shall think fit (the interest being credited to the relevant account) pending the application from time to time of those monies in the Common Security Agent's discretion in accordance with the provisions of this Clause 19.

## 19.5 Currency Conversion

(a) For the purpose of, or pending the discharge of, any of the Secured Obligations the Common Security Agent may:

(i) convert any moneys received or recovered by the Common Security Agent (including, without limitation, any cash proceeds) from one currency to another, at the Common Security Agent's Spot Rate of Exchange; and

(ii) notionally convert the valuation provided in any opinion or valuation from one currency to another, at the Common Security Agent's Spot Rate of Exchange.

(b) The obligations of any Debtor to pay in the due currency shall only be satisfied:

(i) in the case of paragraph (a)(i) above, to the extent of the amount of the due currency purchased after deducting the costs of conversion; and

(ii) in the case of paragraph (a)(ii) above, to the extent of the amount of the due currency which results from the notional conversion referred to in that paragraph.

## 19.6 Permitted deductions

The Common Security Agent shall be entitled, in its discretion, (a) to set aside by way of reserve amounts required to meet and (b) to make and pay, any deductions and withholdings (on account of Taxes or otherwise) which it is or may be required by any law or regulation to make from any distribution or payment made by it under this Agreement, and to pay all Taxes which may be assessed against it in respect of any of the Charged Property, or as a consequence of performing its duties or exercising its rights, powers, authorities and discretions, or by virtue of its capacity as Common Security Agent under any of the Debt Documents or otherwise (other than in connection with its remuneration for performing its duties under this Agreement).

## 19.7 Good discharge

(a) Any distribution or payment to be made in respect of the Secured Obligations by the Common Security Agent:

(i) may be made to the relevant Creditor Representative on behalf of its Primary Creditors;

(ii) may be made to the Relevant Issuing Bank or Relevant Ancillary Lender in accordance with paragraph (b)(i) of Clause 19.3 (*Treatment of Credit Facility Cash Cover and Credit Facility Lender Cash Collateral*); or

(iii) shall be made directly to the Hedge Counterparties.

(b) Any distribution or payment made as described in paragraph (a) above shall be a good discharge, to the extent of that payment or distribution, by the Common Security Agent.

(c) The Common Security Agent is under no obligation to make the payments to the Creditor Representatives or the Hedge Counterparties under paragraph (a) above in the same currency as that in which the Liabilities owing to the relevant Primary Creditor are denominated pursuant to the relevant Debt Document.

**19.8 Calculation of amounts**

(a) All *pro rata* calculations to be made in relation to this Clause 19 shall be made by the Intercreditor Agent. For the purpose of calculating any person's share of any amount payable to or by it, the Intercreditor Agent shall be entitled to:

(i) notionally convert the Liabilities owed to any person into a common base currency (decided in its discretion by the Intercreditor Agent), that notional conversion to be made at the spot rate at which the Common Security Agent is able to purchase the notional base currency with the actual currency of the Liabilities owed to that person at the time at which that calculation is to be made; and

(ii) assume that all amounts received or recovered as a result of the enforcement or realisation of the Security Property are applied in discharge of the Liabilities in accordance with the terms of the Debt Documents under which those Liabilities have arisen.

(b) The Common Security Agent and each Primary Creditor shall assist the Intercreditor Agent by promptly providing the Intercreditor Agent with such information as Intercreditor Agent (acting reasonably) may require for the purposes of making calculations in accordance with this Clause 19.8.

**19.9 Consideration**

In consideration of the covenants given to the Common Security Agent by the Debtors in Clause 21.2 (*Parallel debt*), the Common Security Agent agrees with the Debtors to apply all moneys from time to time paid by the Debtors to the Common Security Agent in accordance with the provisions of this Clause 19.

**19.10 Excluded Swap Obligations and keepwell**

(a) Notwithstanding anything to the contrary in this Agreement or any other Debt Document, in no circumstances shall proceeds of any Transaction Security constituting an asset of a Debtor or a Security Provider which is not a Qualified ECP Guarantor be applied towards the payment of any Excluded Swap Obligations nor shall any guarantee provided by any Debtor or Security Provider pursuant to any Debt Document guarantee any obligations which are Excluded Swap Obligations, notwithstanding the terms of such Debt Document (and in the case of any conflict between the terms of any Debt Document and this Clause, the terms of this Clause shall prevail).

(b) The Parent absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Debtor or Security Provider to honour all of its obligations under:

(i) the Hedging Agreements; and

(ii) any Hedge Counterparties' guarantee and indemnity as set out in Schedule 9 (*Hedge Counterparties' guarantee and indemnity*) of this Agreement in respect of each other Debtor's obligations under the Hedging Agreements, *provided*, however, that Parent shall only be liable under this Clause for the maximum amount of such liability that can hereby be incurred without rendering its obligations under this Clause, or otherwise under any guaranty, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount.

(c) The obligations of the Parent under paragraph (b) above shall remain in full force and effect until each Debtor's obligations under the Hedging Agreements and under any guarantee in respect of each other Debtor's obligations under the Hedging Agreements (including under any Hedge Counterparties' guarantee and indemnity as set out in Schedule 9 (*Hedge Counterparties' guarantee and indemnity*) of this Agreement) are fully discharged in accordance with the terms of the relevant Debt Documents.

(d) The Parent intends that this Clause constitutes, and this Clause shall be deemed to constitute, a "keepwell, support or other agreement" for the benefit of each other Debtor for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

## 20. Equalisation

### 20.1 Equalisation definitions

For the purposes of this Clause 20:

"**Enforcement Date**" means the first date (if any) on which a Super Senior Creditor takes enforcement action of the type described in paragraphs (a)(i), (a)(iii), (a)(iv) or (c) of the definition of "**Enforcement Action**" in accordance with the terms of this Agreement.

"**Exposure**" means:

(a) in relation to a Credit Facility Lender, the aggregate amount of its participation (if any, and without double counting) in all Utilisations outstanding under the Credit Facility Agreement at the Enforcement Date (assuming all contingent liabilities which have become actual liabilities since the Enforcement Date to have been actual liabilities at the Enforcement Date (but not including, for these purposes only, any interest that would have accrued from the Enforcement Date to the date of actual maturity in respect of those liabilities) and assuming any transfer of claims between Credit Facility Lenders pursuant to any loss-sharing arrangement in the Credit Facility Agreement which has taken place since the Enforcement Date to have taken place at the Enforcement Date) together with the aggregate amount of all accrued interest, fees and commission owed to it under the Credit Facility Agreement and amounts owed to it by a Debtor in respect of any Ancillary Facility but excluding:

(i) any amount owed to it by a Debtor in respect of any Ancillary Facility to the extent (and in the amount) that Credit Facility Cash Cover has been provided by a Debtor in respect of that amount and is available to that Credit Facility Lender pursuant to the relevant Credit Facility Cash Cover Document;

(ii) any amount outstanding in respect of a Letter of Credit to the extent (and in the amount) that Credit Facility Cash Cover has been provided by a Debtor in respect of that amount and is available to the party it has been provided for pursuant to the relevant Credit Facility Cash Cover Document;

(iii) the principal amount of the Rolled Loan; and

(b) in relation to a Hedge Counterparty:

(i) if that Hedge Counterparty has terminated or closed out any hedging transaction under any Hedging Agreement in accordance with the terms of this Agreement on or prior to the Enforcement Date, the amount, if any, payable to it under that Hedging Agreement in respect of that termination or close-out as of the date of termination or close-out (taking into account any interest accrued on that amount) to the extent that amount is unpaid at the Enforcement Date (that amount to be certified by the relevant Hedging Counterparty and as calculated in accordance with the relevant Hedging Agreement) and to the extent that amount constitutes Super Senior Hedging Liabilities; and

(ii) if that Hedge Counterparty has not terminated or closed out any hedging transaction under any Hedging Agreement on or prior to the Enforcement Date:

(A) if the relevant Hedging Agreement is based on an ISDA Master Agreement the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction if the Enforcement Date was deemed to be an Early Termination Date (as defined in the relevant ISDA Master Agreement) for which the relevant Debtor is the Defaulting Party (as defined in the relevant ISDA Master Agreement); or

(B) if the relevant Hedging Agreement is not based on an ISDA Master Agreement, the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction if the Enforcement Date was deemed to be the date on which an event similar in meaning and effect (under that Hedging Agreement) to an Early Termination Date (as defined in any ISDA Master Agreement) occurred under that Hedging Agreement for which the relevant Debtor is in a position similar in meaning and effect (under that Hedging Agreement) to that of a Defaulting Party (under and as defined in the same ISDA Master Agreement),

to the extent that amount constitutes Super Senior Hedging Liabilities, such amount, in each case, to be certified by the relevant Hedging Counterparty and as calculated in accordance with the relevant Hedging Agreement.

"**Utilisation**" means a "Utilisation" under and as defined in the Credit Facility Agreement.

**20.2 Implementation of equalisation**

(a) The provisions of this Clause 20 shall be applied at such time or times after the Enforcement Date as the Intercreditor Agent may consider appropriate.

(b) Without prejudice to the generality of paragraph (a) above, if the provisions of this Clause 20 have been applied before all the Liabilities have matured and/or been finally quantified, the Intercreditor Agent may elect to re-apply those provisions on the basis of revised Exposures and the relevant Creditors shall make appropriate adjustment payments among themselves.

**20.3 Equalisation**

If, for any reason, any Super Senior Liabilities (other than in respect of the Rolled Loan) remain unpaid after the Enforcement Date and the resulting losses in respect of any Super Senior Liabilities (other than in respect of the Rolled Loan) are not borne by the Credit Facility Lenders and the Hedge Counterparties in the proportions which their respective Exposures at the Enforcement Date bore to the aggregate Exposures of all the Credit Facility Lenders and the Hedge Counterparties at the Enforcement Date, the Credit Facility Lenders and the Hedge Counterparties will make such payments among themselves as the Intercreditor Agent shall require to put the Credit Facility Lenders and the Hedge Counterparties in such a position that (after taking into account such payments) those losses are borne in those proportions.

**20.4 Turnover of Enforcement Proceeds**

If:

(a) the Common Security Agent or a Creditor Representative is not entitled, for reasons of applicable law, to pay or distribute amounts received pursuant to the making of a demand under any guarantee, indemnity or other assurance against loss or the enforcement of the Transaction Security to the relevant Super Senior Creditors but is entitled to pay or distribute those amounts to Creditors (such Creditors, the "**Receiving Creditors**") who, in accordance with the terms of this Agreement, are subordinated in right and priority of payment to the relevant Super Senior Creditors; and

(b) the Super Senior Discharge Date has not yet occurred (nor would occur after taking into account such payments),

then the Receiving Creditors shall make such payments or distributions to the relevant Super Senior Creditors as the Intercreditor Agent shall require to place the relevant Super Senior Creditors in the position they would have been in had such amounts been available for application against the Super Senior Liabilities.

**20.5 Notification of Exposure**

Before each occasion on which it intends to implement the provisions of this Clause 20, the Intercreditor Agent shall send notice to each Hedge Counterparty and the Credit Facility Agent requesting that it notify the Intercreditor Agent of, respectively, its Exposure and that of each Credit Facility Lender (if any).

**20.6 Default in payment**

If a Super Senior Creditor fails to make a payment due from it under this Clause 20, the Intercreditor Agent shall be entitled (but not obliged) to take action on behalf of the Super Senior Creditor(s) to whom such payment was to be redistributed (subject to being indemnified to its satisfaction by such Super Senior Creditor(s) in respect of costs) but shall have no liability or obligation towards such Super Senior Creditor(s) or any other Primary Creditor as regards such default in payment and any loss suffered as a result of such default shall lie where it falls.

**Section 7**
**The Parties**

## 21. The Common Security Agent

### 21.1 Common Security Agent as trustee

(a) The Parties acknowledge that the role of Common Security Agent is a continuation of the role of Security Agent as conducted by the Common Security Agent up to and including the effectiveness of this Agreement under and pursuant to the Credit Facility Agreement.

(b) The Common Security Agent declares that it holds the Security Property on trust for the Secured Parties on the terms contained in this Agreement. The Common Security Agent and the Secured Parties acknowledge that such declaration is simply a restatement of the declaration of trust by the Common Security Agent as originally declared by the Common Security Agent in the original form of the Credit Facility Agreement (which trust continues as restated in this Agreement and for the benefit of the Secured Parties as defined in this Agreement, with appropriate adjustments to the terms of such trust as set out in this Agreement).

(c) Each of the Primary Creditors authorises the Common Security Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Common Security Agent under or in connection with the Debt Documents together with any other incidental rights, powers, authorities and discretions.

### 21.2 Parallel debt

(a) Notwithstanding any other provision of this Agreement, each Debtor irrevocably and unconditionally undertakes to pay to the Common Security Agent, as creditor in its own right and not as representative of the other Secured Parties, sums equal to and in the currency of each amount payable by each of them to each of the Secured Parties under each of the Debt Documents as and when that amount falls due for payment under the relevant Debt Document or would have fallen due but for any discharge resulting from failure of another Secured Party to take appropriate steps, in insolvency proceedings affecting any Debtor, to preserve its entitlement to be paid that amount.

(b) The Common Security Agent shall have its own independent right to demand payment of the amounts payable by the Debtors under paragraph (a), irrespective of any discharge of its obligation(s) to pay those amounts to the other Secured Parties resulting from failure by them to take appropriate steps, in insolvency proceedings affecting any Debtor, to preserve their entitlement to be paid those amounts.

(c) Any amount due and payable by any Debtor to the Common Security Agent under this Clause 21.2 shall be decreased to the extent that the other Secured Parties have received (and are able to retain) payment in full of the corresponding amount under the other provisions of the Debt Documents.

(d) Any amount paid by a Debtor to the Common Security Agent under this Clause 21.2 shall reduce the corresponding amount due and payable by such Debtor to the other Secured Parties to the extent that those Secured Parties have received (and are able to retain) payment in full of such amount under the other provisions of the Debt Documents.

## 21.3 Instructions

(a) The Common Security Agent shall:

(i) subject to paragraphs (d) and (e) below, exercise or refrain from exercising any right, power, authority or discretion vested in it as Common Security Agent in accordance with any instructions given to it by the Intercreditor Agent; and

(ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with paragraph (i) above (or, if this Agreement stipulates the matter is a decision for any other Creditor or group of Creditors, in accordance with instructions given to it by that Creditor or group of Creditors).

(b) The Common Security Agent shall be entitled to request instructions, or clarification of any instruction, from the Intercreditor Agent as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Common Security Agent may refrain from acting unless and until it receives those instructions or that clarification.

(c) Unless a contrary intention appears in this Agreement, any instructions given to the Common Security Agent by the Intercreditor Agent shall override any conflicting instructions given by any other Parties and will be binding on all Secured Parties.

(d) Paragraph (a) above shall not apply:

(i) where a contrary indication appears in this Agreement;

(ii) where this Agreement requires the Common Security Agent to act in a specified manner or to take a specified action;

(iii) in respect of any provision which protects the Common Security Agent's own position in its personal capacity as opposed to its role of Common Security Agent for the Secured Parties including, without limitation, Clauses 21.6 (*No duty to account*) to Clause 21.11 (*Exclusion of liability*), Clause 21.14 (*Confidentiality*) to Clause 21.21 (*Custodians and nominees*) and Clause 21.24 (*Acceptance of title*) to Clause 21.27 (*Disapplication of Trustee Acts*);

(iv) in respect of the exercise of the Common Security Agent's discretion to exercise a right, power or authority under any of:

(A) Clause 16 (*Non-Distressed Disposals*);

(B) Clause 19.1 (*Order of application*);

(C) Clause 19.2 (*Prospective liabilities*);

(D) Clause 19.3 (*Treatment of Credit Facility Cash Cover and Credit Facility Lender Cash Collateral*); and

(E) Clause 19.6 (*Permitted deductions*).

(e) If giving effect to instructions given by the Intercreditor Agent would (in the Common Security Agent's opinion) have an effect equivalent to an Intercreditor Amendment, the Common Security Agent shall not act in accordance with those instructions unless consent to it so acting is obtained from each Party (other than the Common Security Agent) whose consent would have been required in respect of that Intercreditor Amendment.

(f) In exercising any discretion to exercise a right, power or authority under the Debt Documents where either:

(i) it has not received any instructions as to the exercise of that discretion; or

(ii) the exercise of that discretion is subject to paragraph (d)(iv) above,

the Common Security Agent shall do so having regard to the interests of all the Secured Parties.

(g) The Common Security Agent may refrain from acting in accordance with any instructions of any Creditor or group of Creditors until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Debt Documents and which may include payment in advance) for any cost, loss or liability (together with any applicable Indirect Tax) which it may incur in complying with those instructions.

(h) Without prejudice to the provisions of Clause 15 (*Enforcement of Transaction Security*) and the remainder of this Clause 21.3, in the absence of instructions, the Common Security Agent may act (or refrain from acting) as it considers in its discretion to be appropriate.

(i) The Common Security Agent shall be entitled to carry out all dealings with the Secured Parties through the Intercreditor Agent and may give to the Intercreditor Agent any notice or other communication required to be given by the Common Security Agent to the Secured Parties.

**21.4 Duties of the Common Security Agent**

(a) The Common Security Agent's duties under the Debt Documents are solely mechanical and administrative in nature.

(b) The Common Security Agent shall promptly:

(i) forward to the Intercreditor Agent a copy of any document received by the Common Security Agent from any Debtor or Security Provider under any Debt Document; and

(ii) forward to a Party the original or a copy of any document which is delivered to the Common Security Agent for that Party by any other Party.

(c) Except where a Debt Document specifically provides otherwise, the Common Security Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.

(d) Without prejudice to Clause 28.3 (*Notification of prescribed events*), if the Common Security Agent receives notice from a Party referring to any Debt Document, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the Intercreditor Agent.

(e) To the extent that a Party (other than the Common Security Agent) is required to calculate a Common Currency Amount, the Common Security Agent shall upon a request by that Party, promptly notify that Party of the relevant Common Security Agent's Spot Rate of Exchange.

(f) The Common Security Agent shall have only those duties, obligations and responsibilities expressly specified in the Debt Documents to which it is expressed to be a party (and no others shall be implied).

### 21.5 No fiduciary duties to Debtors, Security Providers, Bondco or Subordinated Creditors

Nothing in this Agreement constitutes the Common Security Agent as an agent, trustee or fiduciary of any Debtor, any Security Provider, Bondco or any Subordinated Creditor.

### 21.6 No duty to account

The Common Security Agent shall not be bound to account to any other Secured Party for any sum or the profit element of any sum received by it for its own account.

### 21.7 Business with the Group

The Common Security Agent may accept deposits from, lend money to and generally engage in any kind of banking or other business with any member of the Group.

### 21.8 Rights and discretions

(a) The Common Security Agent may:

(i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;

(ii) assume that:

(A) any instructions received by it from the Intercreditor Agent, an Instructing Group, any Creditors or any group of Creditors are duly given in accordance with the terms of the Debt Documents;

(B) unless it has received notice of revocation, that those instructions have not been revoked; and

(C) if it receives any instructions to act in relation to the Transaction Security, that all applicable conditions under the Debt Documents for so acting have been satisfied; and

(iii) rely on a certificate from any person:

(A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or

(B) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate.

(b) The Common Security Agent may assume (unless it has received notice to the contrary in its capacity as security trustee for the Secured Parties) that:

(i) no Default has occurred;

(ii) any right, power, authority or discretion vested in any Party or any group of Creditors has not been exercised; and

(iii) any notice made by the Parent is made on behalf of and with the consent and knowledge of all the Debtors and Security Providers.

(c) The Common Security Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.

(d) Without prejudice to the generality of paragraph (c) above or paragraph (e) below, the Common Security Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Common Security Agent (and so separate from any lawyers instructed by any Primary Creditor) if the Common Security Agent in its reasonable opinion deems this to be desirable.

(e) The Common Security Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Common Security Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.

(f) The Common Security Agent, any Receiver and any Delegate may act in relation to the Debt Documents and the Security Property through its officers, employees and agents and shall not:

(i) be liable for any error of judgement made by any such person; or

(ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of any such person,

unless such error or such loss was directly caused by the Common Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct.

(g) Unless this Agreement expressly specifies otherwise, the Common Security Agent may disclose to any other Party any information it reasonably believes it has received as security trustee under this Agreement.

(h) Notwithstanding any other provision of any Debt Document to the contrary, the Common Security Agent is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.

(i) Notwithstanding any provision of any Debt Document to the contrary, the Common Security Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

**21.9 Responsibility for documentation**

None of the Common Security Agent, any Receiver nor any Delegate is responsible or liable for:

(a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Common Security Agent, a Debtor, a Security Provider or any other person in or in connection with any Debt Document or the transactions contemplated in the Debt Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document;

(b) the legality, validity, effectiveness, adequacy or enforceability of any Debt Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property; or

(c) any determination as to whether any information provided or to be provided to any Secured Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

### 21.10 No duty to monitor

The Common Security Agent shall not be bound to enquire:

(a) whether or not any Default has occurred;

(b) as to the performance, default or any breach by any Party of its obligations under any Debt Document; or

(c) whether any other event specified in any Debt Document has occurred.

### 21.11 Exclusion of liability

(a) Without limiting paragraph (b) below (and without prejudice to any other provision of any Debt Document excluding or limiting the liability of the Common Security Agent, any Receiver or Delegate), none of the Common Security Agent, any Receiver nor any Delegate will be liable for:

(i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Debt Document or the Security Property unless directly caused by its gross negligence or wilful misconduct;

(ii) exercising or not exercising any right, power, authority or discretion given to it by, or in connection with, any Debt Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Debt Document or the Security Property;

(iii) any shortfall which arises on the enforcement or realisation of the Security Property; or

(iv) without prejudice to the generality of paragraphs (i) to (iii) above, any damages, costs, losses, any diminution in value or any liability whatsoever arising as a result of:

(A) any act, event or circumstance not reasonably within its control; or

(B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

(b) No Party (other than the Common Security Agent, that Receiver or that Delegate (as applicable)) may take any proceedings against any officer, employee or agent of the Common Security Agent, a Receiver or a Delegate in respect of any claim it might have against the Common Security Agent, a Receiver or a Delegate or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Debt Document or any Security Property and any officer, employee or agent of the Common Security Agent, a Receiver or a Delegate may rely on this Clause subject to Clause 1.5 (*Third party rights*) and the provisions of the Third Parties Act.

(c) Nothing in this Agreement shall oblige the Common Security Agent to carry out:

(i) any "know your customer" or other checks in relation to any person; or

(ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Primary Creditor,

on behalf of any Primary Creditor and each Primary Creditor confirms to the Common Security Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Common Security Agent.

(d) Without prejudice to any provision of any Debt Document excluding or limiting the liability of the Common Security Agent, any Receiver or Delegate or the POA Agent, any liability of the Common Security Agent, any Receiver or Delegate or the POA Agent arising under or in connection with any Debt Document or the Security Property shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Common Security Agent, Receiver, Delegate or POA Agent (as the case may be) or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Common Security Agent, Receiver, Delegate or POA Agent (as the case may be) at any time which increase the amount of that loss. In no event shall the Common Security Agent, any Receiver or Delegate or the POA Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Common Security Agent, Receiver, Delegate or POA Agent (as the case may be) has been advised of the possibility of such loss or damages.

**21.12 Primary Creditors' indemnity to the Common Security Agent**

(a) Each Primary Creditor (other than any Creditor Representative) shall (in the proportion that the Liabilities due to it bear to the aggregate of the Liabilities due to all the Primary Creditors (other than any Creditor Representative) for the time being (or, if the Liabilities due to the Primary Creditors (other than any Creditor Representative) are zero, immediately prior to their being reduced to zero)), indemnify the Common Security Agent and every Receiver and every Delegate, within three Business Days of demand, against any cost, loss or liability incurred by any of them (otherwise than by reason of the relevant Common Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct) in acting as Security Agent, Receiver or Delegate under, or exercising any authority conferred under, the Debt Documents (unless the relevant Common Security Agent, Receiver or Delegate has been reimbursed by a Debtor pursuant to a Debt Document).

(b) For the purposes only of paragraph (a) above, to the extent that any hedging transaction under a Hedging Agreement has not been terminated or closed-out, the Hedging Liabilities due to any Hedge Counterparty in respect of that hedging transaction will be deemed to be:

(i) if the relevant Hedging Agreement is based on an ISDA Master Agreement, the amount, if any, which would be payable to it under that Hedging Agreement in respect of those hedging transactions, if the date on which the calculation is made was deemed to be an Early Termination Date (as defined in the relevant ISDA Master Agreement) for which the relevant Debtor is the Defaulting Party (as defined in the relevant ISDA Master Agreement); or

(ii) if the relevant Hedging Agreement is not based on an ISDA Master Agreement, the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction, if the date on which the calculation is made was deemed to be the date on which an event similar in meaning and effect (under that Hedging Agreement) to an Early Termination Date (as defined in any ISDA Master Agreement) occurred under that Hedging Agreement for which the relevant Debtor is in a position similar in meaning and effect (under that Hedging Agreement) to that of a Defaulting Party (under and as defined in the same ISDA Master Agreement),

that amount, in each case as calculated in accordance with the relevant Hedging Agreement.

(c) Subject to paragraph (d) below, the Parent shall within ten Business Days of demand in writing by the relevant Primary Creditor reimburse any Primary Creditor for any payment that Primary Creditor makes to the Common Security Agent pursuant to paragraph (a) above.

(d) Paragraph (c) above shall not apply to the extent that the indemnity payment in respect of which the Primary Creditor claims reimbursement relates to a liability of the Common Security Agent to a Debtor or Security Provider.

**21.13 Resignation of the Common Security Agent**

(a) The Common Security Agent may resign and appoint one of its Affiliates as successor by giving notice to the Primary Creditors and the Parent.

(b) Alternatively the Common Security Agent may (after having consulted with the Parent) resign by giving 30 days' notice to the Primary Creditors and the Parent, in which case the Majority Super Senior Creditors and the Required Pari Passu Creditors may appoint a successor Common Security Agent.

(c) If the Majority Super Senior Creditors and the Required Pari Passu Creditors have not appointed a successor Common Security Agent in accordance with paragraph (b) above within 20 days after notice of resignation was given, the retiring Common Security Agent (after consultation with the Creditor Representatives and the Hedge Counterparties) may appoint a successor Common Security Agent.

(d) The retiring Common Security Agent shall, at its own cost, make available to the successor Common Security Agent such documents and records and provide such assistance as the successor Common Security Agent may reasonably request for the purposes of performing its functions as Common Security Agent under the Debt Documents.

(e) The Common Security Agent's resignation notice shall only take effect upon:

(i) the appointment of a successor; and

(ii) the transfer of all the Security Property to that successor.

(f) Upon the appointment of a successor, the retiring Common Security Agent shall be discharged from any further obligation in respect of the Debt Documents (other than its obligations under paragraph (b) of Clause 21.25 (*Winding up of trust*) and paragraph (d) above) but shall remain entitled to the benefit of this Clause 21 and Clause 27.1 (*Indemnity to the Common Security Agent*) (and any Common Security Agent fees for the account of the retiring Common Security Agent shall cease to accrue from (and shall be payable on) that date). Any successor and each of the other Parties shall have the same rights and obligations among themselves as they would have had if that successor had been an original Party.

(g) The Majority Super Senior Creditors and the Required Pari Passu Creditors may (after having consulted with the Parent), by notice to the Common Security Agent, require it to resign in accordance with paragraph (b) above. In this event, the Common Security Agent shall resign in accordance with paragraph (b) above but the cost referred to in paragraph (d) above shall be for the account of the Parent.

**21.14 Confidentiality**

(a) In acting as trustee for the Secured Parties, the Common Security Agent shall be regarded as acting through its trustee division which shall be treated as a separate entity from any other of its divisions or departments.

(b) If information is received by another division or department of the Common Security Agent, it may be treated as confidential to that division or department and the Common Security Agent shall not be deemed to have notice of it.

(c) Notwithstanding any other provision of any Debt Document to the contrary, the Common Security Agent is not obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty.

**21.15 Information from the Creditors**

Each Creditor shall supply the Common Security Agent with any information that the Common Security Agent may reasonably specify as being necessary or desirable to enable the Common Security Agent to perform its functions as Common Security Agent.

**21.16 Credit appraisal by the Secured Parties**

Without affecting the responsibility of any Debtor or Security Provider for information supplied by it or on its behalf in connection with any Debt Document, each Secured Party confirms to the Common Security Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Debt Document including but not limited to:

(a) the financial condition, status and nature of each member of the Group;

(b) the legality, validity, effectiveness, adequacy or enforceability of any Debt Document, the Security Property and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property;

(c) whether that Secured Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Debt Document, the Security Property, the transactions contemplated by the Debt Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property;

(d) the adequacy, accuracy or completeness of any information provided by the Common Security Agent, any Party or by any other person under or in connection with any Debt Document, the transactions contemplated by any Debt Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document; and

(e) the right or title of any person in or to, or the value or sufficiency of any part of the Charged Property, the priority of any of the Transaction Security or the existence of any Security affecting the Charged Property.

**21.17 Common Security Agent's management time and additional remuneration**

(a) Any amount payable to the Common Security Agent under Clause 21.12 (*Primary Creditors' indemnity to the Common Security Agent*), Clause 26 (*Costs and expenses*) or Clause 27.1 (*Indemnity to the Common Security Agent*) shall include the cost of utilising the Common Security Agent's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Common Security Agent may notify to the Parent and the Primary Creditors, and is in addition to any other fee paid or payable to the Common Security Agent.

(b) Without prejudice to paragraph (a) above, in the event of:

(i) a Default;

(ii) the Common Security Agent being requested by a Debtor, a Security Provider, the Intercreditor Agent, or the Instructing Group to undertake duties which the Common Security Agent and the Parent agree to be of an exceptional nature or outside the scope of the normal duties of the Common Security Agent under the Debt Documents;

(iii) the proposed accession of any Credit Facility Creditors or Pari Passu Debt Creditors pursuant to Clause 25.11 (*Accession of Credit Facility Creditors under New Credit Facilities*) or Clause 25.12 (*Accession of Pari Passu Debt Creditors under New Pari Passu Notes or Pari Passu Facilities*) respectively; or

(iv) the Common Security Agent and the Parent agreeing that it is otherwise appropriate in the circumstances,

the Parent shall pay to the Common Security Agent any additional remuneration (together with any applicable Indirect Tax) that may be agreed between them or determined pursuant to paragraph (c) below.

(c) If the Common Security Agent and the Parent fail to agree upon the nature of the duties or upon the additional remuneration referred to in paragraph (b) above or whether additional remuneration is appropriate in the circumstances, any dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Common Security Agent and approved by the Parent or, failing approval, nominated (on the application of the Common Security Agent) by the President for the time being of the Law Society of Hong Kong (the costs of the nomination and of the investment bank being payable by the Parent) and the determination of any investment bank shall be final and binding upon the Parties.

### 21.18 Reliance and engagement letters

The Common Security Agent may obtain and rely on any certificate or report from any Debtor's or Security Provider's auditor and may enter into any reliance letter or engagement letter relating to that certificate or report on such terms as it may consider appropriate (including, without limitation, restrictions on the auditor's liability and the extent to which that certificate or report may be relied on or disclosed).

### 21.19 No responsibility to perfect Transaction Security

The Common Security Agent shall not be liable for any failure to:

(a) require the deposit with it of any deed or document certifying, representing or constituting the title of any Debtor or Security Provider to any of the Charged Property;

(b) obtain any licence, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any Debt Document or the Transaction Security;

(c) register, file or record or otherwise protect any of the Transaction Security (or the priority of any of the Transaction Security) under any law or regulation or to give notice to any person of the execution of any Debt Document or of the Transaction Security;

(d) take, or to require any Debtor to take, any step to perfect its title to any of the Charged Property or to render the Transaction Security effective or to secure the creation of any ancillary Security under any law or regulation; or

(e) require any further assurance in relation to any Security Document.

### 21.20 Insurance by Common Security Agent

(a) The Common Security Agent shall not be obliged:

(i) to insure any of the Charged Property;

(ii) to require any other person to maintain any insurance; or

(iii) to verify any obligation to arrange or maintain insurance contained in any Debt Document,

and the Common Security Agent shall not be liable for any damages, costs or losses to any person as a result of the lack of, or inadequacy of, any such insurance.

(b) Where the Common Security Agent is named on any insurance policy as an insured party, it shall not be liable for any damages, costs or losses to any person as a result of its failure to notify the insurers of any material fact relating to the risk assumed by such insurers or any other information of any kind, unless the Intercreditor Agent requests it to do so in writing and the Common Security Agent fails to do so within fourteen days after receipt of that request.

### 21.21 Custodians and nominees

The Common Security Agent may appoint and pay any person to act as a custodian or nominee on any terms in relation to any asset of the trust as the Common Security Agent may determine, including for the purpose of depositing with a custodian this Agreement or any document relating to the trust created under this Agreement and the Common Security Agent shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it under this Agreement or be bound to supervise the proceedings or acts of any person.

### 21.22 Delegation by the Common Security Agent

(a) Each of the Common Security Agent, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any right, power, authority or discretion vested in it in its capacity as such, except that no delegation may be made in respect of the Assignment of Services and Right to Use Agreement, the Assignment of Reimbursement Agreement, the Service and Right to Use Agreement Direct Agreement and the Reimbursement Agreement Direct Agreement.

(b) Any delegation permitted pursuant to paragraph (a) above may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Common Security Agent, that Receiver or that Delegate (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.

(c) No Common Security Agent, Receiver or Delegate shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate unless caused by the gross negligence or wilful misconduct of the Common Security Agent or such Receiver or Delegate.

### 21.23 Additional Common Security Agents

(a) The Common Security Agent may at any time appoint (and subsequently remove) any person to act as a separate trustee or as a co-trustee jointly with it:

  (i) if it considers that appointment to be in the interests of the Secured Parties;

  (ii) for the purposes of conforming to any legal requirement, restriction or condition which the Common Security Agent deems to be relevant; or

  (iii) for obtaining or enforcing any judgment in any jurisdiction,

  and the Common Security Agent shall give prior notice to the Parent and the Primary Creditors of that appointment.

(b) Any person so appointed shall have the rights, powers, authorities and discretions (not exceeding those given to the Common Security Agent under or in connection with the Debt Documents) and the duties, obligations and responsibilities that are given or imposed by the instrument of appointment.

(c) The remuneration that the Common Security Agent may pay to that person, and any costs and expenses (together with any applicable Indirect Tax) incurred by that person in performing its functions pursuant to that appointment shall, for the purposes of this Agreement, be treated as costs and expenses incurred by the Common Security Agent.

### 21.24 Acceptance of title

The Common Security Agent shall be entitled to accept without enquiry, and shall not be obliged to investigate, any right and title that any Debtor or Security Provider may have to any of the Charged Property and shall not be liable for, or bound to require any Debtor or Security Provider to remedy, any defect in its right or title.

**21.25 Winding up of trust**

If the Common Security Agent, with the approval of the Intercreditor Agent, determines that:

(a) all of the Secured Obligations and all other obligations secured by the Security Documents have been fully and finally discharged; and

(b) no Secured Party is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Debtor pursuant to the Debt Documents,

then:

(i) the trusts set out in this Agreement shall be wound up and the Common Security Agent shall release, without recourse or warranty, all of the Transaction Security and the rights of the Common Security Agent under each of the Security Documents and, at the reasonable cost of the Parent, execute all such further documents and instruments and do such further acts as the Parent may, in each case, reasonably request for the purpose of effecting such release; and

(ii) any Common Security Agent which has resigned pursuant to Clause 21.13 (*Resignation of the Common Security Agent*) shall release, without recourse or warranty, all of its rights under each Security Document.

**21.26 Powers supplemental to Trustee Acts**

The rights, powers, authorities and discretions given to the Common Security Agent under or in connection with the Debt Documents shall be supplemental to the Trustee Act 1925 and the Trustee Act 2000 and in addition to any which may be vested in the Common Security Agent by law or regulation or otherwise.

**21.27 Disapplication of Trustee Acts**

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Common Security Agent in relation to the trusts constituted by this Agreement. Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of this Agreement, the provisions of this Agreement shall, to the extent permitted by law and regulation, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Agreement shall constitute a restriction or exclusion for the purposes of that Act.

**21.28 Intra-Group Lenders, Debtors and Security Providers: power of attorney**

Each Intra-Group Lender, Debtor and Security Provider by way of security for its obligations under this Agreement irrevocably appoints the Common Security Agent to be its attorney to do anything which that Intra-Group Lender, Debtor or Security Provider has authorised the Common Security Agent or any other Party to do under this Agreement or is itself required to do under this Agreement but has failed to do (and the Common Security Agent may delegate that power on such terms as it sees fit).

**21.29 Common Security Agent's fee**

The Borrower shall pay to the Common Security Agent (for its own account) a security agent fee in the amount and at the times agreed in any Fee Letter.

**21.30 Further assurance**

(a) Each Debtor shall (and the Parent shall procure that each Security Provider will) promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Common Security Agent may reasonably specify (and in such form as the Common Security Agent may reasonably require in favour of the Common Security Agent or its nominee(s)) having regard to the Agreed Security Principles:

(i) to perfect the Security created or intended to be created under or evidenced by the Transaction Security Documents (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Transaction Security, including any assets acquired by any of the Debtors after the date of this Agreement) or for the exercise of any rights, powers and remedies of the Common Security Agent or the Secured Parties provided by or pursuant to the Debt Documents or by law;

(ii) to confer on the Common Security Agent and the Secured Parties Security over any property and assets of that Debtor or other person located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to the Transaction Security Documents; and/or

(iii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security after the Transaction Security has become enforceable under the terms hereof.

(b) Each Debtor shall (and the Parent shall procure that each Security Provider will) from time to time execute and deliver, or cause to be executed and delivered, such additional instruments, certificates or documents, and take all such other actions, as any of the Intercreditor Agent or the Common Security Agent may reasonably request (having regard to the Agreed Security Principles) for the purposes of implementing or effectuating the provisions of the Debt Documents or of more fully perfecting or renewing the rights of the Secured Parties with respect to the Transaction Security (or with respect to any additions thereto or replacements or proceeds or products thereof or with respect to any other assets acquired after the date of this Agreement by any Debtor, Group member or other person which may be deemed to be part of the Transaction Security) pursuant to the Debt Documents. Upon the exercise by the Intercreditor Agent, the Common Security Agent or any other Secured Party of any power, right, privilege or remedy pursuant to any of the Debt Documents which requires any consent, approval, notification, registration or Authorisation of any Governmental Authority, the Company shall execute and deliver, or will cause the execution and delivery of, all applications, certifications, instruments and other documents and papers that the Intercreditor Agent, the Common Security Agent or such Secured Party may reasonably be required to obtain from any Debtor, Security Provider or other Group member for such consent, approval, notification, registration or Authorisation.

## 22. The POA Agent

(a) The Common Security Agent appoints the POA Agent to act as agent of the Common Security Agent under the Power of Attorney.

(b) The POA Agent may not exercise any of its rights under the Power of Attorney without the instructions of the Common Security Agent, and the POA Agent shall act and exercise rights under the Power of Attorney only in accordance with the instructions given to it by the Common Security Agent.

(c) The Power of Attorney shall be held and kept by the Common Security Agent and the Common Security Agent shall deliver the Power of Attorney to the POA Agent if and when required for the exercising of rights by the POA Agent under the Power of Attorney.

(d) The POA Agent shall promptly inform the Common Security Agent of the contents of any notice or document received by it in its capacity as the POA Agent under or in connection with the Power of Attorney.

(e) All references to the Common Security Agent in Clauses 21.4 (*Duties of the Common Security Agent*) (other than paragraph (f)), 21.7 (*Business with the Group*),_21.5 (*No fiduciary duties to Debtors, Security Providers, Bondco or Subordinated Creditors*) to 21.12 (*Primary Creditors' indemnity to the Common Security Agent*), 21.14 (*Confidentiality*) to 21.20 (*Insurance by the Common Security Agent*) and 21.24 (*Acceptance of title*) shall include references to the POA Agent acting as agent under the Power of Attorney.

(f) The POA Agent may resign by giving notice to the Common Security Agent and the Company, in which case the Common Security Agent may (after consultation with the Company) appoint a successor POA Agent which is a financial institution operating in the Macau SAR.

(g) Subject to paragraph (i) below, if the Common Security Agent has not appointed a successor POA Agent in accordance with paragraph (f) above within 30 days after notice of resignation was given, the POA Agent may (after consultation with the Company) appoint, by a further power of attorney, a successor POA Agent which is (i) a financial institution operating in the Macau SAR and (ii) is acceptable to the Common Security Agent.

(h) Subject to paragraph (i) below, at any time, the Common Security Agent may (after consultation with the Company), by not less than 7 days' notice to the POA Agent, copied to the Company, replace the POA Agent with a successor POA Agent appointed by it which is a financial institution operating in the Macau SAR.

(i) The POA Agent's resignation and replacement shall only take effect upon satisfaction of each of the following conditions:

(i) the appointment of a successor POA Agent; and

(ii) the Common Security Agent either:

(A) procured the revocation of the Power of Attorney granted in favour of the POA Agent and procured a new Power of Attorney granted in favour of the successor POA Agent; or

(B) is satisfied that the POA Agent has executed a power of attorney without reservation (in form and substance satisfactory to the Common Security Agent) in favour of the successor POA Agent in respect of all of its powers and other rights and authority under the relevant Power of Attorney and has irrevocably and unconditionally divested itself in full of its powers, rights and authority thereunder.

(j) Upon the appointment of a successor POA Agent and replacement of the existing POA Agent, the existing POA Agent shall be discharged from any further obligation in respect of the Power of Attorney. Its successor and each of the other Parties hereto shall have the same rights and obligations among themselves as they would have had if such successor had been an original Party hereto.

(k) The Company agrees that it will pay the fees of any successor POA Agent which shall be on reasonable market terms applicable to a financial institution operating in the Macau SAR undertaking obligations and responsibilities of the type contemplated herein and under the relevant Power of Attorney.

### 22.2 POA Agent's fee

The Borrower shall pay to the POA Agent (for its own account) a power-of-attorney agent fee in the amount and at the times agreed in any Fee Letter.

## 23. The Intercreditor Agent

### 23.1 Intercreditor Agent as agent

Each of the Primary Creditors authorises the Intercreditor Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Intercreditor Agent under or in connection with the Debt Documents together with any other incidental rights, powers, authorities and discretions.

### 23.2 Instructions

(a) The Intercreditor Agent shall:

(i) subject to paragraphs (d) and (e) below, exercise or refrain from exercising any right, power, authority or discretion vested in it as Intercreditor Agent in accordance with any instructions given to it by the Instructing Group; and

(ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with paragraph (i) above (or, if this Agreement stipulates the matter is a decision for any other Creditor or group of Creditors, in accordance with instructions given to it by that Creditor or group of Creditors).

(b) The Intercreditor Agent shall be entitled to request instructions, or clarification of any instruction, from the Instructing Group (or, if this Agreement stipulates the matter is a decision for any other Creditor or group of Creditors, from that Creditor or group of Creditors) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Intercreditor Agent may refrain from acting unless and until it receives those instructions or that clarification.

(c) Save in the case of decisions stipulated to be a matter for any other Creditor or group of Creditors under this Agreement and unless a contrary intention appears in this Agreement, any instructions given to the Intercreditor Agent by the Instructing Group shall override any conflicting instructions given by any other Parties and will be binding on all Primary Creditors.

(d) Paragraph (a) above shall not apply:

(i) where a contrary indication appears in this Agreement;

(ii) where this Agreement requires the Intercreditor Agent to act in a specified manner or to take a specified action;

(iii) in respect of any provision which protects the Intercreditor Agent's own position in its personal capacity as opposed to its role of Intercreditor Agent for the Primary Creditors including, without limitation, Clauses 23.5 (*No duty to account*) to Clause 23.10 (*Exclusion of liability*), and Clauses 23.13 (*Confidentiality*) to Clause 23.19 (*Insurance by Intercreditor Agent*);

(iv) in respect of the exercise of the Intercreditor Agent's discretion to exercise a right, power or authority under Clause 19.1 (*Order of application*).

(e) If giving effect to instructions given by the Instructing Group would (in the Intercreditor Agent's opinion) have an effect equivalent to an Intercreditor Amendment, the Intercreditor Agent shall not act in accordance with those instructions unless consent to it so acting is obtained from each Party (other than the Intercreditor Agent) whose consent would have been required in respect of that Intercreditor Amendment.

(f) In exercising any discretion to exercise a right, power or authority under the Debt Documents where either:

(i) it has not received any instructions as to the exercise of that discretion; or

(ii) the exercise of that discretion is subject to paragraph (d)(iv) above,

the Intercreditor Agent shall do so having regard to the interests of all the Secured Parties.

(g) The Intercreditor Agent may refrain from acting in accordance with any instructions of any Creditor or group of Creditors until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Debt Documents and which may include payment in advance) for any cost, loss or liability (together with any applicable Indirect Tax) which it may incur in complying with those instructions.

(h) Without prejudice to the provisions of Clause 15 (*Enforcement of Transaction Security*) and the remainder of this Clause 23.2, in the absence of instructions, the Intercreditor Agent may act (or refrain from acting) as it considers in its discretion to be appropriate.

**23.3 Duties of the Intercreditor Agent**

(a) The Intercreditor Agent's duties under the Debt Documents are solely mechanical and administrative in nature.

(b) The Intercreditor Agent shall promptly:

(i) forward to each Creditor Representative and to each Hedge Counterparty a copy of any document received by the Intercreditor Agent from any Debtor under any Debt Document; and

(ii) forward to a Party the original or a copy of any document which is delivered to the Intercreditor Agent for that Party by any other Party.

(c) Except where a Debt Document specifically provides otherwise, the Intercreditor Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.

(d) Without prejudice to Clause 28.3 (*Notification of prescribed events*), if the Intercreditor Agent receives notice from a Party referring to any Debt Document, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the Primary Creditors.

(e) The Intercreditor Agent shall have only those duties, obligations and responsibilities expressly specified in the Debt Documents to which it is expressed to be a party (and no others shall be implied).

### 23.4 No fiduciary duties to Debtors, Security Providers, Bondco or Subordinated Creditors

Nothing in this Agreement constitutes the Intercreditor Agent as an agent, trustee or fiduciary of any Debtor, any Security Provider, Bondco or any Subordinated Creditor.

### 23.5 No duty to account

The Intercreditor Agent shall not be bound to account to any other Secured Party for any sum or the profit element of any sum received by it for its own account.

### 23.6 Business with the Group

The Intercreditor Agent may accept deposits from, lend money to and generally engage in any kind of banking or other business with any member of the Group.

### 23.7 Rights and discretions

(a) The Intercreditor Agent may:

(i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;

(ii) assume that:

(A) any instructions received by it from the Instructing Group, any Creditors or any group of Creditors are duly given in accordance with the terms of the Debt Documents;

(B) unless it has received notice of revocation, that those instructions have not been revoked; and

(C) if it receives any instructions to act in relation to the Transaction Security, that all applicable conditions under the Debt Documents for so acting have been satisfied; and

(iii) rely on a certificate from any person:

(A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or

(B) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate.

(b) The Intercreditor Agent may assume (unless it has received notice to the contrary in its capacity as intercreditor agent for the Secured Parties) that:

(i) no Default has occurred;

(ii) any right, power, authority or discretion vested in any Party or any group of Creditors has not been exercised; and

(iii) any notice made by the Parent is made on behalf of and with the consent and knowledge of all the Debtors.

(c) The Intercreditor Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.

(d) Without prejudice to the generality of paragraph (c) above or paragraph (e) below, the Intercreditor Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Intercreditor Agent (and so separate from any lawyers instructed by any Primary Creditor) if the Intercreditor Agent in its reasonable opinion deems this to be desirable.

(e) The Intercreditor Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Intercreditor Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.

(f) The Intercreditor Agent may act in relation to the Debt Documents and the Security Property through its officers, employees and agents and shall not:

(i) be liable for any error of judgment made by any such person; or

(ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of any such person,

unless such error or such loss was directly caused by the Intercreditor Agent's gross negligence or wilful misconduct.

(g) Unless this Agreement expressly specifies otherwise, the Intercreditor Agent may disclose to any other Party any information it reasonably believes it has received as Intercreditor Agent under this Agreement.

(h) Notwithstanding any other provision of any Debt Document to the contrary, the Intercreditor Agent is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.

(i) Notwithstanding any provision of any Debt Document to the contrary, the Intercreditor Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

**23.8 Responsibility for documentation**

The Intercreditor Agent shall not be responsible or liable for:

(a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Intercreditor Agent, a Debtor or any other person in or in connection with any Debt Document or the transactions contemplated in the Debt Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document;

(b) the legality, validity, effectiveness, adequacy or enforceability of any Debt Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property; or

(c) any determination as to whether any information provided or to be provided to any Secured Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

### 23.9 No duty to monitor

The Intercreditor Agent shall not be bound to enquire:

(a) whether or not any Default has occurred;

(b) as to the performance, default or any breach by any Party of its obligations under any Debt Document; or

(c) whether any other event specified in any Debt Document has occurred.

### 23.10 Exclusion of liability

(a) Without limiting paragraph (b) below (and without prejudice to any other provision of any Debt Document excluding or limiting the liability of the Intercreditor ), the Intercreditor Agent shall not be liable for:

(i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Debt Document or the Security Property unless directly caused by its gross negligence or wilful misconduct;

(ii) exercising or not exercising any right, power, authority or discretion given to it by, or in connection with, any Debt Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Debt Document or the Security Property;

(iii) any shortfall which arises on the enforcement or realisation of the Security Property; or

(iv) without prejudice to the generality of paragraphs (i) to (iii) above, any damages, costs, losses, any diminution in value or any liability whatsoever arising as a result of:

(A) any act, event or circumstance not reasonably within its control; or

(B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

(b) No Party (other than the Intercreditor Agent) may take any proceedings against any officer, employee or agent of the Intercreditor Agent in respect of any claim it might have against the Intercreditor Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Debt Document or any Security Property and any officer, employee or agent of the Intercreditor Agent may rely on this Clause subject to Clause 1.5 (*Third party rights*) and the provisions of the Third Parties Act.

(c) Nothing in this Agreement shall oblige the Intercreditor Agent to carry out:

(i) any "know your customer" or other checks in relation to any person; or

(ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Primary Creditor,

on behalf of any Primary Creditor and each Primary Creditor confirms to the Intercreditor Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Intercreditor Agent.

(d) Without prejudice to any provision of any Debt Document excluding or limiting the liability of the Intercreditor Agent, any liability of the Intercreditor Agent arising under or in connection with any Debt Document or the Security Property shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Intercreditor Agent or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Intercreditor Agent at any time which increase the amount of that loss. In no event shall the Intercreditor Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Intercreditor Agent has been advised of the possibility of such loss or damages.

**23.11 Primary Creditors' indemnity to the Intercreditor Agent**

(a) Each Primary Creditor (other than any Creditor Representative) shall (in the proportion that the Liabilities due to it bear to the aggregate of the Liabilities due to all the Primary Creditors (other than any Creditor Representative) for the time being (or, if the Liabilities due to the Primary Creditors (other than any Creditor Representative) are zero, immediately prior to their being reduced to zero)), indemnify the Intercreditor Agent, within three Business Days of demand, against any cost, loss or liability incurred by any of them (otherwise than by reason of the Intercreditor Agent's gross negligence or wilful misconduct) in acting as Intercreditor Agent under, or exercising any authority conferred under, the Debt Documents (unless the Intercreditor Agent has been reimbursed by a Debtor pursuant to a Debt Document).

(b) For the purposes only of paragraph (a) above, to the extent that any hedging transaction under a Hedging Agreement has not been terminated or closed-out, the Hedging Liabilities due to any Hedge Counterparty in respect of that hedging transaction will be deemed to be:

(i) if the relevant Hedging Agreement is based on an ISDA Master Agreement, the amount, if any, which would be payable to it under that Hedging Agreement in respect of those hedging transactions, if the date on which the calculation is made was deemed to be an Early Termination Date (as defined in the relevant ISDA Master Agreement) for which the relevant Debtor is the Defaulting Party (as defined in the relevant ISDA Master Agreement); or

(ii) if the relevant Hedging Agreement is not based on an ISDA Master Agreement, the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction, if the date on which the calculation is made was deemed to be the date on which an event similar in meaning and effect (under that Hedging Agreement) to an Early Termination Date (as defined in any ISDA Master Agreement) occurred under that Hedging Agreement for which the relevant Debtor is in a position similar in meaning and effect (under that Hedging Agreement) to that of a Defaulting Party (under and as defined in the same ISDA Master Agreement),

that amount, in each case as calculated in accordance with the relevant Hedging Agreement.

(c) Subject to paragraph (d) below, the Parent shall immediately on demand reimburse any Primary Creditor for any payment that Primary Creditor makes to the Intercreditor Agent pursuant to paragraph (a) above.

(d) Paragraph (c) above shall not apply to the extent that the indemnity payment in respect of which the Primary Creditor claims reimbursement relates to a liability of the Intercreditor Agent to a Debtor.

**23.12 Resignation of the Intercreditor Agent**

(a) The Intercreditor Agent may resign and appoint one of its Affiliates as successor by giving notice to the Primary Creditors and the Parent.

(b) Alternatively the Intercreditor Agent may resign by giving 30 days' notice to the Primary Creditors and the Parent, in which case the Majority Super Senior Creditors and the Required Pari Passu Creditors may appoint a successor Intercreditor Agent.

(c) If the Majority Super Senior Creditors and the Required Pari Passu Creditors have not appointed a successor Intercreditor Agent in accordance with paragraph (b) above within 20 days after notice of resignation was given, the retiring Security Agent (after consultation with the Creditor Representatives and the Hedge Counterparties) may appoint a successor Intercreditor Agent.

(d) The retiring Intercreditor Agent shall, at its own cost, make available to the successor Intercreditor Agent such documents and records and provide such assistance as the successor Intercreditor Agent may reasonably request for the purposes of performing its functions as Intercreditor Agent under the Debt Documents.

(e) The Intercreditor Agent's resignation notice shall only take effect upon the appointment of a successor.

(f) Upon the appointment of a successor, the retiring Intercreditor Agent shall be discharged from any further obligation in respect of the Debt Documents (other than its obligations under paragraph (d) above) but shall remain entitled to the benefit of this Clause 23 and Clause 27.2 (*Indemnity to the Intercreditor Agent*) (and any Intercreditor Agent fees for the account of the retiring Intercreditor Agent shall cease to accrue from (and shall be payable on) that date). Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if that successor had been an original Party.

(g) The Majority Super Senior Creditors and the Required Pari Passu Creditors may, by notice to the Intercreditor Agent, require it to resign in accordance with paragraph (b) above. In this event, the Intercreditor Agent shall resign in accordance with paragraph (b) above but the cost referred to in paragraph (d) above shall be for the account of the Parent.

### 23.13 Confidentiality

(a) In acting as agent for the Secured Parties, the Intercreditor Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.

(b) If information is received by another division or department of the Intercreditor Agent, it may be treated as confidential to that division or department and the Intercreditor Agent shall not be deemed to have notice of it.

(c) Notwithstanding any other provision of any Debt Document to the contrary, the Intercreditor Agent is not obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty.

### 23.14 Information from the Creditors

Each Creditor shall supply the Intercreditor Agent with any information that the Intercreditor Agent may reasonably specify as being necessary or desirable to enable the Intercreditor Agent to perform its functions as Intercreditor Agent.

### 23.15 Credit appraisal by the Secured Parties

Without affecting the responsibility of any Debtor for information supplied by it or on its behalf in connection with any Debt Document, each Secured Party confirms to the Intercreditor Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Debt Document including but not limited to:

(a) the financial condition, status and nature of each member of the Group;

(b) the legality, validity, effectiveness, adequacy or enforceability of any Debt Document, the Security Property and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property;

(c) whether that Secured Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Debt Document, the Security Property, the transactions contemplated by the Debt Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property;

(d) the adequacy, accuracy or completeness of any information provided by the Common Security Agent, any Party or by any other person under or in connection with any Debt Document, the transactions contemplated by any Debt Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document; and

(e) the right or title of any person in or to, or the value or sufficiency of any part of the Charged Property, the priority of any of the Transaction Security or the existence of any Security affecting the Charged Property.

### 23.16 Intercreditor Agent's management time and additional remuneration

(a) Any amount payable to the Intercreditor Agent under Clause 23.11 (*Primary Creditors' indemnity to the Intercreditor Agent*), Clause 26 (*Costs and expenses*) or Clause 27.2 (*Indemnity to the Intercreditor Agent*) shall include the cost of utilising the Intercreditor Agent's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Intercreditor Agent may notify to the Parent and the Primary Creditors, and is in addition to any other fee paid or payable to the Intercreditor Agent.

(b) Without prejudice to paragraph (a) above, in the event of:

(i) a Default;

(ii) the Intercreditor Agent being requested by a Debtor, a Security Provider or the Instructing Group to undertake duties which the Intercreditor Agent and the Parent agree to be of an exceptional nature or outside the scope of the normal duties of the Intercreditor Agent under the Debt Documents;

(iii) the proposed accession of any Credit Facility Creditors or Pari Passu Debt Creditors pursuant to Clause 25.11 (*Accession of Credit Facility Creditors under New Credit Facilities*) or Clause 25.12 (*Accession of Pari Passu Debt Creditors under New Pari Passu Notes or Pari Passu Facilities*) respectively; or

(iv) the Intercreditor Agent and the Parent agreeing that it is otherwise appropriate in the circumstances,

the Parent shall pay to the Intercreditor Agent any additional remuneration (together with any applicable Indirect Tax) that may be agreed between them or determined pursuant to paragraph (c) below.

(c) If the Intercreditor Agent and the Parent fail to agree upon the nature of the duties or upon the additional remuneration referred to in paragraph (b) above or whether additional remuneration is appropriate in the circumstances, any dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Intercreditor Agent and approved by the Parent or, failing approval, nominated (on the application of the Intercreditor Agent) by the President for the time being of the Law Society of Hong Kong (the costs of the nomination and of the investment bank being payable by the Parent) and the determination of any investment bank shall be final and binding upon the Parties.

**23.17 Reliance and engagement letters**

The Intercreditor Agent may obtain and rely on any certificate or report from any Debtor’s auditor and may enter into any reliance letter or engagement letter relating to that certificate or report on such terms as it may consider appropriate (including, without limitation, restrictions on the auditor’s liability and the extent to which that certificate or report may be relied on or disclosed).

**23.18 No responsibility to perfect Transaction Security**

The Intercreditor Agent shall not be liable for any failure to:

(a) require the deposit with it of any deed or document certifying, representing or constituting the title of any Debtor to any of the Charged Property;

(b) obtain any licence, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any Debt Document or the Transaction Security;

(c) register, file or record or otherwise protect any of the Transaction Security (or the priority of any of the Transaction Security) under any law or regulation or to give notice to any person of the execution of any Debt Document or of the Transaction Security;

(d) take, or to require any Debtor to take, any step to perfect its title to any of the Charged Property or to render the Transaction Security effective or to secure the creation of any ancillary Security under any law or regulation; or

(e) require any further assurance in relation to any Security Document.

**23.19 Insurance by Intercreditor Agent**

(a) The Intercreditor Agent shall not be obliged:

(i) to insure any of the Charged Property;

(ii) to require any other person to maintain any insurance; or

(iii) to verify any obligation to arrange or maintain insurance contained in any Debt Document,

and the Intercreditor Agent shall not be liable for any damages, costs or losses to any person as a result of the lack of, or inadequacy of, any such insurance.

**23.20 Delegation by the Intercreditor Agent**

(a) The Intercreditor Agent may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any right, power, authority or discretion vested in it in its capacity as such.

(b) That delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Intercreditor Agent may, in its discretion, think fit in the interests of the Secured Parties.

(c) The Intercreditor Agent shall not be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

**23.21 Winding up of trust**

The Intercreditor Agent shall assist the Common Security Agent in making any determination in connection with Clause 21.25 (*Winding up of trust*) that:

(a) all of the Secured Obligations and all other obligations secured by the Security Documents have been fully and finally discharged; and

(b) no Secured Party is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Debtor pursuant to the Debt Documents.

**23.22 Intra-Group Lenders, Debtors and Security Providers: power of attorney**

Each Intra-Group Lender, Debtor and Security Provider by way of security for its obligations under this Agreement irrevocably appoints the Intercreditor Agent to be its attorney to do anything which that Intra-Group Lender, Debtor or Security Provider has authorised the Intercreditor Agent or any other Party to do under this Agreement or is itself required to do under this Agreement but has failed to do (and the Intercreditor Agent may delegate that power on such terms as it sees fit).

### 23.23 Intercreditor Agent's fee

(a) The Borrower shall pay to the Intercreditor Agent (for its own account) an intercreditor agency fee in the amount and at the times agreed in any Fee Letter.

(b) The Borrower shall pay to the Intercreditor Agent (for its own account) such further fee in respect of the accession of additional persons as Parties in the amount and at the times as may be agreed between the Borrower and the Intercreditor Agent in any Fee Letter.

## 24. Pari Passu Note Trustee Protections

### 24.1 Limitation of Pari Passu Note Trustee Liability

It is expressly understood and agreed by the Parties that this Agreement is executed and delivered by each Pari Passu Note Trustee not individually or personally but solely in its capacity as a Pari Passu Note Trustee in the exercise of the powers and authority conferred and vested in it under the relevant Pari Passu Debt Documents. It is further understood by the Parties that in no case shall a Pari Passu Note Trustee be (a) responsible or accountable in damages or otherwise to any other Party for any loss, damage or claim incurred by reason of any act or omission performed or omitted by it in good faith in accordance with this Agreement and in a manner that the relevant Pari Passu Note Trustee believed to be within the scope of the authority conferred on the Pari Passu Note Trustee by this Agreement and the relevant Pari Passu Debt Documents or by law, or (b) personally liable for or on account of any of the statements, representations, warranties, covenants or obligations stated to be those of any other Party, all such liability, if any, being expressly waived by the Parties and any person claiming by, through or under such Party, *provided* however, that a Pari Passu Note Trustee shall be personally liable under this Agreement for its own gross negligence or wilful misconduct. It is also acknowledged that a Pari Passu Note Trustee shall not have any responsibility for the actions of any individual Pari Passu Noteholder.

### 24.2 Note Trustee not fiduciary for other Creditors

The Pari Passu Note Trustee shall not be deemed to owe any fiduciary duty to any of the Creditors (other than the Pari Passu Noteholders for which it is the Creditor Representative), any of the Subordinated Creditors or any member of the Group and shall not be liable to any Creditor (other than the Pari Passu Noteholders for which it is the Creditor Representative) any Subordinated Creditor or any member of the Group if the Pari Passu Note Trustee shall in good faith mistakenly pay over or distribute to the Pari Passu Noteholders or to any other person cash, property or securities to which any Creditor (other than the Pari Passu Noteholders for which it is the Creditor Representative) shall be entitled by virtue of this Agreement or otherwise. With respect to the Creditors (other than the Pari Passu Noteholders for which it is the Creditor Representative) and any Subordinated Creditor, the Pari Passu Note Trustee undertakes to perform or to observe only such of its covenants or obligations as are specifically set forth in the relevant Pari Passu Debt Documents (including this Agreement) and no implied covenants or obligations with respect to Creditors (other than the Pari Passu Noteholders for which it is the Creditor Representative) and any Subordinated Creditor shall be read into this Agreement against a Pari Passu Note Trustee.

### 24.3 Reliance on certificates

A Pari Passu Note Trustee may rely without enquiry on any notice, consent or certificate of the Common Security Agent, the Intercreditor Agent, any other Creditor Representative or any Hedge Counterparty as to the matters certified therein.

### 24.4 Pari Passu Note Trustee

In acting under and in accordance with this Agreement a Pari Passu Note Trustee shall act in accordance with the relevant Pari Passu Note Indenture and shall seek any necessary instruction from the relevant Pari Passu Noteholders, to the extent provided for, and in accordance with, the relevant Pari Passu Note Indenture, and where it so acts on the instructions of the Pari Passu Noteholders, the Pari Passu Note Trustee shall not incur any liability to any person for so acting other than in accordance with the Pari Passu Note Indenture. Furthermore, prior to taking any action under this Agreement or the relevant Pari Passu Debt Documents, as the case may be, the Pari Passu Note Trustee may reasonably request and rely upon an opinion of counsel or opinion of another qualified expert, at the Parent's expense, as applicable; *provided, however, that* any such opinions shall be at the expense of the relevant Pari Passu Noteholders, if such actions are on the instructions of the relevant Pari Passu Noteholders.

### 24.5 Turnover obligations

Notwithstanding any provision in this Agreement to the contrary, a Pari Passu Note Trustee shall only have an obligation to turn over or repay amounts received or recovered under this Agreement by it (a) if it had actual knowledge that the receipt or recovery is an amount received in breach of a provision of this Agreement (a "**Turnover Receipt**") and (b) to the extent that, prior to receiving that knowledge, it has not distributed the amount of the Turnover Receipt to the Pari Passu Noteholders for which it is the Creditor Representative in accordance with the provisions of the relevant Pari Passu Note Indenture. For the purpose of this Clause 24.5, (i) "actual knowledge" of the Pari Passu Note Trustee shall be construed to mean the Pari Passu Note Trustee shall not be charged with knowledge (actual or otherwise) of the existence of facts that would impose an obligation on it to make any payment or prohibit it from making any payment unless a responsible officer of such Pari Passu Note Trustee has received, not less than two Business Days' prior to the date of such payment, a written notice that such payments are required or prohibited by this Agreement; and (ii) "responsible officer" when used in relation to the Pari Passu Note Trustee means any person who is an officer within the corporate trust and agency department of the Pari Passu Note Trustee, including any director, associate director, vice president, assistance vice president, senior associate, assistant treasurer, trust officer, or any other officer of the Pari Passu Note Trustee who customarily performs functions similar to those performed by such officers, or to whom any corporate trust matter is referred because of such individual's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Agreement.

### 24.6 Creditors and the Pari Passu Note Trustee

In acting pursuant to this Agreement and the relevant Pari Passu Note Indenture, the Pari Passu Note Trustee is not required to have any regard to the interests of the Creditors (other than the Pari Passu Noteholders for which it is the Creditor Representative Creditors) or any Subordinated Creditor.

### 24.7 Pari Passu Note Trustee; reliance and information

(a) The Pari Passu Note Trustee may rely and shall be fully protected in acting or refraining from acting upon any notice or other document reasonably believed by it to be genuine and correct and to have been signed by, or with the authority of, the proper person.

(b) Without affecting the responsibility of any Debtor or Security Provider for information supplied by it or on its behalf in connection with any Debt Document, each Primary Creditor (other than the Pari Passu Noteholders for which it is the Creditor Representative) confirms that it has not relied exclusively on any information provided to it by a Pari Passu Note Trustee in connection with any Debt Document. A Pari Passu Note Trustee is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another party.

(c) A Pari Passu Note Trustee is entitled to assume that:

(i) any payment or other distribution made in respect of the Liabilities, respectively, has been made in accordance with the provisions of this Agreement;

(ii) any Security granted in respect of the Pari Passu Debt Liabilities is in accordance with Clause 4.2 (*Security: Pari Passu Debt Creditors*);

(iii) no Default has occurred; and

(iv) the Pari Passu Debt Discharge Date has not occurred,

unless it has actual notice to the contrary. A Pari Passu Note Trustee is not obliged to monitor or enquire whether any such default has occurred.

**24.8 No action**

A Pari Passu Note Trustee shall not have any obligation to take any action under this Agreement unless it is indemnified or secured to its satisfaction (whether by way of payment in advance or otherwise) by the Debtors or the Pari Passu Noteholders for which it is the Creditor Representative, as applicable, in accordance with the terms of the relevant Pari Passu Note Indenture. A Pari Passu Note Trustee is not required to indemnify any other person, whether or not a Party in respect of the transactions contemplated by this Agreement.

**24.9 Departmentalisation**

In acting as a Pari Passu Note Trustee, a Pari Passu Note Trustee shall be treated as acting through its agency division which shall be treated as a separate entity from its other divisions and departments. Any information received or acquired by a Pari Passu Note Trustee which is received or acquired by some other division or department or otherwise than in its capacity as Pari Passu Note Trustee may be treated as confidential by that Pari Passu Note Trustee and will not be treated as information possessed by that Pari Passu Note Trustee in its capacity as such.

**24.10 Other Parties not affected**

This Clause 24 is intended to afford protection to each Pari Passu Note Trustee only and no provision of this Clause 24 shall alter or change the rights and obligations as between the other parties in respect of each other.

**24.11 Common Security Agent, Intercreditor Agent and the Pari Passu Note Trustees**

(a) A Pari Passu Note Trustee is not responsible for the appointment or for monitoring the performance of the Common Security Agent or the Intercreditor Agent.

(b) A Pari Passu Note Trustee shall be under no obligation to instruct or direct the Common Security Agent or the Intercreditor Agent to take any Security enforcement action unless it shall have been instructed to do so by the Pari Passu Noteholders for which it is the Creditor Representative and indemnified and/or secured to its satisfaction.

(c) The Common Security Agent and the Intercreditor Agent acknowledge and agree that it has no claims for any fees, costs or expenses from, or indemnification against, a Pari Passu Note Trustee.

### 24.12 Provision of information

A Pari Passu Note Trustee is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party. A Pari Passu Note Trustee is not responsible for:

(a) providing any Creditor with any credit or other information concerning the risks arising under or in connection with the Transaction Security Documents or Pari Passu Debt Documents (including any information relating to the financial condition or affairs of any Debtor or Security Provider or their related entities or the nature or extent of recourse against any party or its assets) whether coming into its possession before, on or after the date of this Agreement; or

(b) obtaining any certificate or other document from any Creditor.

### 24.13 Disclosure of information

Each Debtor irrevocably authorises a Pari Passu Note Trustee to disclose to any other Debtor any information that is received by that Pari Passu Note Trustee in its capacity as Pari Passu Note Trustee.

### 24.14 Illegality

A Pari Passu Note Trustee may refrain from doing anything (including disclosing any information) which might, in its opinion, constitute a breach of any law or regulation and may do anything which, in its opinion, is necessary or desirable to comply with any law or regulation.

### 24.15 Resignation of Pari Passu Note Trustee

A Pari Passu Note Trustee may resign or be removed in accordance with the terms of the relevant Pari Passu Note Indenture, *provided that* a replacement of such Pari Passu Note Trustee agrees with the Parties to become the replacement trustee under this Agreement by the execution of a Creditor/Creditor Representative Accession Undertaking.

### 24.16 Agents

A Pari Passu Note Trustee may act through its attorneys and agents and shall not be responsible for the misconduct or negligence of any attorney or agent appointed with reasonable care by it hereunder.

### 24.17 No requirement for bond or security

A Pari Passu Note Trustee shall not be required to give any bond or surety with respect to the performance of its duties or the exercise of its powers under this Agreement.

### 24.18 Provisions survive termination

The provisions of this Clause 24 shall survive any termination or discharge of this Agreement or the resignation or replacement of the Pari Passu Note Trustee.

## 25. Changes to the Parties

### 25.1 Assignments and transfers

No Party may:

(a) assign any of its rights; or

(b) transfer any of its rights and obligations,

in respect of any Debt Documents or the Liabilities except as permitted by this Clause 25.

**25.2 [Reserved]**

**25.3 Accession and change of Subordinated Creditor**

(a) Any direct or indirect shareholder (or affiliate who is not a member of the Group) of the Parent that makes any loan or financial accommodation to the Parent may (if not already a Party as a Subordinated Creditor) accede to this Agreement as a Subordinated Creditor pursuant to Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*).

(b) Subject to Clause 10.4 (*No acquisition of Subordinated Liabilities*), a Subordinated Creditor may:

(i) assign any of its rights; or

(ii) transfer any of its rights and obligations,

in respect of the Subordinated Liabilities owed to it if any assignee or transferee has (if not already party to this Agreement as a Subordinated Creditor) acceded to this Agreement as a Subordinated Creditor pursuant to Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*) and, to the extent that following such transfer it is no longer owed any Subordinated Liabilities, such transferring Subordinated Creditor shall cease to be a Subordinated Creditor under and in accordance with this Agreement.

**25.4 Accession and change of Bondco**

(a) A person (other than a member of the Group) may accede to this Agreement as a Bondco pursuant to Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*).

(b) A Bondco may:

(i) assign any of its rights; or

(ii) transfer any of its rights and obligations,

in respect of the Bondco Liabilities owed to it to any person (other than a member fo the Group) if any assignee or transferee has (if not already party to this Agreement as a Bondco) acceded to this Agreement as a Bondco pursuant to Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*) and, to the extent that following such transfer it is no longer owed any Bondco Liabilities, such transferring Bondco shall cease to be a Bondco under and in accordance with this Agreement.

**25.5 Change of Credit Facility Lender or Pari Passu Lender under an Existing Credit Facility or Pari Passu Facility**

(a) A Credit Facility Lender or Pari Passu Lender under an existing Credit Facility or Pari Passu Facility may:

(i) assign any of its rights; or

(ii) transfer by novation any of its rights and obligations,

in respect of any Debt Documents or the Liabilities if:

(A) that assignment or transfer is in accordance with the terms of the Credit Facility Agreement or Pari Passu Facility Agreement to which it is a party; and

(B) subject to paragraph (b) below, any assignee or transferee has (if not already a Party as a Credit Facility Lender or Pari Passu Lender, as applicable) acceded to this Agreement, as a Credit Facility Lender or Pari Passu Lender, as applicable, pursuant to Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*).

(b) Paragraph (a)(ii)(B) above shall not apply in respect of:

(i) any Debt Purchase Transaction (as defined in the Credit Facility Agreement) in respect of a Pari Passu Facility permitted by any provision of the relevant Pari Passu Facility Agreement; and

(ii) any Liabilities Acquisition of the Credit Facility Liabilities or Pari Passu Debt Liabilities by a member of the Group permitted under the Credit Facility Agreement or Pari Passu Facility Agreement (as applicable) and pursuant to which the relevant Liabilities are discharged,

effected in accordance with the terms of the Debt Documents.

**25.6 Change of Pari Passu Noteholder**

Any Pari Passu Noteholder may assign, transfer or novate any of its rights and obligations to any person without the need for such person to execute and deliver to the Intercreditor Agent a Creditor / Creditor Representative Accession Undertaking.

**25.7 Change of Hedge Counterparty**

A Hedge Counterparty may (in accordance with the terms of the relevant Hedging Agreement and subject to any consent required under that Hedging Agreement) transfer any of its rights or obligations in respect of the Hedging Agreements to which it is a party if any transferee has (if not already a Party as a Hedge Counterparty) acceded to this Agreement pursuant to Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*) as a Hedge Counterparty.

**25.8 Change of Creditor Representative**

No person shall become a Creditor Representative unless at the same time, it accedes to this Agreement as a Creditor Representative pursuant to Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*).

**25.9 Change of Intra-Group Lender**

Subject to Clause 8.4 (*Acquisition of Intra-Group Liabilities*) and to the terms of the other Debt Documents, any Intra-Group Lender may:

(a) assign any of its rights; or

(b) transfer any of its rights and obligations,

in respect of the Intra-Group Liabilities to another member of the Group if that member of the Group has (if not already a Party as an Intra-Group Lender) acceded to this Agreement as an Intra-Group Lender pursuant to Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*) (*provided* that such member of the Group will not be required to accede to this Agreement as an Intra-Group Lender under this Clause 25.9 if it would otherwise not have been required to do so under the terms of Clause 25.10 (*New Intra-Group Lender*) if it had been the original creditor of such Intra-Group Liability) and, to the extent that following such transfer it is no longer owed any Intra-Group Liabilities, such transferring Intra-Group Lender shall cease to be an Intra-Group Lender under and in accordance with this Agreement.

### 25.10 New Intra-Group Lender

If any Intra-Group Lender or any member of the Group makes any loan to or grants any credit to or makes any other financial arrangement having similar effect with any Debtor, in an aggregate amount of USD 1,000,000 or more, the Parent will procure that the person giving that loan, granting that credit or making that other financial arrangement (if not already a Party as an Intra-Group Lender) accedes to this Agreement as an Intra-Group Lender pursuant to Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*).

### 25.11 Accession of Credit Facility Creditors under New Credit Facilities

In order for any credit facility (other than the Facilities in the Credit Facility Agreement on the date of this Agreement) to be a "Credit Facility" for the purposes of this Agreement:

(a) the Parent shall designate that credit facility as a Credit Facility and confirm in writing to the Primary Creditors that the establishment of that credit facility as a Credit Facility under this Agreement will not breach the terms of any of its existing Credit Facility Documents or Pari Passu Debt Documents;

(b) each creditor in respect of that credit facility shall accede to this Agreement as a Credit Facility Lender;

(c) each arranger in respect of that credit facility shall accede to this Agreement as a Credit Facility Arranger;

(d) any additional remuneration for the Common Security Agent in connection with the accession shall have been determined pursuant to Clause 21.17 (*Common Security Agent's management time and additional remuneration*); and

(e) any additional remuneration for the Intercreditor Agent in connection with the accession shall have been determined pursuant to Clause 23.16 (*Intercreditor Agent's management time and additional remuneration*).

### 25.12 Accession of Pari Passu Debt Creditors under New Pari Passu Notes or Pari Passu Facilities

(a) In order for indebtedness in respect of any issuance of debt securities to constitute "Pari Passu Debt Liabilities" for the purposes of this Agreement:

(i) the Parent shall designate that issuance of debt securities as Pari Passu Notes and confirm in writing to the Primary Creditors that the incurrence of those debt securities as Pari Passu Debt Liabilities under this Agreement will not breach the terms of any of its existing Credit Facility Documents or Pari Passu Debt Documents;

(ii) the trustee in respect of those debt securities shall accede to this Agreement as the Creditor Representative in relation to those Pari Passu Debt Liabilities pursuant to Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*);

(iii) any additional remuneration for the Common Security Agent in connection with the accession shall have been determined pursuant to Clause 21.17 (*Common Security Agent's management time and additional remuneration*); and

(iv) any additional remuneration for the Intercreditor Agent in connection with the accession shall have been determined pursuant to Clause 23.16 (*Intercreditor Agent's management time and additional remuneration*).

(b) In order for indebtedness under any credit facility to constitute "Pari Passu Debt Liabilities" for the purposes of this Agreement:

(i) the Parent shall designate that credit facility as a Pari Passu Facility and confirm in writing to the Primary Creditors that the establishment of that Pari Passu Facility as Pari Passu Debt Liabilities under this Agreement will not breach the terms of any of its existing Credit Facility Documents or Pari Passu Debt Documents;

(ii) each creditor in respect of that credit facility shall accede to this Agreement as a Pari Passu Debt Creditor;

(iii) each arranger in respect of that credit facility shall accede to this Agreement as a Pari Passu Arranger;

(iv) the facility agent in respect of that credit facility shall accede to this Agreement as the Creditor Representative in relation to that credit facility pursuant to Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*);

(v) any additional remuneration for the Common Security Agent in connection with the accession shall have been determined pursuant to Clause 21.17 (*Common Security Agent's management time and additional remuneration*); and

(vi) any additional remuneration for the Intercreditor Agent in connection with the accession shall have been determined pursuant to Clause 23.16 (*Intercreditor Agent's management time and additional remuneration*).

**25.13 New Ancillary Lender**

If any Affiliate of a Credit Facility Lender becomes an Ancillary Lender in accordance with the Credit Facility Agreement, it shall not be entitled to share in any of the Transaction Security or in the benefit of any guarantee or indemnity in respect of any of the liabilities arising in relation to its Ancillary Facilities unless it has (if not already a Party as a Credit Facility Lender) acceded to this Agreement as a Credit Facility Lender pursuant to Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*) and, to the extent required by the Credit Facility Agreement, to the Credit Facility Agreement as an Ancillary Lender.

**25.14 Creditor/Creditor Representative Accession Undertaking**

With effect from the date of acceptance by the Intercreditor Agent of a Creditor/Creditor Representative Accession Undertaking duly executed and delivered to the Intercreditor Agent by the relevant acceding party or, if later, the date specified in that Creditor/Creditor Representative Accession Undertaking:

(a) any Party ceasing entirely to be a Creditor shall be discharged from further obligations towards the Common Security Agent, the Intercreditor Agent and other Parties under this Agreement and their respective rights against one another shall be cancelled (except in each case for those rights which arose prior to that date);

(b) as from that date, the replacement or new Creditor shall assume the same obligations and become entitled to the same rights, as if it had been an original Party in the capacity specified in the Creditor/Creditor Representative Accession Undertaking; and

(c) to the extent envisaged by the relevant Credit Facility Agreement, any new Ancillary Lender (which is an Affiliate of a Credit Facility Lender shall also become party to the relevant Credit Facility Agreement as an Ancillary Lender and shall assume the same obligations and become entitled to the same rights as if it had been an original party to the Credit Facility Agreement as an Ancillary Lender.

### 25.15 New Debtor

(a) If any member of the Group:

(i) incurs any Liabilities; or

(ii) gives any Security, guarantee, indemnity or other assurance against loss in respect of any of the Liabilities,

the Debtors will procure that the person incurring those Liabilities or giving that assurance accedes to this Agreement as a Debtor in accordance with paragraph (c) below no later than contemporaneously with the incurrence of those Liabilities or the giving of that assurance.

(b) If any Affiliate of a Credit Facility Borrower becomes a borrower of an Ancillary Facility in accordance with the relevant Credit Facility Agreement, the relevant Credit Facility Borrower shall procure that such Affiliate accedes to this Agreement as a Debtor no later than contemporaneously with the date on which it becomes a borrower.

(c) With effect from the date of acceptance by the Intercreditor Agent of a Debtor Accession Deed duly executed and delivered to the Intercreditor Agent by the new Debtor or, if later, the date specified in the Debtor Accession Deed, the new Debtor shall assume the same obligations and become entitled to the same rights as if it had been an original Party as a Debtor.

### 25.16 Additional Parties

(a) Each of the Parties appoints the Intercreditor Agent to receive on its behalf each Debtor Accession Deed and Creditor/Creditor Representative Accession Undertaking delivered to the Intercreditor Agent and the Intercreditor Agent shall, as soon as reasonably practicable after receipt by it, sign and accept the same if it appears on its face to have been completed, executed and, where applicable, delivered in the form contemplated by this Agreement or, where applicable, by the relevant Debt Document. Each of the Secured Parties authorises the Common Security Agent to sign and accept each Debtor Accession Deed delivered to the Common Security Agent and the Common Security Agent shall, as soon as reasonably practicable after receipt by it, sign and accept the same if it appears on its face to have been completed, executed and, where applicable, delivered in the form contemplated by this Agreement or, where applicable, by the relevant Debt Document.

(b) The Intercreditor Agent shall only be obliged to execute a Creditor/Creditor Representative Accession Undertaking delivered to it by a person intending to accede as a Creditor or Creditor Representative once it is satisfied that it has complied with all necessary “know your customer” or other similar other checks under all applicable laws and regulations in relation to that person’s accession.

(c) Neither the Intercreditor Agent nor the Common Security Agent shall be obliged to execute a Debtor Accession Deed delivered to it by a person intending to accede as a Debtor unless and until it is satisfied that it has complied with all necessary “know your customer” or other similar other checks under all applicable laws and regulations in relation to that person’s accession.

(d) In the case of a Creditor/Creditor Representative Accession Undertaking delivered to the Intercreditor Agent by any new Ancillary Lender (which is an Affiliate of a Credit Facility Lender):

(i) the Intercreditor Agent shall, as soon as practicable after signing and accepting that Creditor/Creditor Representative Accession Undertaking in accordance with paragraph (a) above, deliver that Creditor/Creditor Representative Accession Undertaking to the relevant Creditor Representative; and

(ii) the relevant Creditor Representative shall, as soon as practicable after receipt by it, sign and accept that Creditor/Creditor Representative Accession Undertaking if it appears on its face to have been completed, executed and delivered in the form contemplated by this Agreement.

**25.17 Resignation of a Debtor**

(a) No relevant Debtor may cease to be party to a Credit Facility Agreement or a Pari Passu Debt Document in accordance with those agreements unless each Hedge Counterparty has notified the Intercreditor Agent:

(i) that no payment is due from that Debtor to that Hedge Counterparty under those agreements; or

(ii) that it otherwise consents to that Debtor ceasing to be a Debtor under those agreements.

The Intercreditor Agent shall, upon receiving that notification, notify the Creditor Representative in respect of that Credit Facility or that Pari Passu Debt Document (as applicable).

(b) The Parent may request that a Debtor ceases to be a Debtor by delivering to the Intercreditor Agent a Debtor Resignation Request.

(c) The Intercreditor Agent shall accept a Debtor Resignation Request and notify the Parent and each other Party of its acceptance if:

(i) the Parent or the Borrower has confirmed that no Event of Default is continuing or would result from the acceptance of the Debtor Resignation Request;

(ii) to the extent that the Credit Facility Lender Discharge Date has not occurred, the Credit Facility Agent notifies the Intercreditor Agent that that Debtor is not, or has ceased to be, a Credit Facility Borrower or a Credit Facility Guarantor;

(iii) to the extent that the Rolled Loan Discharge Date has not occurred, the Credit Facility Agent notifies the Intercreditor Agent that that Debtor is not, or has ceased to be, a Credit Facility Borrower or a Credit Facility Guarantor;

(iv) each Hedge Counterparty notifies the Intercreditor Agent that that Debtor is under no actual or contingent obligations to that Hedge Counterparty in respect of the Hedging Liabilities;

(v) to the extent that the Pari Passu Debt Discharge Date has not occurred, each Pari Passu Note Trustee notifies the Intercreditor Agent that the Debtor is not, or has ceased to be, an issuer or guarantor of the Pari Passu Debt Liabilities for which it is the Creditor Representative; and

(vi) the Parent confirms that that Debtor is under no actual or contingent obligations in respect of the Intra-Group Liabilities.

(d) Upon notification by the Intercreditor Agent to the Parent of its acceptance of the resignation of a Debtor, that member of the Group shall cease to be a Debtor and shall have no further rights or obligations under this Agreement as a Debtor.

**Section 8**
**Additional payment obligations**

## 26. Costs and expenses

### 26.1 Transaction expenses

The Parent shall pay (or shall procure that another member of the Group pays) the Common Security Agent, the POA Agent or the Intercreditor Agent (as applicable) within five (5) Business Days of demand the amount of all costs and expenses (including legal fees) (together with any applicable Indirect Tax) reasonably incurred by the Common Security Agent, the POA Agent or the Intercreditor Agent (or by any Receiver or Delegate) in connection with the negotiation, preparation, printing, execution and perfection of:

(a) this Agreement and any other documents referred to in this Agreement and the Transaction Security; and

(b) any other Debt Documents executed after the date of this Agreement.

### 26.2 Amendment costs

If a Debtor or a Security Provider requests an amendment, waiver or consent, the Parent shall, within five (5) Business Days of demand, reimburse (or shall procure that another member of the Group reimburses) the Common Security Agent, the POA Agent or the Intercreditor Agent (as applicable) for the amount of all costs and expenses (including legal fees) (together with any applicable Indirect Tax) reasonably incurred by the Common Security Agent, the POA Agent or the Intercreditor Agent (or by any Receiver or Delegate) in responding to, evaluating, negotiating or complying with that request or requirement.

### 26.3 Enforcement and preservation costs

The Parent shall, within five (5) Business Days of demand, pay (or shall procure that another member of the Group pays) to the Common Security Agent, the POA Agent or the Intercreditor Agent (as applicable) the amount of all costs and expenses (including legal fees and together with any applicable Indirect Tax) incurred by the Common Security Agent, the POA Agent or the Intercreditor Agent (or by any Receiver or Delegate) in connection with the enforcement of or the preservation of any rights under any Debt Document and the Transaction Security and any proceedings instituted by or against the Common Security Agent, the POA Agent or the Intercreditor Agent (or any Receiver or Delegate) as a consequence of taking or holding the Transaction Security or enforcing these rights.

### 26.4 Stamp taxes

The Parent shall pay and, within five (5) Business Days of demand, indemnify the Common Security Agent, the POA Agent or the Intercreditor Agent (as applicable) against any cost, loss or liability the Common Security Agent, the POA Agent or the Intercreditor Agent incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Debt Document.

### 26.5 Interest on demand

If any Creditor or Debtor fails to pay any amount payable by it under this Agreement on its due date, interest shall accrue on the overdue amount (and be compounded with it) from the due date up to the date of actual payment (both before and after judgment and to the extent interest at a default rate is not otherwise being paid on that sum) at the rate which is 2.0 per cent. per annum over the rate at which the Intercreditor Agent would be able to obtain by placing on deposit with a leading bank an amount comparable to the unpaid amounts in the currencies of those amounts for any period(s) that the Intercreditor Agent may from time to time select, *provided that* if any such rate is below zero, that rate will be deemed to be zero.

## 27. Other indemnities

### 27.1 Indemnity to the Common Security Agent

(a) Each Debtor jointly and severally shall promptly indemnify the Common Security Agent, the POA Agent and every Receiver and Delegate against any cost, loss or liability (together with any applicable Indirect Tax) incurred by any of them as a result of:

(i) any failure by the Parent to comply with its obligations under Clause 26 (*Costs and expenses*);

(ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;

(iii) the taking, holding, protection or enforcement of the Transaction Security;

(iv) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Common Security Agent, each Receiver and each Delegate and the POA Agent by the Debt Documents or by law;

(v) any default by any Debtor or Security Provider in the performance of any of the obligations expressed to be assumed by it in the Debt Documents;

(vi) instructing lawyers, accountants, tax advisers, surveyors, a Financial Adviser or other professional advisers or experts as permitted under this Agreement; or

(vii) acting as Common Security Agent, Receiver or Delegate under the Debt Documents or which otherwise relates to any of the Security Property (otherwise, in each case, than by reason of the relevant Common Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct).

(b) Each Debtor expressly acknowledges and agrees that the continuation of its indemnity obligations under this Clause 27.1 will not be prejudiced by any release or disposal under Clause 17 (*Distressed Disposals*) taking into account the operation of that Clause 17.

(c) The Common Security Agent and every Receiver and Delegate may, in priority to any payment to the Secured Parties, indemnify itself out of the Charged Property in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this Clause 27.1 and shall have a lien on the Transaction Security and the proceeds of the enforcement of the Transaction Security for all moneys payable to it.

### 27.2 Indemnity to the Intercreditor Agent

(a) Each Debtor jointly and severally shall promptly indemnify the Intercreditor Agent against any cost, loss or liability (together with any applicable Indirect Tax) incurred by the Intercreditor Agent as a result of:

(i) any failure by the Parent to comply with its obligations under Clause 26 (*Costs and expenses*);

(ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;

(iii) the taking, protection or enforcement of the Transaction Security;

(iv) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Intercreditor Agent by the Debt Documents or by law;

(v) any default by any Debtor or Security Provider in the performance of any of the obligations expressed to be assumed by it in the Debt Documents;

(vi) instructing lawyers, accountants, tax advisers, surveyors, a Financial Adviser or other professional advisers or experts as permitted under this Agreement; or

(vii) acting as Intercreditor Agent under the Debt Documents or which otherwise relates to any of the Security Property (otherwise, in each case, than by reason of the relevant Intercreditor Agent's gross negligence or wilful misconduct).

(b) Each Debtor expressly acknowledges and agrees that the continuation of its indemnity obligations under this Clause 27.2 will not be prejudiced by any release or disposal under Clause 17 (*Distressed Disposals*) taking into account the operation of that Clause 17.

(c) The Common Security Agent and every Receiver and Delegate may, in priority to any payment to the Secured Parties, indemnify the Intercreditor Agent out of the Charged Property in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this Clause 27.2 and shall have a lien on the Transaction Security and the proceeds of the enforcement of the Transaction Security for all moneys payable to the Intercreditor Agent.

**27.3 Parent's indemnity to Primary Creditors**

The Parent shall promptly and as principal obligor indemnify each Primary Creditor against any cost, loss or liability (together with any applicable Indirect Tax), whether or not reasonably foreseeable, incurred by any of them in relation to or arising out of the operation of Clause 17 (*Distressed Disposals*).

**Section 9**
**Administration**

## 28. Information

### 28.1 Dealings with Common Security Agent, Intercreditor Agent and Creditor Representatives

(a) Subject to clause 33.5 (*Communication when Agent is Impaired Agent*) of the Credit Facility Agreement and to any Equivalent Provision of any Pari Passu Facility Agreement, each Credit Facility Lender, Pari Passu Noteholder and Pari Passu Lender shall deal with the Common Security Agent and Intercreditor Agent exclusively through its Creditor Representative and the Hedge Counterparties shall deal directly with the Common Security Agent and Intercreditor Agent and shall not deal through any Creditor Representative.

(b) No Creditor Representative shall be under any obligation to act as agent or otherwise on behalf of any Hedge Counterparty except as expressly provided for in, and for the purposes of, this Agreement.

### 28.2 Disclosure between Primary Creditors, Common Security Agent and Intercreditor Agent

Notwithstanding any agreement to the contrary, each of the Debtors, Bondcos and Subordinated Creditors consents, until the Final Discharge Date, to the disclosure by any Primary Creditor, the Common Security Agent and Intercreditor Agent to each other (whether or not through a Creditor Representative or the Common Security Agent) of such information concerning the Debtors, Security Providers, Bondcos and the Subordinated Creditors as any Primary Creditor or the Common Security Agent or the Intercreditor Agent shall see fit.

### 28.3 Notification of prescribed events

(a) If an Event of Default or Default under the Credit Facility Agreement or a Pari Passu Debt Document either occurs or ceases to be continuing the relevant Creditor Representative shall, upon becoming aware of that occurrence or cessation, notify the Intercreditor Agent and the Intercreditor Agent shall, upon receiving that notification, notify each other Primary Creditor and the Common Security Agent.

(b) If a Credit Facility Acceleration Event occurs the Credit Facility Agent shall notify the Intercreditor Agent and the Intercreditor Agent shall, upon receiving that notification, notify each other Party.

(c) If a Pari Passu Debt Acceleration Event occurs the relevant Creditor Representative(s) shall notify the Intercreditor Agent and the Intercreditor Agent shall, upon receiving that notification, notify each other Party.

(d) If the Common Security Agent enforces, or takes formal steps to enforce, any of the Transaction Security it shall notify the Intercreditor Agent and the Intercreditor Agent shall, upon receiving that notification, notify each other Party of that action.

(e) If any Primary Creditor exercises any right it may have to enforce, or to take formal steps to enforce, any of the Transaction Security it shall notify the Intercreditor Agent and the Intercreditor Agent shall, upon receiving that notification, notify each Party of that action.

(f) If a Debtor defaults on any Payment due under a Hedging Agreement, the Hedge Counterparty which is party to that Hedging Agreement shall, upon becoming aware of that default, notify the Intercreditor Agent and the Intercreditor Agent shall, upon receiving that notification, notify the Creditor Representatives and each other Hedge Counterparty and the Common Security Agent.

(g) If a Hedge Counterparty terminates or closes-out, in whole or in part, any hedging transaction under any Hedging Agreement under Clause 5.9 (*Permitted Enforcement: Hedge Counterparties*) it shall notify the Intercreditor Agent and the Intercreditor Agent shall, upon receiving that notification, notify each Creditor Representative and each other Hedge Counterparty and the Common Security Agent.

(h) If any of the Floating Rate Term Outstandings or the Other Currency Term Outstandings are to be reduced (whether by way of repayment, prepayment, cancellation or otherwise) the Parent shall notify each Hedge Counterparty of:

(i) the date and amount of that proposed reduction;

(ii) any Interest Rate Hedge Excess that would result from that proposed reduction and that Hedge Counterparty's Interest Rate Hedging Proportion (if any) of that Interest Rate Hedge Excess; and

(iii) any Exchange Rate Hedge Excess that would result from that proposed reduction and that Hedge Counterparty's Exchange Rate Hedging Proportion (if any) of that Exchange Rate Hedge Excess.

(i) If the Intercreditor Agent receives a notice under paragraph (a) of Clause 6.1 (*Option to Purchase: Pari Passu Debt Creditors*) it shall upon receiving that notice, notify, and send a copy of that notice to, the Credit Facility Agent. If the Intercreditor Agent receives a similar notice in connection with paragraph (h) of Clause 3.2 (*Rolled Loan – restrictions*), it shall upon receiving that notice, notify, and send a copy of that notice to, the Rolled Loan Facility Lender.

(j) If the Intercreditor Agent receives a notice under paragraph (a) of Clause 6.2 (*Hedge Transfer: Pari Passu Debt Creditors*) it shall upon receiving that notice, notify, and send a copy of that notice to, each Hedge Counterparty.

(k) If any Sponsor Affiliate acquires an interest in the Rolled Loan, the Parent shall immediately notify the Intercreditor Agent and the Intercreditor Agent shall, upon receiving that notification, notify each other Secured Party.

## 29. Notices

### 29.1 Communications in writing

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax or letter.

### 29.2 Common Security Agent's and Intercreditor Agent's communications with Primary Creditors

The Common Security Agent and the Intercreditor Agent shall be entitled to carry out all dealings:

(a) with the Credit Facility Lenders, Pari Passu Noteholders and Pari Passu Lenders through their respective Creditor Representatives and may give to the Creditor Representatives, as applicable, any notice or other communication required to be given by the Common Security Agent or the Intercreditor Agent to a Credit Facility Lender, Pari Passu Noteholder or Pari Passu Lender; and

(b) with each Hedge Counterparty directly with that Hedge Counterparty.

**29.3 Addresses**

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is:

(a) in the case of the Parent or the Company, that identified with its name below;

(b) in the case of the Common Security Agent, that identified with its name below;

(c) in the case of the POA Agent, that identified with its name below;

(d) in the case of the Intercreditor Agent, that identified with its name below; and

(e) in the case of each other Party, that notified in writing to the Intercreditor Agent on or prior to the date on which it becomes a Party,

or any substitute address, fax number or department or officer which that Party may notify to the Intercreditor Agent (or the Intercreditor Agent may notify to the other Parties, if a change is made by the Intercreditor Agent) by not less than five Business Days' notice.

**29.4 Delivery**

(a) Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:

(i) if by way of fax, when received in legible form; or

(ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 29.3 (*Addresses*), if addressed to that department or officer.

(b) Any communication or document to be made or delivered to the Common Security Agent will be effective only when actually received by the Common Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Common Security Agent's signature below (or any substitute department or officer as the Common Security Agent shall specify for this purpose). Any communication or document to be made or delivered to the Intercreditor Agent will be effective only when actually received by the Intercreditor Agent and then only if it is expressly marked for the attention of the department or officer identified with the Intercreditor Agent's signature below (or any substitute department or officer as the Intercreditor Agent shall specify for this purpose).

(c) Any communication or document made or delivered to the Parent in accordance with this Clause 29.4 will be deemed to have been made or delivered to each of the Debtors and Security Providers.

(d) Any communication or document which becomes effective, in accordance with paragraphs (a) to (c) above, after 5:00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

**29.5 Notification of address and fax number**

Promptly upon receipt of notification of an address and fax number or change of address or fax number pursuant to Clause 29.3 (*Addresses*) or changing its own address or fax number, the Intercreditor Agent shall notify the other Parties.

## 29.6 Electronic communication

(a) Any communication to be made between any two Parties under or in connection with this Agreement may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if those two Parties:

(i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and

(ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.

(b) Any such electronic communication as specified in paragraph (a) above to be made between a Subordinated Creditor, a Bondco, a Debtor or an Intra-Group Lender and the Common Security Agent, the Intercreditor Agent or a Primary Creditor may only be made in that way to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.

(c) Any such electronic communication as specified in paragraph (a) above made between any two Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to the Common Security Agent or the Intercreditor Agent only if it is addressed in such a manner as the Common Security Agent or the Intercreditor Agent (as applicable) shall specify for this purpose.

(d) Any electronic communication which becomes effective, in accordance with paragraph (c) above, after 5:00 p.m. in the place in which the Party to whom the relevant communication is sent or made available has its address for the purpose of this Agreement shall be deemed only to become effective on the following day.

(e) Any reference in this Agreement to a communication being sent or received shall be construed to include that communication being made available in accordance with this Clause 29.6.

## 29.7 English language

(a) Any notice given under or in connection with this Agreement must be in English.

(b) All other documents provided under or in connection with this Agreement must be:

(i) in English; or

(ii) if not in English, and if so required by the Intercreditor Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

# 30. Preservation

## 30.1 Partial invalidity

If, at any time, any provision of a Debt Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of that provision under the law of any other jurisdiction will in any way be affected or impaired.

### 30.2 No impairment

If, at any time after its date, any provision of a Debt Document (including this Agreement) is not binding on or enforceable in accordance with its terms against a person expressed to be a party to that Debt Document, neither the binding nature nor the enforceability of that provision or any other provision of that Debt Document will be impaired as against the other party(ies) to that Debt Document.

### 30.3 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Party, any right or remedy under a Debt Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any Debt Document. No election to affirm any Debt Document on the part of a Secured Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Debt Document are cumulative and not exclusive of any rights or remedies provided by law.

### 30.4 Waiver of defences

The provisions of this Agreement or any Transaction Security will not be affected by an act, omission, matter or thing which, but for this Clause 30.4, would reduce, release or prejudice the subordination and priorities expressed to be created by this Agreement including (without limitation and whether or not known to any Party):

(a) any time, waiver or consent granted to, or composition with, any Debtor, Security Provider or other person;

(b) the release of any Debtor, Security Provider or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Debtor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;

(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Debtor, Security Provider or other person;

(e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Debt Document or any other document or security;

(f) any unenforceability, illegality or invalidity of any obligation of any person under any Debt Document or any other document or security;

(g) any intermediate Payment of any of the Liabilities owing to the Primary Creditors in whole or in part; or

(h) any insolvency or similar proceedings.

### 30.5 Priorities not affected

Except as otherwise provided in this Agreement the priorities referred to in Clause 2 (*Ranking and priority*) will:

(a) not be affected by any reduction or increase in the principal amount secured by the Transaction Security in respect of the Liabilities owing to the Primary Creditors or by any intermediate reduction or increase in, amendment or variation to any of the Debt Documents, or by any variation or satisfaction of, any of the Liabilities or any other circumstances;

(b) apply regardless of the order in which or dates upon which this Agreement and the other Debt Documents are executed or registered or notice of them is given to any person; and

(c) secure the Liabilities owing to the Primary Creditors in the order specified, regardless of the date upon which any of the Liabilities arise or of any fluctuations in the amount of any of the Liabilities outstanding.

## 31. Consents, amendments and override

### 31.1 Required consents

(a) Subject to paragraph (b) below, to Clause 31.4 (*Exceptions*), to Clause 31.5 (*Excluded Super Senior Credit Participations*) and to Clause 31.6 (*Disenfranchisement of Sponsor Affiliates*):

(i) Clause 20.1 (*Equalisation Definitions*) to Clause 20.3 (*Equalisation*) may be amended or waived with the consent of the Credit Facility Agent, the Super Senior Creditors, the Intercreditor Agent and the Common Security Agent to the extent that that amendment or waiver does not affect the Pari Passu Creditors or the Parent;

(ii) Schedule 7 (*Enforcement Principles*) may be amended or waived with the consent of the Majority Super Senior Creditors and the Required Pari Passu Creditors, the Intercreditor Agent and the Common Security Agent and without the consent of the Parent, any Debtor, any Intra-Group Lender, any Bondco or any Subordinated Creditor to the extent that that amendment or waiver does not impose obligations on and does not materially and adversely affect the Parent, any Debtor, any Intra-Group Lender, any Bondco or any Subordinated Creditor;

(iii) Schedule 9 (*Hedge Counterparties' guarantee and indemnity*) may be amended or waived with the consent of the Parent and each Hedge Counterparty to the extent that that amendment or waiver does not affect the Pari Passu Debt Creditors or the Credit Facility Lenders; and

(iv) subject to paragraphs (i) to (iii) above, this Agreement may be amended or waived only with the consent of the Parent, each Creditor Representative, the Majority Super Senior Creditors and the Required Pari Passu Creditors, the Intercreditor Agent and the Common Security Agent.

(b) An amendment or waiver that has the effect of changing or which relates to:

(i) Clause 14 (*Redistribution*), Clause 15 (*Enforcement of Transaction Security*), Clause 19 (*Application of proceeds*) or this Clause 31 (*Consents, amendments and override*);

(ii) paragraphs (d)(iii), (e) and (f) of Clause 21.3 (*Instructions*);

(iii) paragraphs (d)(iii), (e) and (f) of Clause 23.2 (*Instructions*);

(iv) the order of priority or subordination under this Agreement; or

(v) paragraphs (m) and (n) of Clause 1.2 (*Construction*) or Schedule 5 (*Continuing Documents*),

shall not be made without the consent of:

(A) the Creditor Representatives;

(B) the Credit Facility Lenders;

(C) each Pari Passu Note Trustee on behalf of the Pari Passu Noteholders in respect of which it is the Creditor Representative;

(D) the Pari Passu Lenders;

(E) each Hedge Counterparty (to the extent that the amendment or waiver would adversely affect the Hedge Counterparty);

(F) the Common Security Agent;

(G) the Intercreditor Agent;

(H) the POA Agent; and

(I) the Parent.

**31.2 Amendments and waivers: Transaction Security Documents**

(a) Subject to paragraph (b) below and to Clause 31.4 (*Exceptions*) and unless the provisions of any Debt Document expressly provide otherwise, the Intercreditor Agent may (or may direct the Common Security Agent to), if authorised by the Majority Super Senior Creditors and the Required Pari Passu Creditors, and if the Parent consents, amend the terms of, waive any of the requirements of or grant consents under, any of the Transaction Security Documents (other than the Transaction Security Documents creating Credit-Specific Transaction Security) which shall be binding on each Party.

(b) Subject to paragraph (c) of Clause 31.4 (*Exceptions*), any amendment or waiver of, or consent under, any Transaction Security Document which has the effect of changing or which relates to:

(i) the nature or scope of the Charged Property;

(ii) the manner in which the proceeds of enforcement of the Transaction Security are distributed; or

(iii) the release of any Transaction Security,

shall not be made without the prior consent of the Credit Facility Lenders, each Pari Passu Note Trustee on behalf of the Pari Passu Noteholders in respect of which it is the Creditor Representative, the Pari Passu Lenders and the Hedge Counterparties, *provided* that:

(A) in the case of such an amendment or waiver of, or consent under, any Transaction Security Document in respect of the release of any Transaction Security in relation to a Pari Passu Notes Interest Accrual Account, such amendment, waiver or consent shall not require the consent of any Credit Facility Lender, Pari Passu Lender or Hedge Counterparty and shall only require the consent of the Pari Passu Note Trustee in respect of the Pari Passu Notes to which that Pari Passu Notes Interest Accrual Account relates; and

(B) in the case of such an amendment or waiver of, or consent under, any Transaction Security Document in respect of the release of any Transaction Security in relation to a Pari Passu Facility Debt Service Reserve Account, such amendment, waiver or consent shall not require the consent of any Credit Facility Lender, Pari Passu Note Trustee or Hedge Counterparty and shall only require the consent of the Creditor Representative in respect of the Pari Passu Facility to which that Pari Passu Facility Debt Service Reserve Account relates.

### 31.3 Effectiveness

(a) Any amendment, waiver or consent given in accordance with this Clause 31 will be binding on all Parties and the Intercreditor Agent may effect, on behalf of any Primary Creditor, any amendment, waiver or consent permitted by this Clause 31.

(b) Without prejudice to the generality of Clause 21.8 (*Rights and discretions*) the Intercreditor Agent may engage, pay for and rely on the services of lawyers in determining the consent level required for and effecting any amendment, waiver or consent under this Agreement.

### 31.4 Exceptions

(a) Subject to paragraphs (c) and (d) below, if the amendment, waiver or consent may impose new or additional obligations on or withdraw or reduce the rights of any Party other than:

(i) in the case of a Primary Creditor (other than any Creditor Representative or any Arranger), in a way which affects or would affect Primary Creditors of that Party's class generally; or

(ii) in the case of a Debtor, to the extent consented to by the Parent under paragraph (a) of Clause 31.2 (*Amendments and waivers: Transaction Security Documents*),

the consent of that Party is required.

(b) Subject to paragraphs (c) and (d) below, an amendment, waiver or consent which relates to the rights or obligations of a Creditor Representative, an Arranger, the Common Security Agent (including, without limitation, any ability of the Common Security Agent to act in its discretion under this Agreement), the Intercreditor Agent, the POA Agent or a Hedge Counterparty may not be effected without the consent of that Creditor Representative or, as the case may be, that Arranger, the Common Security Agent, the Intercreditor Agent, the POA Agent or that Hedge Counterparty.

(c) Neither paragraph (a) nor (b) above, nor paragraph (b) of Clause 31.2 (*Amendments and waivers: Transaction Security Documents*) shall apply:

(i) to any release of Transaction Security, claim or Liabilities; or

(ii) to any amendment, waiver or consent,

which, in each case, the Common Security Agent gives in accordance with Clause 16 (*Non-Distressed Disposals*) or Clause 17 (*Distressed Disposals*).

(d) Paragraphs (a) and (b) above shall apply to an Arranger only to the extent that Liabilities are then owed to that Arranger.

(e) An amendment, waiver or consent that has the effect of changing or which relates to Clause 3.2 (*Rolled Loan – restrictions*), Clause 15.4 (*Enforcement of Transaction Security – Rolled Loan Cash Collateral*) or any requirement that any other provision is subject to Clause 3.2 (*Rolled Loan – restrictions*) may not be effected without the consent of each Pari Passu Note Trustee on behalf of the Pari Passu Noteholders in respect of which it is the Creditor Representative, the Pari Passu Lenders, the Intercreditor Agent and the Rolled Loan Facility Lender.

### 31.5 Excluded Super Senior Credit Participations

(a) Subject to paragraph (b) below, if in relation to:

(i) a request for a Consent in relation to any of the terms of this Agreement;

(ii) a request to participate in any other vote of Super Senior Creditors under the terms of this Agreement;

(iii) a request to approve any other action under this Agreement;

(iv) a request to provide any confirmation or notification under this Agreement; or

(v) a request to provide details of an Exposure,

any Super Senior Creditor:

(A) fails to respond to that request within 10 Business Days of that request being made; or

(B) (in the case of paragraphs (i) to (iii) above), fails to provide details of its Super Senior Credit Participation to the Intercreditor Agent or Common Security Agent (as applicable) within the timescale specified by the Intercreditor Agent or Common Security Agent (as applicable);

(vi) in the case of paragraphs (i) to (iii) above, that Super Senior Creditor's Super Senior Credit Participation (as the case may be) shall be deemed to be zero for the purpose of calculating the Super Senior Credit Participations when ascertaining whether any relevant percentage (including, for the avoidance of doubt, unanimity) of Super Senior Credit Participations has been obtained to give that Consent, carry that vote or approve that action;

(vii) in the case of paragraphs (i) to (iii) above, that Super Senior Creditor's status as a Super Senior Creditor shall be disregarded for the purposes of ascertaining whether the agreement of any specified group of Super Senior Creditors has been obtained to give that Consent, carry that vote or approve that action;

(viii) in the case of paragraph (iv) above, that confirmation or notification shall be deemed to have been given; and

(ix) in the case of paragraph (v) above, that Super Senior Creditor's Exposure shall be deemed to be zero.

(b) Paragraph (a)(v)(A) above shall not apply to an amendment or waiver referred to in paragraphs (b)(i), (b)(ii), (b)(iii), (b)(iv) or (b)(v) of Clause 31.1 (*Required consents*).

### 31.6 Disenfranchisement of Sponsor Affiliates

(a) For so long as a Sponsor Affiliate (i) beneficially owns a Super Senior Credit Participation or Pari Passu Credit Participation or (ii) has entered into a sub-participation agreement relating to a Super Senior Credit Participation or Pari Passu Credit Participation or other agreement or arrangement having a substantially similar economic effect and such agreement or arrangement has not been terminated, in ascertaining:

(i) the Majority Super Senior Creditors;

(ii) the Majority Pari Passu Creditors; or

(iii) whether any relevant percentage (including, for the avoidance of doubt, unanimity) of Super Senior Credit Participation or Pari Passu Credit Participation, or the agreement of any specified group of Primary Creditors,

has been obtained to approve any request for a Consent or to carry any other vote or approve any action under this Agreement, that Super Senior Credit Participation or Pari Passu Credit Participation shall be deemed to be zero and, subject to paragraph (ii) below, that Sponsor Affiliate (or the person with whom it has entered into that sub-participation, other agreement or arrangement (a "**Counterparty**")) shall be deemed not to be a Credit Facility Lender or Pari Passu Creditor.

(b) Each Sponsor Affiliate that is a Credit Facility Lender or Pari Passu Creditor agrees that:

(i) in relation to any meeting or conference call to which all the Super Senior Creditors, all the Pari Passu Creditors, all the Primary Creditors, or any combination of those groups of Primary Creditors are invited to attend or participate, it shall not attend or participate in the same if so requested by the Intercreditor Agent or, unless the Security Agent otherwise agrees, be entitled to receive the agenda or any minutes of the same; and

(ii) it shall not, unless the Intercreditor Agent otherwise agrees, be entitled to receive any report or other document prepared at the behest of, or on the instructions of, the Intercreditor Agent or one or more of the Primary Creditors.

**31.7 Disenfranchisement of Defaulting Lenders**

(a) For so long as a Defaulting Lender has any Available Commitment, in ascertaining:

(i) the Majority Super Senior Creditors or Majority Pari Passu Creditors; or

(ii) whether:

(A) any relevant percentage (including, for the avoidance of doubt, unanimity) of Super Senior Credit Participations or Pari Passu Credit Participations; or

(B) the agreement of any specified group of Primary Creditors,

has been obtained to approve any request for a Consent or to carry any other vote or approve any action under this Agreement, that Defaulting Lender's Commitments will be reduced by the amount of its Available Commitments and, to the extent that that reduction results in that Defaulting Lender's Commitments being zero, that Defaulting Lender shall be deemed not to be a Credit Facility Lender or Pari Passu Creditor.

(b) For the purposes of this Clause 31.7, the Intercreditor Agent may assume that the following Primary Creditors are Defaulting Lenders:

(i) any Credit Facility Lender or Pari Passu Lender which has notified the Intercreditor Agent that it has become a Defaulting Lender;

(ii) any Credit Facility Lender or Pari Passu Lender to the extent that the relevant Creditor Representative has notified the Intercreditor Agent that that Credit Facility Lender or Pari Passu Lender is a Defaulting Lender; and

(iii) any Credit Facility Lender or Pari Passu Lender in relation to which it is aware that any of the events or circumstances referred to in paragraphs (a) or (b) of the definition of "**Defaulting Lender**" in the relevant Credit Facility Agreement or Pari Passu Facility Agreement has occurred,

unless it has received notice to the contrary from the Credit Facility Lender or Pari Passu Lender concerned (together with any supporting evidence reasonably requested by the Intercreditor Agent) or the Intercreditor Agent is otherwise aware that the Credit Facility Lender or Pari Passu Lender has ceased to be a Defaulting Lender.

**31.8 Calculation of Super Senior Credit Participations and Pari Passu Credit Participations**

For the purpose of ascertaining whether any relevant percentage of Super Senior Credit Participations or Pari Passu Credit Participations has been obtained under this Agreement, the Intercreditor Agent may notionally convert the Super Senior Credit Participations and/or Pari Passu Creditor Participations into their Common Currency Amounts.

**31.9 Deemed Consent**

If, at any time prior to the Super Senior Discharge Date, the Credit Facility Lenders, the Pari Passu Note Trustees (to the extent required under the Senior Secured Note Documents) and the Pari Passu Debt Creditors (to the extent required under the Pari Passu Debt Documents) give a Consent in respect of their respective Debt Documents then, if that action was permitted by the terms of this Agreement, the Intra-Group Lenders, the Parent, each Bondco and each Subordinated Creditor will (or will be deemed to):

(a) give a corresponding Consent in equivalent terms in relation to each of the Debt Documents to which they are a party; and

(b) do anything (including executing any document) that the Primary Creditors may reasonably require to give effect to this Clause 31.9.

**31.10 Excluded Consents**

Clause 31.9 (*Deemed Consent*) does not apply to any Consent which has the effect of:

(a) increasing or decreasing the Liabilities;

(b) changing the basis upon which any Permitted Payments are calculated (including the timing, currency or amount of such Payments); or

(c) changing the terms of this Agreement or of any Security Document.

**31.11 No liability**

None of the Primary Creditors will be liable to any other Creditor, or Debtor for any Consent given or deemed to be given under this Clause 31.

**31.12 Agreement to override**

(a) Subject to paragraph (b) below and Clause 31.13 (*Inconsistency*), unless expressly stated otherwise in this Agreement, this Agreement overrides anything in the Debt Documents to the contrary.

(b) Notwithstanding anything to the contrary in this Agreement, paragraph (a) above will not cure, postpone, waive or negate in any manner any default or event of default (however described) under any Debt Document as between any Creditor and any Debtor that are party to that Debt Document.

**31.13 Inconsistency**

In the event of any inconsistency between the terms contained in this Agreement or any other Debt Document and those contained in Services and Right to Use Direct Agreement (or the Services and Right to Use Agreement or the Authorisation of the Government of the Macau SAR (as defined in the Services and Right to Use Direct Agreement), the terms of such documents shall prevail in the following order of priority:

(a) any Authorisation of the Government of the Macau SAR;

(b) the Services and Right to Use Direct Agreement;

(c) the Services and Right to Use Agreement;

(d) the Reimbursement Agreement; and

(e) subject to clause 31.12 (*Agreement to override*), any other Debt Document.

**32. Services and Right to Use Direct Agreement**

(a) The Credit Facility Agent shall (as soon as reasonably practicable) deliver to the Intercreditor Agent a copy of any document received by it in connection with clause 13.5.1 (*BVI Entity Articles of Association*), 13.6.1 (*Macau Obligor Articles of Association*) or 16.1 (*Grant of MacauCo Preference Rights*) of the Services and Right to Use Direct Agreement.

(b) The Credit Facility Agent shall (as soon as reasonably practicable) deliver to the Intercreditor Agent a copy of any request from a Debtor or SCH5 for the consent of the Credit Facility Agent under the Services and Right to Use Direct Agreement. Other than as expressly set out in this Agreement, neither the Credit Facility Agent nor any other Credit Facility Creditor shall be required to seek or obtain the consent of any Pari Passu Creditor in connection with giving or not giving a consent (or giving or not giving an instruction to the Credit Facility Agent to give or not give a consent) under the Services and Right to Use Direct Agreement, *provided* that the Credit Facility Agent agrees to not provide its consent under clause 13.7.4 (*Transfers by Golden Shareholder*), clause 13.9 (*Amendments to articles of association*) or clause 16.2.2 (*Transfers by the Preference Holder of Preference Rights*) of the Services and Right to Use Direct Agreement, except (x) if, in the judgement of the Credit Facility Agent, the giving of such consent would not be materially prejudicial to the interest of the Secured Parties (taken as a whole), or (y) the Required Pari Passu Creditors have consented to the giving of such consent.

(c) The Credit Facility Lenders agree for the benefit of the other Secured Parties that any directions they give to the Common Security Agent under or in connection with paragraph (c) of clause 18.2.2 (*IE Subordination in Insolvency*) or paragraph (c) of clause 18.2.4 (*IE Subordination in Insolvency*) of the Services and Right to Use Direct Agreement shall not be inconsistent with the arrangements contemplated by Clauses 12 (*Effect of Insolvency Event*), 13 (*Turnover or receipts*) and 19 (*Application of proceeds*).

(d) Each Creditor Representative and each Hedge Counterparty (by its entry into or accession to this Agreement) acknowledges that the Credit Facility Agent is required under the terms of the Services and Right to Use Direct Agreement to deliver to the Company a statement of account on the same day (the "**Notice Date**") as the Common Security Agent delivers a Transfer Notice or a Sponsor Option Notice (each as defined in the Services and Right to Use Direct Agreement). Each Creditor Representative and each Hedge Counterparty shall promptly (and in any case no later than two (2) Business Day immediately prior to the Notice Date) deliver to the Intercreditor Agent a statement confirming (i) in the case of a Hedge Counterparty, the aggregate amount of the Hedging Liabilities owed to it (assuming that the date falling two Business Days prior to the date on which such statement of account is to be delivered was the early termination date in respect of each hedging transaction under the Hedging Agreements which (x) had not terminated or been terminated prior to such date or (y) did not terminate or was not terminated on such date); and (ii) in the case of each Creditor Representative, the aggregate amount of the Secured Obligations owed to the Secured Parties in respect of which it is a Creditor Representative (assuming that the date falling two Business Days prior to the date on which such statement of account is to be delivered was the date on which such Secured Obligations were to be repaid, redeemed, defeased and/or discharged in full), and the Intercreditor Agent shall promptly deliver to the Credit Facility Agent a statement of the aggregate of such amounts (and the currency or currencies thereof) so as to enable the Credit Facility Agent to deliver the completed statement of account on the Notice Date.

(e) Each Creditor Representative and each Hedge Counterparty (by its entry into or accession to this Agreement) acknowledges that the Credit Facility Agent is required under the terms of the Services and Right to Use Direct Agreement to deliver to the Company a statement of Secured Obligations on the date ("**Statement Date**") falling one (1) Business Day prior to any proposed completion date of any purchase by SCH5 or any Sponsor Affiliate (or any of their respective nominees) in respect of the Purchase Rights (as defined in the Services and Right to Use Direct Agreement) pursuant to or contemplated by the Services and Right to Use Direct Agreement (each, a "**Completion Date**"). Each Creditor Representative and each Hedge Counterparty shall promptly (and in any case no later than two (2) Business Days immediately prior to each Statement Date) deliver to the Intercreditor Agent all information necessary to calculate the aggregate amount (and the currency or currencies thereof) of the Secured Obligations (as at the proposed Completion Date) and the Intercreditor Agent shall promptly deliver to the Credit Facility Agent a statement of the aggregate amount (and the currency or currencies thereof) of the Secured Obligations (as at the proposed Completion Date) so as to enable the Credit Facility Agent to deliver the completed statement of Secured Obligations on to the Company on each Statement Date.

(f) Each Secured Party acknowledges that the Common Security Agent and the POA Agent may be required to take certain remedial or other actions in relation to ensuring that any Enforcement Action (or action in connection with any Enforcement Action) in respect of the Transaction Security Documents does not directly or indirectly (i) prevent Melco Crown's operation of the Gaming Area (or any other gaming area comprised in the Property) (or its ability to do so) in accordance with the requirements of the Services and Right to Use Agreement (all terms as defined in the Services and Right to Use Direct Agreement) or prevents it from doing so on terms no more onerous or subject to costs, expenses, liabilities or claims no greater than those to which it, or as the case may be, SCE, was previously subject immediately prior to the action which gives rise to the suspension of operation by Melco Crown, (ii) prevent Melco Crown's performance of any or all of its material obligations under the Services and Right to Use Agreement or prevents it from doing so on terms no more onerous or subject to costs, expenses, liabilities or claims no greater than those to which it, or as the case may be, SCE, was previously subject immediately prior to the action which gives rise to the suspension of operation by Melco Crown, and/or (iii) give rise to an inability on the part of Melco Crown to operate in accordance with the Services and Right to Use Agreement, and hereby authorises and instructs each of the Common Security Agent and the POA Agent to take such remedial or other actions.

(g) The Credit Facility Agent's duties under the Services and Right to Use Direct Agreement are solely mechanical and administrative in nature and each Secured Party that is not a party to the Credit Facility Agreement acknowledges and agrees that nothing (i) in this Agreement or in the Services and Right to Use Direct Agreement or (ii) relating to the Credit Facility Agent's conduct with respect to the Services and Right to Use Direct Agreement constitutes or shall give rise to the Credit Facility Agent's being a trustee or fiduciary of any other person and, save as expressly set out in this Agreement, the Credit Facility Agent may act (or refrain from acting) in accordance with and rely on clause 28 (*Role of the Agent and others*) of the original form of the Credit Facility Agreement in connection with the Services and Right to Use Direct Agreement and its performance of any actions in connection therewith.

## 33. Acknowledgments

Each of the Secured Parties authorises the Intercreditor Agent and the Common Security Agent to sign and accept the deed of acknowledgment in respect of this Agreement to be executed and delivered by Melco Crown to the Intercreditor Agent and the Common Security Agent on the date of this Agreement. Each of the Intercreditor Agent and the Common Security Agent shall, as soon as reasonably practicable after receipt by it, sign and accept the same.

## 34. Contractual recognition of bail-in

### 34.1 Contractual recognition of bail-in

Notwithstanding any other term of any Debt Document or any other agreement, arrangement or understanding between the Parties, each Party acknowledges and accepts that any liability of any Party to any other Party under or in connection with any Debt Document governed by the laws of any non-EEA jurisdiction may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

(a) any Bail-In Action in relation to any such liability, including (without limitation):

(i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;

(ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and

(iii) a cancellation of any such liability; and

(b) a variation of any term of any such Debt Document governed by the laws of any non-EEA jurisdiction to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

### 34.2 Definitions

For the purposes of this Clause 34:

"**Bail-In Action**" means the exercise of any Write-down and Conversion Powers;

"**Bail-In Legislation**" means, in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time.

"**EEA Member Country**" means any member state of the European Union from time to time, Iceland, Liechtenstein and Norway;

"**EU Bail-In Legislation Schedule**" means the document described as such and published by the Loan Market Association (or any successor person) from time to time;

"**Resolution Authority**" means any body which has authority to exercise any Write-down and Conversion Powers; and

"**Write-down and Conversion Powers**" means, in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule.

## 35. Counterparts

This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

## 36. Governing law

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

## 37. Enforcement

### 37.1 Jurisdiction

(a) The courts of England have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a "**Dispute**").

(b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

(c) This Clause 37.1 is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

### 37.2 Service of process

(a) Without prejudice to any other mode of service allowed under any relevant law:

(i) each Debtor, Security Provider, Bondco and Subordinated Creditor:

(A) irrevocably appoints Law Debenture Corporate Service Limited as its agent for service of process in relation to any proceedings before the English courts in connection with this Agreement; and

(B) agrees that failure by a process agent to notify the relevant Debtor, Security Provider, Bondco or Subordinated Creditor of the process will not invalidate the proceedings concerned.

(b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Parent (in the case of an agent for service of process for a Debtor), the relevant Security Provider, the relevant Bondco or the relevant Subordinated Creditor must immediately (and in any event within three (3) days of such event taking place) appoint another agent on terms acceptable to each Creditor Representative and each Hedge Counterparty. Failing this, the relevant Creditor Representative or Hedge Counterparty (as the case may be) may appoint another agent for this purpose.

**This Agreement** has been entered into on the date stated at the beginning of this Agreement and executed as a deed by the Intra-Group Lenders, the Debtors, the Security Providers and the Original Bondco and is intended to be and is delivered by them as a deed on the date specified above.

**Schedule 1**
**Form of Debtor Accession Deed**

**This Agreement** is made on [●] and made

**Between:**

**(1)** [*Insert full name of new Debtor*] (the "**Acceding Debtor**"); and

**(2)** [*Insert full name of current Intercreditor Agent*] (the "**Intercreditor Agent**"), for itself and each of the other parties to the intercreditor agreement referred to below; and

**(3)** [*Insert full name of current Common Security Agent*] (the "**Common Security Agent**"), for itself and each of the other parties to the intercreditor agreement referred to below;

This agreement is made on [*date*] by the Acceding Debtor in relation to an intercreditor agreement (the "**Intercreditor Agreement**") dated 1 December 2016 between, among others, Studio City Investments Limited as parent, Studio City Company Limited as company, Industrial and Commercial Bank of China (Macau) Limited as common security agent, Bank of China Limited, Macau Branch as credit facility agent, Deutsche Bank Trust Company Americas as senior secured 2019 note trustee, Deutsche Bank Trust Company Americas as senior secured 2021 note trustee, the other Creditors and the other Debtors (each as defined in the Intercreditor Agreement).

The Acceding Debtor intends to give a guarantee, indemnity or other assurance against loss in respect of Liabilities under the following documents:

[*Insert details (date, parties and description) of relevant documents*]

the "**Relevant Documents**".

**It is agreed** as follows:

**1.** Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Agreement, bear the same meaning when used in this Agreement.

**2.** The Acceding Debtor and the Common Security Agent agree that the Common Security Agent shall hold:

(a) [any Security in respect of Liabilities created or expressed to be created pursuant to the Relevant Documents;

(b) all proceeds of that Security; and]*

(c) all obligations expressed to be undertaken by the Acceding Debtor to pay amounts in respect of the Liabilities to the Common Security Agent as trustee for the Secured Parties (in the Relevant Documents or otherwise) and secured by the Transaction Security together with all representations and warranties expressed to be given by the Acceding Debtor (in the Relevant Documents or otherwise) in favour of the Common Security Agent as trustee for the Secured Parties,

on trust for the Secured Parties on the terms and conditions contained in the Intercreditor Agreement.

**3.** The Acceding Debtor confirms that it intends to be party to the Intercreditor Agreement as a Debtor, undertakes to perform all the obligations expressed to be assumed by a Debtor under the Intercreditor Agreement and agrees that it shall be bound by all the provisions of the Intercreditor Agreement as if it had been an original party to the Intercreditor Agreement.

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* Include to the extent that the Security created in the Relevant Documents is expressed to be granted to the Security Agent as trustee for the Secured Parties.

**4.** [In consideration of the Acceding Debtor being accepted as an Intra-Group Lender for the purposes of the Intercreditor Agreement, the Acceding Debtor also confirms that it intends to be party to the Intercreditor Agreement as an Intra-Group Lender, and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by an Intra-Group Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement].**

[4.]/[5.] This Agreement and any non-contractual obligations arising out of or in connection with it are governed by, English law.

**This Agreement** has been signed on behalf of the Intercreditor Agent and the Common Security Agent and executed as a deed by the Acceding Debtor and is delivered on the date stated above.

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** Include this paragraph in the relevant Debtor Accession Deed if the Acceding Debtor is also to accede as an Intra-Group Lender to the Intercreditor Agreement.

**The Acceding Debtor**
[**Executed** as a **Deed**
By: [*Full name of Acceding Debtor*]

Director

Director/Secretary]

***or***

[**Executed** as a **Deed**
By: [*Full name of Acceding Debtor*]

Signature of Director

Name of Director

In the presence of:

Signature of witness:

Name of witness:

Address of witness:

Occupation of witness]:

Address for notices:

Address:

Fax:

**The Intercreditor Agent**
[*Full name of current Intercreditor Agent*]

______________________________
By:

Date:

**The Common Security Agent**
[*Full name of current Common Security Agent*]

______________________________
By:

Date:

**Schedule 2**
**Form of Creditor/Creditor Representative Accession Undertaking**

To: [*Insert full name of current Intercreditor Agent*] for itself and each of the other parties to the Intercreditor Agreement referred to below.

From: [*Acceding Creditor*]

**This Undertaking** is made on [*date*] by [*insert full name of new Credit Facility Lender/Pari Passu Lender/Hedge Counterparty/Creditor Representative/Credit Facility Arranger/Pari Passu Arranger/Intra-Group Lender/Subordinated Creditor/Bondco*] (the "**Acceding Credit Facility Lender/Pari Passu Lender/Hedge Counterparty/Creditor Representative/Credit Facility Arranger/Pari Passu Arranger/Intra-Group Lender/Subordinated Creditor/Bondco**") in relation to the intercreditor agreement (the "**Intercreditor Agreement**") dated 1 December 2016 between, among others, Studio City Investments Limited as parent, Studio City Company Limited as company, Industrial and Commercial Bank of China (Macau) Limited as common security agent, Bank of China Limited, Macau Branch as credit facility agent, Deutsche Bank Trust Company Americas as senior secured 2019 note trustee, Deutsche Bank Trust Company Americas as senior secured 2021 note trustee, the other Creditors and the other Debtors (each as defined in the Intercreditor Agreement).. Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Undertaking, bear the same meanings when used in this Undertaking.

In consideration of the Acceding [Credit Facility Lender/Pari Passu Lender/Hedge Counterparty/Creditor Representative/Credit Facility Arranger/Pari Passu Arranger/Intra-Group Lender/Subordinated Creditor/Bondco] being accepted as a [Credit Facility Lender/Pari Passu Lender/Hedge Counterparty/Creditor Representative/Credit Facility Arranger/Pari Passu Arranger/Intra-Group Lender/Subordinated Creditor/Bondco] for the purposes of the Intercreditor Agreement, the Acceding [Credit Facility Lender/Pari Passu Lender/Hedge Counterparty/Creditor Representative/Credit Facility Arranger/Pari Passu Arranger/Intra-Group Lender/Subordinated Creditor/Bondco] confirms that, as from [date], it intends to be party to the Intercreditor Agreement as a [Credit Facility Lender/Pari Passu Lender/Hedge Counterparty/Creditor Representative/Credit Facility Arranger/Pari Passu Arranger/Intra-Group Lender/Subordinated Creditor/Bondco] and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a [Credit Facility Lender/Pari Passu Lender/Hedge Counterparty/Creditor Representative/Credit Facility Arranger/Pari Passu Arranger/Intra-Group Lender/Subordinated Creditor/Bondco] and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.

[The Acceding Lender is an Affiliate of a Credit Facility Lender and has become a provider of an Ancillary Facility. In consideration of the Acceding Lender being accepted as an Ancillary Lender for the purposes of the relevant Credit Facility Agreement, the Acceding Lender confirms, for the benefit of the parties to the Credit Facility Agreement, that, as from [date], it intends to be party to the Credit Facility Agreement as an Ancillary Lender, and undertakes to perform all the obligations expressed in the Credit Facility Agreement to be assumed by a Finance Party (as defined in the Credit Facility Agreement) and agrees that it shall be bound by all the provisions of the Credit Facility Agreement, as if it had been an original party to the Credit Facility Agreement as an Ancillary Lender.]**

[The Acceding Hedge Counterparty has become a provider of hedging arrangements to the Company. In consideration of the Acceding Hedge Counterparty being accepted as a Hedge Counterparty for the purposes of the relevant Credit Facility Agreement, the Acceding Hedge Counterparty confirms, for the benefit of the parties to the Credit Facility Agreement, that, as from [date], it intends to be party to the Credit Facility Agreement as a Hedge Counterparty, and undertakes to perform all the obligations expressed in the Credit Facility Agreement to be assumed by a Hedge Counterparty and agrees that it shall be bound by all the provisions of the Credit Facility Agreement, as if it had been an original party to the Credit Facility Agreement as a Hedge Counterparty.]***

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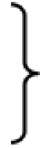
** Include only in the case of an Ancillary Lender which is an Affiliate of a Credit Facility Lender which is using this undertaking to accede to the relevant Credit Facility Agreement in accordance with paragraph (c) of Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*).

This Undertaking and any non-contractual obligations arising out of or in connection with it are governed by English law.

**This Undertaking** has been entered into on the date stated above [and is executed as a deed by the Acceding Creditor, if it is acceding as an Intra-Group Lender [or an Investor] and is delivered on the date stated above].

**Acceding [Creditor]**
**Executed** as a **Deed**
[*insert full name of Acceding Creditor*]



By:
Address:
Fax:

Accepted by the Intercreditor Agent

for and on behalf of
[*Insert full name of current Intercreditor Agent*]

Date:

[Accepted by the Credit Facility Agent

for and on behalf of
[*Insert full name of current Credit Facility Agent*]

Date:]****

*** Include only in the case of a Hedge Counterparty which is using this undertaking to accede to the Credit Facility Agreement in accordance with paragraph (c) of Clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*).

**** Include only in the case of (a) a Hedge Counterparty or (b) an Ancillary Lender which is an Affiliate of a Credit Facility Lender which is using this undertaking to accede to the relevant Credit Facility Agreement.

**Schedule 3**
**Form of Debtor Resignation Request**

To: [●] as Intercreditor Agent

From: [*resigning Debtor*] and Studio City Investments Limited

Dated:

Dear Sirs

**Studio City Investments Limited—Intercreditor Agreement**
**dated 1 December 2016 (the "Intercreditor Agreement")**

**1.** We refer to the Intercreditor Agreement. This is a Debtor Resignation Request. Terms defined in the Intercreditor Agreement have the same meaning in this Debtor Resignation Request unless given a different meaning in this Debtor Resignation Request.

**2.** Pursuant to Clause 25.17 (*Resignation of a Debtor*) of the Intercreditor Agreement we request that [*resigning Debtor*] be released from its obligations as a Debtor under the Intercreditor Agreement.

**3.** We confirm that:

(a) no Event of Default is continuing or would result from the acceptance of this request; and

(b) [*resigning Debtor*] is under no actual or contingent obligations in respect of the Intra-Group Liabilities.

**4.** This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

**Studio City Investments Limited**

} ____________________
By:

**[Resigning Debtor]**

} ____________________
By:

**Schedule 4**
**Transaction Security Documents**

1. **English law share charges**

(a) The charge over all present and future shares of Studio City Company Limited held by Studio City Investments Limited, granted by Studio City Investments Limited dated 26 November 2013.

(b) The charge over all present and future shares of Studio City Holdings Two Limited held by Studio City Company Limited, granted by Studio City Company Limited dated 26 November 2013.

(c) The charge over all present and future shares in Studio City Holdings Three Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited dated 26 November 2013.

(d) The charge over all present and future shares in Studio City Holdings Four Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited dated 26 November 2013.

(e) The charge over all present and future shares in SCP Holdings Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited dated 26 November 2013.

(f) The charge over all present and future shares in SCIP Holdings Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited dated 26 November 2013.

(g) The charge over all present and future shares in SCP One Limited held by SCP Holdings Limited, granted by SCP Holdings Limited dated 26 November 2013.

(h) The charge over all present and future shares in SCP Two Limited held by SCP Holdings Limited, granted by SCP Holdings Limited dated 26 November 2013.

(i) The composite deed of confirmatory security dated on or about the date of this Agreement between Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, SCP Holdings Limited and the Common Security Agent with respect to the share charges (each as amended, novated, supplemented, extended, replaced or restated from time to time) as referred to in paragraphs (a) to (h) above.

2. **English law debentures**

(a) The debenture dated 26 November 2013 entered into between, among others, Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited and the Security Agent.

(b) The deed of confirmatory security dated on or about the date of this Agreement between (among others) by Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited, SCIP Holdings Limited and the Common Security Agent with respect to the debenture as referred to in paragraph (a) above.

(c) The debenture dated 18 September 2015 entered into between, among others, Studio City Holdings Five Limited and the Security Agent.

(d) The deed of confirmatory security dated on or about the date of this Agreement between (among others) Studio City Holdings Five Limited and the Common Security Agent in respect of the debenture as referred to in paragraph (c) above.

**3. Hong Kong law account charge**

(a) The charge over certain accounts of Studio City Company Limited held in the Hong Kong SAR, granted by Studio City Company Limited dated 26 November 2013.

(b) The charge over certain accounts of Studio City Investments Limited held in the Hong Kong SAR, granted by Studio City Investments Limited dated 26 November 2013.

(c) The charge over certain accounts of Studio City Developments Limited held in the Hong Kong SAR, granted by Studio City Developments Limited dated 26 November 2013.

(d) The charge over certain accounts of Studio City Entertainment Limited held in the Hong Kong SAR, granted by Studio City Entertainment Limited dated 26 November 2013.

(e) The charge over certain accounts of Studio City Hotels Limited held in the Hong Kong SAR, granted by Studio City Hotels Limited dated 26 November 2013.

(f) The charge over certain accounts of Studio City Services Limited held in the Hong Kong SAR, granted by Studio City Services Limited dated 26 November 2013.

(g) The charge over certain accounts of Studio City Hospitality and Services Limited held in the Hong Kong SAR, granted by Studio City Hospitality and Services Limited dated 26 November 2013.

(h) The charge over certain accounts of Studio City Retail Services Limited held in the Hong Kong SAR, granted by Studio City Retail Services Limited dated 26 November 2013.

(i) The charge over certain accounts of SCIP Holdings Limited held in the Hong Kong SAR, granted by SCIP Holdings Limited dated 26 November 2013.

(j) The composite deed of confirmatory security dated on or about the date of this Agreement between (among others) Studio City Company Limited, Studio City Investments Limited, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited and the Common Security Agent with respect to the charges over accounts (each as amended, novated, supplemented, extended, replaced or restated from time to time) as referred to in paragraphs (a) to (i) above.

4. **Macau law mortgage**

(a) The Mortgage;

(b) Power of attorney dated 26 November 2013 granted by Studio City Developments Limited in favour of the Common Security Agent;

(c) Livrança dated 26 November 2013 issued by Studio City Company Limited to the Common Security Agent, endorsed by Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCP One Limited, SCP Two Limited, Studio City Developments Limited, Studio City Retail Services Limited and SCIP Holdings Limited; and

(d) Livrança covering letter dated 26 November 2013 between Studio City Company Limited and the Common Security Agent, acknowledged by Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCP One Limited, SCP Two Limited, Studio City Developments Limited, Studio City Retail Services Limited and SCIP Holdings Limited.

5. **Macau law floating charges**

(a) Floating charge dated 26 November 2013 between Studio City Developments Limited and the Common Security Agent;

(b) Floating charge dated 26 November 2013 between Studio City Retail Services Limited and the Common Security Agent;

(c) Floating charge dated 26 November 2013 between Studio City Hotels Limited and the Common Security Agent;

(d) Floating charge dated 26 November 2013 between Studio City Hospitality and Services Limited and the Common Security Agent;

(e) Floating charge dated 26 November 2013 between Studio City Services Limited and the Common Security Agent; and

(f) Floating charge dated 26 November 2013 between Studio City Entertainment Limited and the Common Security Agent.

6. **Macau law share pledges**

(a) Share pledge agreement with respect to shares of Studio City Services Limited dated 26 November 2013 between Studio City Company Limited as first pledgor, Studio City Holdings Two Limited as second pledgor, the Common Security Agent and Studio City Services Limited as company;

(b) Share pledge agreement with respect to shares of Studio City Hospitality and Services Limited dated 26 November 2013 between Studio City Services Limited as pledgor, the Common Security Agent and Studio City Hospitality and Services Limited as company;

(c) Share pledge agreement with respect to shares of Studio City Retail Services Limited dated 26 November 2013 between Studio City Services Limited as first pledgor, Studio City Hospitality and Services Limited as second pledgor, the Common Security Agent and Studio City Retail Services Limited as company;

(d) Share pledge agreement with respect to shares of Studio City Developments Limited between SCP One Limited as first pledgor, SCP Two Limited as second plegdor, SCP Holdings Limited as third pledgor, the Common Security Agent and Studio City Developments Limited as company;

(e) Share pledge agreement with respect to shares of Studio City Entertainment Limited between Studio City Holdings Three Limited as first pledgor, Studio City Holdings Four Limited as second plegdor, the Common Security Agent and Studio City Entertainment Limited as company; and

(f) Share pledge agreement with respect to shares of Studio City Hotels Limited between Studio City Holdings Three Limited as first pledgor, Studio City Holdings Four Limited as second plegdor, the Common Security Agent and Studio City Hotels Limited as company.

**7. Macau law Golden Share pledges**

(a) Studio City Developments Limited Golden Share share pledge dated 18 September 2015, entered into between Studio City Holdings Five Limited as pledgor, Studio City Developments Limited as company and the Common Security Agent;

(b) Studio City Entertainment Limited Golden Share share pledge dated 18 September 2015, entered into between Studio City Holdings Five Limited as pledgor, Studio City Entertainment Limited as company and the Common Security Agent; and

(c) Studio City Hotels Limited Golden Share share pledge dated 18 September 2015, entered into between Studio City Holdings Five Limited as pledgor, Studio City Hotels Limited as company and the Common Security Agent.

**8. Macau law Services and Right to Use Agreement and Reimbursement Agreement security documents**

(a) Assignment of the Services and Right to Use Agreement dated 26 November 2013 between Studio City Entertainment Limited and the Common Security Agent;

(b) Assignment of the Reimbursement Agreement dated 26 November 2013 between Studio City Entertainment Limited and the Common Security Agent; and

(c) The Services and Right to Use Direct Agreement.

**9. Macau law pledge over Services and Right to Use Agreement accounts and trust account**

Pledge over accounts dated 26 November 2013 in respect of (a) accounts established in accordance with the Services and Right to Use Agreement and (b) the trust account, granted by Melco Crown (Macau) Limited, Studio City Entertainment Limited and the Common Security Agent.

**10. Macau law power of attorney with regard to preference right agreements over shares, over land and over enterprises**

Power of attorney dated 18 September 2015 issued by Studio City Holdings Five Limited in favour of the Common Security Agent with regard to preference right agreements over shares, over land and over enterprises.

**11. Macau law powers of attorney to amend articles of association**

(a) Power of attorney dated 18 September 2015 issued by Studio City Holdings Five Limited in favour of the Common Security Agent to amend Studio City Developments Limited articles of association;

(b) Power of attorney dated 18 September 2015 issued by Studio City Holdings Five Limited in favour of the Common Security Agent to amend Studio City Entertainment Limited articles of association;

(c) Power of attorney dated 18 September 2015 issued by Studio City Holdings Five Limited in favour of the Common Security Agent to amend Studio City Hotels Limited articles of association;

(d) Power of attorney dated 18 September 2015 issued by SCP Holdings Limited in favour of the Common Security Agent to amend Studio City Developments Limited;

(e) Power of attorney dated 18 September 2015 issued by SCP One Limited in favour of the Common Security Agent to amend Studio City Developments Limited articles of association;

(f) Power of attorney dated 18 September 2015 issued by SCP Two Limited in favour of the Common Security Agent to amend Studio City Developments Limited articles of association;

(g) Power of attorney dated 18 September 2015 issued by Studio City Holdings Three Limited in favour of the Common Security Agent to amend Studio City Entertainment Limited articles of association;

(h) Power of attorney dated 18 September 2015 issued by Studio City Holdings Three Limited in favour of the Common Security Agent to amend Studio City Hotels Limited articles of association;

(i) Power of attorney dated 18 September 2015 issued by Studio City Holdings Four Limited in favour of the Common Security Agent to amend Studio City Entertainment Limited articles of association; and

(j) Power of attorney dated 18 September 2015 issued by Studio City Holdings Four Limited in favour of the Common Security Agent to amend Studio City Hotels Limited articles of association.

**12. Macau law assignments of leases and right to use agreements**

(a) Assignment of leases and right to use agreements dated 26 November 2013 between Studio City Developments Limited and the Common Security Agent;

(b) Assignment of leases and right to use agreements dated 26 November 2013 between Studio City Entertainment Limited and the Common Security Agent;

(c) Assignment of leases and right to use agreements dated 26 November 2013 between Studio City Hotels Limited and the Common Security Agent;

(d) Assignment of leases and right to use agreements dated 26 November 2013 between Studio City Services Limited and the Common Security Agent;

(e) Assignment of leases and right to use agreements dated 26 November 2013 between Studio City Hospitality and Services Limited and the Common Security Agent; and

(f) Assignment of leases and right to use agreements dated 26 November 2013 between Studio City Retail Services Limited and the Common Security Agent.

**13. Macau law pledges over onshore accounts**

(a) Pledge over onshore accounts dated 26 November 2013 between Studio City Developments Limited and the Common Security Agent;

(b) Pledge over onshore accounts dated 26 November 2013 between Studio City Entertainment Limited and the Common Security Agent;

(c) Pledge over onshore accounts dated 26 November 2013 between Studio City Hotels Limited and the Common Security Agent;

(d) Pledge over onshore accounts dated 26 November 2013 between Studio City Services Limited and the Common Security Agent;

(e) Pledge over onshore accounts dated 26 November 2013 between Studio City Hospitality and Services Limited and the Common Security Agent;

(f) Pledge over onshore accounts dated 26 November 2013 between Studio City Retail Services Limited and the Common Security Agent;

(g) Pledge over onshore accounts dated 26 November 2013 between Studio City Company Limited and the Common Security Agent; and

(h) Pledge over onshore accounts dated 26 November 2013 between SCIP Holdings Limited and the Common Security Agent.

**14. Macau law Rolled Loan Cash Collateral**

Pledge over the Rolled Loan Cash Collateral Account dated 1 December 2016 (30 November 2016, New York time) between Studio City Company Limited and Bank of China Limited, Macau Branch.

**15. Macau law security amendments and confirmations**

(a) Confirmation of Studio City mortgage deed dated 1 December 2016 (30 November 2016, New York time) between Studio City Developments Limited and the Common Security Agent;

(b) Composite confirmation of Macau security documents dated 1 December 2016 (30 November 2016, New York time) between Studio City Developments Limited, Studio City Retail Services Limited, Studio City Hotels Limited, Studio City Hospitality and Services Limited, Studio City Services Limited, Studio City Entertainment Limited, Studio City Company Limited, Studio City Investments Limited, SCIP Holdings Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Holdings Five Limited, Melco Crown (Macau) Limited and the Common Security Agent;

(c) Composite amendment and confirmation of assignments of leases and right to use agreements dated 1 December 2016 (30 November 2016, New York time) between Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and the Common Security Agent; and

(d) Composite amendment and confirmation of pledges over onshore accounts dated 1 December 2016 (30 November 2016, New York time) between Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Company Limited, SCIP Holdings Limited and the Common Security Agent.

**Schedule 5**
**Continuing Documents**

**Part 1**

**Definitions and clauses**

**1.** In the case of the Continuing Macau Floating Charges:

(a) the words and expressions listed in section 1 of Part 2 (*Reserved meanings*) of this Schedule 5 shall be treated for the purposes of the Continuing Macau Floating Charges as having the meanings set out in that section (as if set out in the Credit Facilities Agreement);

(b) references in the Continuing Macau Floating Charges to clause 29.23 (*Winding up of trust*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Floating Charges as references to Clause 21.25 (*Winding up of trust*) of this Agreement, where this agreement has been restated;

(c) references in the Continuing Macau Floating Charges to clause 34.4 (*Disposals by Obligors*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Floating Charges as references to Clause 16.2 (*Facilitation of Non-Distressed Disposals*) of this Agreement, where this agreement has been restated;

(d) references in the Continuing Macau Floating Charges to clause 37 (*Application of Proceeds*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Floating Charges as references to Clause 19 (*Application of proceeds*) of this Agreement, where this agreement has been restated; and

(e) references in the Continuing Macau Floating Charges to clause 39 (*Notices*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Floating Charges as references to Clause 29 (*Notices*) of this Agreement, where this agreement has been restated.

**2.** In the case of the Continuing Macau Accounts Pledges:

(a) the words and expressions listed in section 1 of Part 2 (*Reserved meanings*) of this Schedule 5 shall be treated for the purposes of the Continuing Macau Accounts Pledges as having the meanings set out in that section (as if set out in the Credit Facilities Agreement); and

(b) references in the Continuing Macau Accounts Pledges to clause 37 (*Application of Proceeds*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Accounts Pledges as references to Clause 19 (*Application of proceeds*) of this Agreement, where this agreement has been restated.

**3.** In the case of the Continuing Macau Share Pledges:

(a) the words and expressions listed in section 1 of Part 2 (*Reserved meanings*) of this Schedule 5 shall be treated for the purposes of the Continuing Macau Share Pledges as having the meanings set out in that section (as if set out in the Credit Facilities Agreement) and the words and expressions listed in section 2 of Part 2 (*Reserved meanings*) of this Schedule 5 shall be given the meanings set out in that section (as if set out in the Credit Facilities Agreement) in such Continuing Macau Share Pledges;

(b) clause 2.4 (*Restriction on Security Agent*) of each Continuing Macau Share Pledge entered into by Studio City Holdings Five Limited shall be read and construed for the purposes of such Continuing Macau Share Pledge as set out in section 2 of Part 2 (*Reserved meanings*) of this Schedule 5;

(c) references in the Continuing Macau Share Pledges to clause 12.3 (*Default interest*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Share Pledges as references to Clause 26.5 (*Interest on demand*) of this Agreement, where this agreement has been restated;

(d) references in the Continuing Macau Share Pledges to clause 29.23 (*Winding up of trust*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Share Pledges as references to Clause 21.25 (*Winding up of trust*) of this Agreement, where this agreement has been restated;

(e) references in the Continuing Macau Share Pledges to clause 34.4 (*Disposals by Obligors*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Share Pledges as references to Clause 16.2 (*Facilitation of Non- Distressed Disposals*) of this Agreement, where this agreement has been restated;

(f) references in the Continuing Macau Share Pledges to clause 37 (*Application of Proceeds*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Share Pledges as references to Clause 19 (*Application of proceeds*) of this Agreement, where this agreement has been restated; and

(g) references in the Continuing Macau Share Pledges to clause 39 (*Notices*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Share Pledges as references to Clause 29 (*Notices*) of this Agreement, where this agreement has been restated.

**4.** In the case of the Continuing Macau Mortgage:

(a) the words and expressions listed in section 1 of Part 2 (*Reserved meanings*) of this Schedule 5 shall be treated for the purposes of the Continuing Macau Mortgage as having the meanings set out in that section (as if set out in the Credit Facilities Agreement);

(b) references in the Continuing Macau Mortgage to clause 29.23 (*Winding up of trust*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Mortgage as references to Clause 21.25 (*Winding up of trust*) of this Agreement, where this agreement has been restated; and

(c) references in the Continuing Macau Mortgage to clause 37 (*Application of Proceeds*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Mortgage as references to Clause 19 (*Application of proceeds*) of this Agreement, where this agreement has been restated.

**5.** In the case of the Continuing Macau Onshore Accounts Pledges:

(a) the words and expressions listed in section 1 of Part 2 (*Reserved meanings*) of this Schedule 5 shall be treated for the purposes of the Continuing Macau Onshore Accounts Pledges as having the meanings set out in that section (as if set out in the Credit Facilities Agreement);

(b) references in the Continuing Macau Onshore Accounts Pledges to clause 29.23 (*Winding up of trust*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Onshore Account Pledges as references to Clause 21.25 (*Winding up of trust*) of this Agreement, where this agreement has been restated;

(c) references in the Continuing Macau Onshore Accounts Pledges to clause 34.4 (*Disposals by obligors*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Onshore Account Pledges as references to Clause 16.2 (*Facilitation of Non-Distressed Disposals*) of this Agreement, where this agreement has been restated;

(d) references in the Continuing Macau Onshore Accounts Pledges to clause 37 (*Applications of proceeds*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Onshore Account Pledges as references to Clause 19 (*Application of proceeds*) of this Agreement, where this agreement has been restated; and

(e) references in the Continuing Macau Onshore Accounts Pledges to clause 39 (*Notices*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Onshore Accounts Pledges as references to Clause 29 (*Notices*) of this Agreement, where this agreement has been restated.

**6.** In the case of the Continuing Macau Assignments:

(a) the words and expressions listed in section 1 of Part 2 (*Reserved meanings*) of this Schedule 5 shall be treated for the purposes of the Continuing Macau Assignments as having the meanings set out in that section (as if set out in the Credit Facilities Agreement);

(b) references in the Continuing Macau Assignments to clause 29.23 (*Winding up of trust*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Assignments as references to Clause 21.25 (*Winding up of trust*) of this Agreement, where this agreement has been restated;

(c) references in the Continuing Macau Assignments to clause 34.4 (*Disposals by obligors*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Assignments as references to Clause 16.2 (*Facilitation of Non- Distressed Disposals*) of this Agreement, where this agreement has been restated;

(d) references in the Continuing Macau Assignments to clause 37 (*Application of proceeds*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Assignments as references to Clause 19 (*Application of proceeds*) of this Agreement, where this agreement has been restated; and

(e) references in the Continuing Macau Assignments to clause 39 (*Notices*) of the Credit Facility Agreement shall be treated for the purposes of the Continuing Macau Assignments as references to Clause 29 (*Notices*) of this Agreement, where this agreement has been restated.

**7.** In the case of the Continuing English Share Charges:

(a) the words and expressions listed in section 3 of Part 2 (*Reserved meanings*) of this Schedule 5 shall have the corresponding meanings in the Continuing English Share Charges as set out in that section (as if set out in the Credit Facilities Agreement);

(b) references in the Continuing English Share Charges to the first day of each Interest Period include references to the first day of any interest period that applies under any Pari Passu Facility Agreement;

(c) references in the Continuing English Share Charges to the provisions of the Credit Facility Agreement for the assignment of the Common Security Agent's rights and transfer of the Common Security Agent's obligations shall be references to the corresponding provisions in this Agreement, where these agreements have been restated;

(d) it is acknowledged that none of the Secured Parties has or shall have any obligations under the Continuing English Share Charges;

(e) references in the Continuing English Share Charges to clause 12.3 (*Default interest*) of the Credit Facility Agreement shall be references to Clause 26.5 (*Interest on demand*) of this Agreement, where this agreement has been restated;

(f) references in the Continuing English Share Charges to clause 29.23 (*Winding up of trust*) of the Credit Facility Agreement shall be references to Clause 21.25 (*Winding up of trust*) of this Agreement, where this agreement has been restated;

(g) references in the Continuing English Share Charges to clause 34.4 (*Disposals by Obligors*) of the Credit Facility Agreement shall be references to Clause 16.2 (*Facilitation of Non-Distressed Disposals*) of this Agreement, where this agreement has been restated;

(h) references in the Continuing English Share Charges to clause 37 (*Application of Proceeds*) of the Credit Facility Agreement shall be references to Clause 19 (*Application of proceeds*) of this Agreement, where this agreement has been restated;

(i) references in the Continuing English Share Charges to clause 39 (*Notices*) of the Credit Facility Agreement shall be references to Clause 29 (*Notices*) of this Agreement, where this agreement has been restated; and

(j) references in the Continuing English Share Charges to paragraph 3.31 (*Further assurance*) of schedule 6 (*Covenants*) of the Credit Facility Agreement shall be references to Clause 21.30 (*Further assurance*) of this Agreement, where this agreement has been restated.

**8.** In the case of the Continuing English Debenture (General):

(a) the words and expressions listed in section 4 of Part 2 (*Reserved meanings*) of this Schedule 5 shall have the corresponding meanings in the Continuing English Debenture (General) as set out in that section (as if set out in the Credit Facilities Agreement);

(b) references in the Continuing English Debenture (General) to the provisions of the Credit Facility Agreement for the assignment of the Common Security Agent's rights and transfer of the Common Security Agent's obligations shall be references to the corresponding provisions in this Agreement, where these agreements have been restated;

(c) references in the Continuing English Debenture (General) to clause 12.3 (*Default interest*) of the Credit Facility Agreement shall be references to Clause 26.5 (*Interest on demand*) of this Agreement, where this agreement has been restated;

(d) references in the Continuing English Debenture (General) to clause 29.23 (*Winding up of trust*) of the Credit Facility Agreement shall be references to Clause 21.25 (*Winding up of trust*) of this Agreement, where this agreement has been restated;

(e) references in the Continuing English Debenture (General) to clause 34.4 (*Disposals by Obligors*) of the Credit Facility Agreement shall be references to Clause 16.2 (*Facilitation of Non-Distressed Disposals*) of this Agreement, where this agreement has been restated;

(f) references in the Continuing English Debenture (General) to clause 37 (*Application of Proceeds*) of the Credit Facility Agreement shall be references to Clause 19 (*Application of proceeds*) of this Agreement, where this agreement has been restated;

(g) references in the Continuing English Debenture (General) to clause 39 (*Notices*) of the Credit Facility Agreement shall be references to Clause 29 (*Notices*) of this Agreement, where this agreement has been restated;

(h) references in the Continuing English Debenture (General) to paragraph 3.14 (*Negative Pledge*) of Schedule 6 (*Covenants*) of the Credit Facility Agreement shall be references to section 7 (*Liens*) of scheduled 10 (*Covenants*) of the Credit Facility Agreement, section 4.12 (*Liens*) of the Senior Secured 2019 Note Indenture, section 4.12 (*Liens*) of the Senior Secured 2021 Note Indenture and any Equivalent Provision of any Pari Passu Note Indenture or Pari Passu Facility Agreement, where this agreement has (or would be) been variously restated; and

(i) references in the Continuing English Debenture (General) to paragraph 3.31 (*Further assurance*) of schedule 6 (*Covenants*) of the Credit Facility Agreement shall be references to Clause 21.30 (*Further assurance*) of this Agreement, where this agreement has been restated.

**9.** In the case of the Continuing English Debenture (SCH5):

(a) the words and expressions listed in section 5 of Part 2 (*Reserved meanings*) of this Schedule 5 shall have the corresponding meanings in the Continuing English Debenture (SCH5) as set out in that section (as if set out in the Credit Facilities Agreement);

(b) references in the Continuing English Debenture (SCH5) to the provisions of the Credit Facility Agreement for the assignment of the Common Security Agent's rights and transfer of the Common Security Agent's obligations shall be references to the corresponding provisions in this Agreement, where these agreements have been restated;

(c) references in the Continuing English Debenture (SCH5) to clause 12.3 (*Default interest*) of the Credit Facility Agreement shall be references to Clause 26.5 (*Interest on demand*) of this Agreement, where this agreement has been restated;

(d) references in the Continuing English Debenture (SCH5) to clause 24.2 (*Acceleration*) of the Credit Facility Agreement shall be references to Clause 21.25 (*Winding up of trust*) of this Agreement, where this agreement has been restated;

(e) references in the Continuing English Debenture (SCH5) to clause 29.23 (*Winding up of trust*) of the Credit Facility Agreement shall be references to Clause 21.25 (*Winding up of trust*) of this Agreement, where this agreement has been restated;

(f) references in the Continuing English Debenture (SCH5) to clause 37 (*Application of Proceeds*) of the Credit Facility Agreement shall be references to Clause 19 (*Application of proceeds*) of this Agreement, where this agreement has been restated; and

(g) references in the Continuing English Debenture (SCH5) to clause 39 (*Notices*) of the Credit Facility Agreement shall be references to Clause 29 (*Notices*) of this Agreement, where this agreement has been restated.

**10.** In the case of the Continuing Hong Kong Accounts Charges:

(a) the words and expressions listed in section 6 of Part 2 (*Reserved meanings*) of this Schedule 5 shall have the corresponding meanings in the Continuing Hong Kong Account Charges as set out in that section (as if set out in the Credit Facilities Agreement);

(b) references in the Continuing Hong Kong Accounts Charges to the provisions of the Credit Facility Agreement for the assignment of the Common Security Agent's rights and transfer of the Common Security Agent's obligations shall be references to the corresponding provisions in this Agreement, where these agreements have been restated;

(c) references in the Continuing Hong Kong Accounts Charges to clause 29.23 (*Winding up of trust*) of the Credit Facility Agreement shall be references to Clause 21.25 (*Winding up of trust*) of this Agreement, where this agreement has been restated;

(d) references in the Continuing Hong Kong Accounts Charges to clause 34.4 (*Disposals by Obligors*) of the Credit Facility Agreement shall be references to Clause 16.2 (*Facilitation of Non-Distressed Disposals*) of this Agreement, where this agreement has been restated;

(e) references in the Continuing Hong Kong Accounts Charges to clause 37 (*Application of Proceeds*) of the Credit Facility Agreement shall be references to Clause 19 (*Application of proceeds*) of this Agreement, where this agreement has been restated;

(f) references in the Continuing Hong Kong Accounts Charges to clause 39 (*Notices*) of the Credit Facility Agreement shall be references to Clause 29 (*Notices*) of this Agreement, where this agreement has been restated; and

(g) references in the Continuing Hong Kong Accounts Charges to paragraph 3.31 (*Further assurance*) of schedule 6 (*Covenants*) of the Credit Facility Agreement shall be references to Clause 21.30 (*Further assurance*) of this Agreement, where this agreement has been restated.

**11.** In the case of the Continuing English Powers of Attorney, references in the Continuing English Powers of Attorney to clause 29.23 (*Winding up of trust*) of the Credit Facility Agreement shall be references to Clause 21.25 (*Winding up of trust*) of this Agreement, where this agreement has been restated.

**12.** In the case of the Services and Right to Use Direct Agreement:

(a) (i) references to "Secured Obligations" in the Services and Right to Use Direct Agreement shall have the meaning given to that term in the original form of the Credit Facility Agreement and shall not have the meaning given to that term in any subsequently amended or amended and restated form of the Credit Facility Agreement and (ii) the terms "Outstanding Facility Debt" and "Asset Consideration" as used in the Services and Right to Use Direct Agreement shall be read and construed accordingly;

(b) (i) references to "Secured Parties" in the Services and Right to Use Direct Agreement shall have the meaning given to that term in the original form of the Credit Facility Agreement and shall not have the meaning given to that term in any subsequently amended or amended and restated form of the Credit Facility Agreement, (ii) references to "Obligors" in the Services and Right to Use Direct Agreement shall have the meaning given to the term "Debtor" in this Agreement and (iii) references to "Grantors" in the Services and Right to Use Direct Agreement shall include the meaning given to the term "Security Provider" in this Agreement;

(c) subject to paragraphs (a) and (b) above, the words and expressions listed in section 7 of Part 2 (*Reserved meanings*) of this Schedule 5 shall have the corresponding meanings in the Services and Right to Use Direct Agreement as set out in that section (as if set out in the Credit Facilities Agreement);

(d) references at clauses 3.2.10 (*Consent and Acknowledgement of the Company*) and 29.1.1 (*Surviving Provisions*) of the Services and Right to Use Direct Agreement to "a Change of Control Event of Default under paragraphs (c), (d) or (e) of the definition of Change of Control" shall be treated for the purposes of the Services and Right to Use Direct Agreement as references to paragraphs (2), (4), (5) and (6) of the definition of "Change of Control" in the original form of the Credit Facility Agreement, where these parameters have been restated;

(e) references in the Services and Right to Use Direct Agreement to clause 29.23 (*Winding up of trust*) of the Credit Facility Agreement shall be references to Clause 21.25 (*Winding up of trust*) of this Agreement, where this agreement has been restated;

(f) references at clause 5.6 (*Reimbursement*) of the Services and Right to Use Direct Agreement to clause 37.1 and clause 37.1(a) of the Credit Facility Agreement shall be treated for the purposes of the Services and Right to Use Direct Agreement as references to Clause 19.1 (*Order of application*) of this Agreement and paragraph (b)(i) of Clause 19.1 (*Order of application*) of this Agreement (respectively), where these agreements have been restated;

(g) references in the Services and Right to Use Direct Agreement to clause 44 (*Confidentiality*) of the Credit Facility Agreement shall be treated for the purposes of the Services and Right to Use Direct Agreement as references to clause 38 (*Disclosure of information*) of the Credit Facility Agreement, where this agreement has been restated;

(h) references in the Services and Right to Use Direct Agreement to paragraphs (1)-(3) (each inclusive) of Section 11.08(c) of the High Yield Note Indenture shall include references to any equivalent provision that is similar in meaning and effect in any indenture (or other document or instrument) which relates to any Additional High Yield Notes, any Additional High Yield Note Refinancing and any High Yield Note Refinancing;

(i) references in the Services and Right to Use Direct Agreement to rights under any Transaction Security Document being exercised by the Security Agent shall be treated for the purposes of the Services and Right to Use Direct Agreement as including the exercise by Bank of China Limited, Macau Branch of its rights under the Rolled Loan Cash Collateral; and

(j) references in the in the Services and Right to Use Direct Agreement to paragraph 2 (*Financial covenants*) of schedule 6 (*Covenants*) to the Credit Facility Agreement shall have no meaning, such that any condition of compliance shall be considered satisfied (in recognition that the obligations of the Debtors under that covenant no longer apply).

**Part 2**
**Reserved meanings**

**1.** For the purposes of each Continuing Macau Document, as applicable:

"**Accounts**" shall have no specified meaning and shall denote any account;

"**Agent**" means the Intercreditor Agent (as defined in the Intercreditor Agreement);

"**Event of Default**" has the meaning given to that term in the Intercreditor Agreement;

"**Facilities**", whenever used in the Continuing Macau Mortgage or in the recitals of any other Continuing Macau Document (each as defined in the Intercreditor Agreement), has the meaning given to such term in this Agreement prior to its being amended and restated by the 2016 Amendment and Restatement Agreement;

"**Finance Documents**" means the Secured Obligations Documents;

"**Lenders**", whenever used in the recital of such Continuing Macau Document (as defined in the Intercreditor Agreement), has the meaning given to such term in this Agreement prior to its being amended and restated by the 2016 Amendment and Restatement Agreement; and

"**Major Project Documents**" shall have no specified meaning.

**2.** For the purposes of each Continuing Macau Share Pledge entered into by Studio City Holdings Five Limited pursuant to which any shares are pledged in Propco, SCE or Studio City Hotels Limited:

(a) the following definitions shall apply:

"**Intercreditor Agreement**" means the intercreditor agreement dated 1 December 2016 (November 30, 2016, New York time) entered into by, among others, Studio City Company Limited as the company, Studio City Investments Limited as the parent, Bank of China Limited, Macau Branch as credit facility agent, Deutsche Bank Trust Company Americas as senior secured 2019 note trustee and senior secured 2021 note trustee, DB Trustees (Hong Kong) Limited as intercreditor agent and Industrial and Commercial Bank of China (Macau) Limited as common security agent; and

"**Special Enforcement Notice**" means a notice of enforcement action delivered by the Intercreditor Agent (as defined in the Intercreditor Agreement) or the Common Security Agent (as defined in the Intercreditor Agreement) to the Pledgor after receipt by the Intercreditor Agent (as defined in the Intercreditor Agreement) of an instruction from any Instructing Group (as defined in the Intercreditor Agreement):

(a) stating that an Event of Default has occurred and is continuing;

(b) stating that the conditions referred to in paragraphs (a) and (b) in clause 10 (*Enforcement Conditions*) have been satisfied; and

(c) directing the Intercreditor Agent and/or the Common Security Agent (each as defined in the Intercreditor Agreement) to take such enforcement action, and which has not been withdrawn; and

(b) clause 2.4 (*Restriction on Security Agent*) shall be read and construed as if it were set out in such Continuing Macau Share Pledge as follows:

Notwithstanding the terms of this Debenture or any Finance Document, no Secured Party shall take any step, in respect of the Secured Obligations, to initiate (or to join in initiating), in relation to the Pledgor and/or any of its assets:

(a) any such proceeding (or an event which under any applicable laws of any jurisdiction, has an analogous effect to any such proceeding) as is referred to in paragraph (d) or (e) of the definition of Insolvency Event (as defined in the Services and Right to Use Direct Agreement) in respect of the Pledgor; or

(b) in respect of any property that is not Charged Property, any execution, attachment or sequestration or similar legal process,

in each case subject to clause 11.2 (*Non-petition*) of the Services and Right to Use Direct Agreement.

**3.** For the purposes of the Continuing English Share Charges:

"**Agent**" means the Intercreditor Agent (as defined in the Intercreditor Agreement);

"**Finance Documents**" means the Secured Obligations Documents;

"**Finance Party**" means each Secured Party; and

"**Lender**" means, where used in clause 4.2 (*Charge*) of each Continuing English Share Charge, each Credit Facility Lender and each Pari Passu Facility Lender.

**4.** For the purposes of the Continuing English Debenture (General):

"**Agent**" means the Intercreditor Agent (as defined in the Intercreditor Agreement);

"**Finance Documents**" means the Secured Obligations Documents;

"**Finance Party**" means each Secured Party;

"**Group Insured**" has no specified meaning;

"**Lender**" means, where used in clause 5.4 (*Further Advances*) of each Continuing English Debenture, each Credit Facility Lender and each Pari Passu Facility Lender;

"**Major Project Documents**" has no specified meaning; and

"**Pledge of Enterprise**" has no specified meaning.

**5.** For the purposes of the Continuing English Debenture (SCH5):

"**Agent**" means the Intercreditor Agent (as defined in the Intercreditor Agreement);

"**Event of Default**" has the meaning given to that term in the Intercreditor Agreement;

"**Finance Documents**" means the Secured Obligations Documents;

"**Finance Party**" means each Secured Party; and

"**Lender**" means, where used in clause 5.2 (*Further Advances*) of the Continuing English Debenture (SCH5), each Credit Facility Lender and each Pari Passu Facility Lender.

**6.** For the purposes of the Hong Kong Accounts Charges:

"**Finance Documents**" means the Secured Obligations Documents;

"**Finance Party**" means each Secured Party; and

“**Lender**” means:

(a) where used in clause 5.5 (*Further Advances*) of each Hong Kong Accounts Charge entered into by a member of the Group incorporated in the British Virgin Islands, each Credit Facility Lender and each Pari Passu Facility Lender; and

(b) where used in clause 5.4 (*Further Advances*) of each Hong Kong Accounts Charge entered into by a member of the Group incorporated in the Macau SAR, each Credit Facility Lender and each Pari Passu Facility Lender.

**7.** For the purposes of the Services and Right to Use Direct Agreement:

“**Agent**” means (i) for the purposes of clause 16.2.2 (*Transfers by the Preference Holder of Preference Rights*) of the Services and Right to Use Direct Agreement, the Common Security Agent and (ii) for all other purposes, the Agent;

“**Debt Service Accrual Account**” means each Pari Passu Notes Interest Accrual Account;

“**Debt Service Reserve Account**” means each Pari Passu Facility Debt Service Reserve Account;

“**Direct Agreement**” means the Services and Right to Use Direct Agreement.

“**Equity**” means:

(a) New Shareholder Injections; and

(b) any amount accrued in the Liquidity Account prior to the date of the 2016 Amendment and Restatement Effective Date or any other cash proceeds received by the Parent prior to the date of the 2016 Amendment and Restatement Effective Date that would constitute New Shareholder Injections if they had been received after the date of the 2016 Amendment and Restatement Effective Date.

“**Event of Default**”:

(a) for the purpose of clause 13.7.1 (*Transfers by Golden Shareholder*) and clause 16.2.1 (*Transfers by the Preference Holder of Preference Rights*) of the Services and Right to Use Direct Agreement, has the meaning given to that term in the Intercreditor Agreement;

(b) for the purpose of the definition of “Permitted Subordinated SCE Obligations” and “Permitted Subordinated IE Obligations” in the Services and Right to Use Direct Agreement, means an Event of Default under this Agreement;

(c) for the purposes of the definition of “Funding Date” and clause 28.1.3 (*Override*) means an Event of Default under this Agreement;

(d) for the purposes of clause 3.2.10 (*Consent and Acknowledgement of the Company*) and 29.1.1 (*Surviving Provisions*) of the Services and Right to Use Direct Agreement, shall be construed in accordance with paragraph 12(d) of Part 1 (*Definitions and clauses*) of this Schedule 5; and

(e) for the purposes of the references to “Default” in clause 11.6.1 (*Appointment of Realisation Adviser(s)*) of the Services and Right to Use Direct Agreement, has the meaning given to that term in the Intercreditor Agreement.

“**Excess Cashflow**” means:

(a) in relation to any period, cashflow generated for that period (before taking into account (i) any deductions for principal, interest payments or other debt service amounts; (ii) depositing of any amounts in any Debt Service Accrual Account or any Debt Service Reserve Account; and (iii) any Phase I maintenance capital expenditure) as specified in any cashflow statement in the consolidated financial statements of the Group; and

(b) cashflow from any period prior to the date of the 2016 Amendment and Restatement Effective Date calculated on the same basis as in paragraph (a) above.

"**Facilities**" has the meaning given to such term in this Agreement prior to its being amended and restated by the 2016 Amendment and Restatement Agreement;

"**Facilities Agreement**" means (i) for the purpose of the requirements referred to in limb (a)(iii) of the definition of Permitted Subordinated IE Obligation and limb (a)(iii) of the definition of Permitted Subordinated SCE Obligation, the Secured Obligations Documents and (ii) for all other purposes, the Credit Facilities Agreement;

"**Finance Documents**" means the Secured Obligations Documents, *provided* that where the Services and Right to Use Direct Agreement refers to "permitted under the terms of the Finance Documents", "permitted in accordance with the terms of the Finance Documents", "permitted by the Finance Documents" and other like expressions, this shall be treated as a reference to "expressly permitted or not prohibited (as applicable) by each of the Facilities Agreement, the Pari Passu Facility Agreements (as defined in the Intercreditor Agreement, as defined in the Facilities Agreement) (if any), the Pari Passu Note indentures (as defined in the Intercreditor Agreement, as defined in the Facilities Agreement) (if any) and the Intercreditor Agreement (as defined in the Facilities Agreement", or its equivalent in meaning in the given context;

"**Finance Parties**" means the Secured Parties (save where used in the recitals to, and clauses 18.2.2 and 18.2.4 (*IE Subordination in Insolvency*), clause 20.2.3 (*Disclosure of Confidential Information*), clause 29.1.3 (*Surviving provisions*) of the Services and Right to Use Direct Agreement, where such term shall mean the Finance Parties);

"**Hedging Agreements**" has the meaning given to it in the Intercreditor Agreement;

"**Hedging Liabilities**" has the meaning given to it in the Intercreditor Agreement;

"**Lenders**":

(a) for the purposes of the recitals to the Services and Right to Use Direct Agreement, has the meaning given to such term in this Agreement prior to its being amended and restated by the 2016 Amendment and Restatement Agreement; and

(b) for the purposes of clause 10.1 (*Information: Notices*) of the Services and Right to Use Direct Agreement, means each Lender, each Pari Passu Facility Lender (as defined in the Intercreditor Agreement), each Pari Passu Note Trustee (as defined in the Intercreditor Agreement) and each Hedge Counterparty (as defined in the Intercreditor Agreement);

"**Permitted Distributions**" means amounts that could, at the time of such payment (and on a *pro forma* basis as if such payment were a Restricted Payment), be paid as a Restricted Payment in accordance with Section 2 (*Limitation on Restricted Payments*) of Schedule 10 (*Covenants*) of this Agreement pursuant to Clause 23.1 (*Notes covenants*) of this Agreement;

"**Project**" means the Property; and

"**Repayment Instalment**" shall have no specified meaning, such that any condition relating to its payment shall be treated as having been satisfied.

**Schedule 6**
**Agreed Security Principles**

**1. Considerations**

1.1 The guarantees and Security to be provided in support of the Secured Obligations will be given in accordance with these Agreed Security Principles.

1.2 The overriding principle of these Agreed Security Principles is that the terms of any guarantee or any Transaction Security Document entered into after the date of this Agreement shall be no more onerous than the terms of the Transaction Security Documents that exist as at the date of this Agreement (the "**Existing Transaction Security Documents**") and, where applicable, the Transaction Security Documents shall be substantially similar in scope and nature to the terms of any Existing Transaction Security Document.

1.3 In the event of a conflict between the terms of a Transaction Security Document and the Intercreditor Agreement, the terms of the Intercreditor Agreement shall prevail and, in the event of a conflict between the terms of a Transaction Security Document and the Credit Facility Agreement or a Pari Passu Debt Document, the terms of the Credit Facility Agreement or that Pari Passu Debt Document shall prevail. Subject to these Agreed Security Principles and other than in respect of any Credit-Specific Transaction Security, the obligations to be secured by the Transaction Security are the Secured Obligations.

1.4 In relation to any guarantee and/or Transaction Security provided or to be provided pursuant to the Credit Facility Agreement or a Pari Passu Debt Document, such guarantee and/or Transaction Security shall:

(a) not be required to be created or perfected to the extent that it would:

(i) result in any breach of any legal or regulatory requirement beyond the control of any member of the Group (or, if applicable, the relevant Security Provider) or result in any breach of corporate benefit, financial assistance, fraudulent preference or thin capitalisation laws or regulations (or analogous restrictions) of any applicable jurisdiction;

(ii) result in a significant risk to the officers of the relevant grantor of Security of contravention of their fiduciary duties and/or of civil or criminal liability; or

(iii) require the consent of any shareholder (that is not wholly-owned directly or indirectly by the Parent or that is not SCH5) or would breach any restriction or provision contained in any joint venture agreement or shareholders' agreement or require (other than agreements solely between members of the Group and/or Affiliates of members of the Group), *provided* that such restriction or provision was not included primarily so that such guarantee or Transaction Security would be exempted pursuant to this exception;

(b) shall only be given (if at all) after taking into account:

(i) the practicality and costs involved in taking or perfecting any such guarantee or Transaction Security and (in the case of Transaction Security) the extent to which such Transaction Security may be unduly burdensome on the relevant member of the Group or interfere with the operation of its business;

(ii) the provisions of each Transaction Security Document will be limited to those obligations required by local law to create or maintain effective Transaction Security and will not impose commercial obligations;

(iii) any adverse taxation implications for the Group as a whole;

(iv) any such guarantee or Transaction Security and extent of its perfection will be agreed taking into account the costs to the Group of providing such guarantee or Transaction Security so as to ensure that it is proportionate to the benefit accruing to the Secured Parties and the principle that the Transaction Security granted in favour of the Secured Parties in respect of the Secured Obligations shall in its nature and scope remain substantially consistent with the Transaction Security created pursuant to the Existing Transaction Security Documents (and to the extent that such costs are disproportionate to the benefit accruing to the Secured Parties and such guarantee or Transaction Security is not required to satisfy such principle, such guarantee or Transaction Security or the extent of perfection shall not be given or made); and

(v) any assets subject to any arrangements with third parties (which arrangements are permitted under the Credit Facility Agreement or a Pari Passu Debt Document) which prevent those assets from being secured will be excluded from any Transaction Security and any Transaction Security Document, *provided* that reasonable endeavours for a period of 30 Business Days to obtain consent to the creation of Transaction Security over any such asset shall be used by the relevant Obligor or Group Member if such asset is material (and *provided* that if that Obligor or Group Member has used its reasonable endeavours but has not been able to obtain such consent, its obligation to obtain such consent shall cease on the expiry of that 30 Business Days period), and *provided further* that such arrangements with third parties were not entered into primarily so that such guarantee or Transaction Security would be exempted pursuant to this exception.

1.5 For the avoidance of doubt, in these Agreed Security Principles, “cost” includes, but is not limited to, income tax cost, registration taxes payable on the creation or enforcement or for the continuance of any Security, stamp duties, out-of-pocket expenses, and other fees and expenses directly incurred by the relevant grantor of Security or any of its direct or indirect owners, subsidiaries or Affiliates.

**2. Obligations to be Secured**

2.1 Subject to 1 (*Considerations*) and to paragraph 2.2 below and other than in respect of any Credit-Specific Transaction Security, the obligations to be secured are the Secured Obligations and are to be granted in favour of the Common Security Agent on behalf of each of the Secured Parties.

2.2 The secured obligations will be limited:

(a) to avoid any breach of corporate benefit, financial assistance, fraudulent preference, thin capitalisation rules or the laws or regulations (or analogous restrictions) of any applicable jurisdiction; and

(b) to avoid any risk to officers of the relevant member of the Group that is granting Transaction Security of contravention of their fiduciary duties and/or civil or criminal or personal liability.

**3. General**

The terms of any guarantee or any Transaction Security Document entered into after the date of this Agreement shall be in accordance with the following principles:

(a) where appropriate, defined terms in this Agreement shall be incorporated by reference into each Transaction Security Document;

(b) the parties to this Agreement agree to negotiate the form of each Transaction Security Document in good faith;

(c) any guarantee is subject to any limitations relating to that Additional Debtor set out in any relevant Debtor Accession Deed;

(d) the guarantees and Transaction Security shall only be enforceable upon or following the delivery of an Enforcement Notice to the relevant Debtor or Security Provider;

(e) any representations, warranties or undertakings which are required to be included in any Transaction Security Document shall reflect (to the extent to which the subject matter of such representation, warranty and undertaking is the same as the corresponding representation, warranty and undertaking in this Agreement, the Credit Facility Agreement and the Pari Passu Debt Documents) the commercial deal set out in this Agreement (save to the extent that Secured Parties' local counsel deem it necessary to include any further provisions (or deviate from those contained in this Agreement, the Credit Facility Agreement and the Pari Passu Debt Documents) in order to protect or preserve the Security granted to the Secured Parties) and will not impose additional commercial obligations;

(f) unless otherwise required under applicable law for the creation or perfection of Transaction Security in accordance with these Agreed Security Principles, the Transaction Security Documents will not contain any repetition of provisions of this Agreement or of the Credit Facility Agreement or the Pari Passu Debt Documents, such as notices, costs and expenses, indemnities, Tax gross up and distribution of proceeds (but may, in circumstances where that Transaction Security Document is to be registered, replicate certain covenants contained in this Agreement, the Credit Facility Agreement or the Pari Passu Debt Documents where to do so would be in the interests of the Secured Parties); and

(g) information, such as lists of assets (or classes or assets, if customary under local law), will be provided if, and only to the extent, required by local law to be provided in order to perfect or register the applicable Transaction Security and, when requested by the Common Security Agent (acting reasonably), shall be provided annually (unless required more frequently under local law) or, whilst an Event of Default is continuing, on the Common Security Agent's reasonable request.

**Schedule 7**
**Enforcement Principles**

**1.** In this Schedule 7:

"**Enforcement Objective**" means maximising, to the extent consistent with a prompt and expeditious realisation of value, the value realised from Enforcement.

"**Fairness Opinion**" means, in respect of any Enforcement, an opinion from a Financial Adviser that the proceeds received or recovered in connection with that Enforcement are fair from a financial point of view taking into account all relevant circumstances.

"**Financial Adviser**" means any:

(a) independent, reputable, internationally recognised investment bank;

(b) independent, internationally recognised accountancy firm; or

(c) other independent, reputable, internationally recognised, third-party professional services firm which is regularly engaged in providing valuations of businesses or financial assets or, where applicable, advising on competitive sales processes.

**2.** Any Enforcement of the Common Transaction Security shall be consistent with the Enforcement Objective and, if applicable, the Services and Right to Use Direct Agreement.

**3.** The Common Transaction Security will be enforced and other action as to Enforcement in respect of the Common Transaction Security will be taken such that either:

(a) to the extent the Instructing Group is the Majority Super Senior Creditors, all proceeds of Enforcement are received by the Common Security Agent in cash for distribution in accordance with Clause 19 (*Application of proceeds*); or

(b) to the extent the Instructing Group is the Majority Pari Passu Creditors, either:

(i) all proceeds of enforcement are received by the Common Security Agent in cash for distribution in accordance with Clause 19 (*Application of proceeds*); or

(ii) sufficient proceeds from Enforcement will be received by the Common Security Agent in cash to ensure that, when the proceeds are applied in accordance with Clause 19 (*Application of proceeds*), the Super Senior Discharge Date will occur (unless the Majority Super Senior Creditors agree otherwise).

**4.** On:

(a) a proposed Enforcement of the Common Transaction Security in relation to assets comprising Charged Property other than shares in a member of the Group over which Transaction Security exists, where the aggregate book value of such assets exceeds US$5,000,000 (or its equivalent in any other currency or currencies); or

(b) a proposed Enforcement of the Common Transaction Security in relation to Charged Property comprising some or all of the shares in a member of the Group over which Transaction Security exists,

which, in either case, is not being effected through a public auction or court process, the Intercreditor Agent shall, if requested by the Majority Super Senior Creditors or the Majority Pari Passu Creditors, appoint a Financial Adviser to provide a Fairness Opinion in relation to that Enforcement, *provided that* the Intercreditor Agent shall not be required to appoint a Financial Adviser nor obtain a Fairness Opinion if a proposed Enforcement:

(i) would result in the receipt of sufficient Enforcement Proceeds in cash by the Common Security Agent to ensure that, after application in accordance with Clause 19 (*Application of proceeds*):

(A) in the case of an Enforcement requested by the Majority Super Senior Creditors, the Final Discharge Date would occur; or

(B) in the case of an Enforcement requested by the Majority Pari Passu Creditors, the Super Senior Discharge Date would occur,

(ii) is in accordance with any applicable law; and

(iii) complies with Clause 17 (*Distressed Disposals*).

**5.** The Intercreditor Agent shall be under no obligation to appoint a Financial Adviser or to seek the advice of a Financial Adviser unless expressly required to do so by this Schedule 7 or any other provision of this Agreement.

**6.** In any public or private auction or other competitive sales process, each Pari Passu Creditor may, at its reasonable request, receive the same information, have the same access to management and have the same rights to participate, at the same time and on the same basis, as each other potential bidder in such process.

**7.** The Fairness Opinion will be conclusive evidence that the Enforcement Objective has been met.

**8.** The Common Security Agent shall be under no obligation to take any action that would be contrary to its agreements in the Services and Right to Use Direct Agreement.

**Schedule 8**
**Form of Super Senior Hedging Certificate**

To: [●] as Intercreditor Agent

From: [*new Super Senior Hedge Counterparty*]/[*existing Super Senior Hedge Counterparty*] and Studio City Investments Limited

Dated:

Dear Sirs

**Studio City Investments Limited—Intercreditor Agreement**
**dated 1 December 2016 (the "Intercreditor Agreement")**

**1.** We refer to the Intercreditor Agreement. This is a Super Senior Hedging Certificate. Terms defined in the Intercreditor Agreement have the same meaning in this Super Senior Hedging Certificate.

**2.** Pursuant to Clause 5.14 (*Allocation of Super Senior Hedging Liabilities*) of the Intercreditor Agreement we request that with effect from the date of your acknowledgement of this Super Senior Hedging Certificate:

(a) [the Hedging Liabilities owed to [*name of new Super Senior Hedge Counterparty*] under [*details of Hedging Agreement and/or trade confirmation or other equivalent documentation to be inserted*] shall be designated and treated as Super Senior Hedging Liabilities with an Allocated Super Senior Hedging Amount equal to [*insert amount in HKD*][.][; *and/or*

(b) the Hedging Liabilities owed to [*name of existing Super Senior Hedge Counterparty*] under [*details of Hedging Agreement and/or trade confirmation or other equivalent documentation to be inserted*] shall no longer be designated as Super Senior Hedging Liabilities and the corresponding Allocated Super Senior Hedging Amount of [*insert amount in HKD*] shall be released and be available for designation towards other Hedging Liabilities as Super Senior Hedging Liabilities under the Intercreditor Agreement.]

**3.** This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

**Studio City Investments Limited** }

By: ______________________________

**[Existing Super Senior Hedge Counterparty]**

By:

**[New Super Senior Hedge Counterparty]**

By:

Acknowledged and accepted on [*insert date*]:

[*Intercreditor Agent*]

By:

## Schedule 9
## Hedge Counterparties' guarantee and indemnity

### 1. Guarantee

Each Debtor irrevocably and unconditionally jointly and severally:

(a) guarantees to each Hedge Counterparty punctual performance by each other Debtor of all that Debtor's obligations under the Hedging Agreements;

(b) undertakes with each Hedge Counterparty that whenever another Debtor does not pay any amount when due under or in connection with any Hedging Agreement, that Debtor shall immediately on demand pay that amount as if it was the principal Debtor; and

(c) agrees with each Hedge Counterparty that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Hedge Counterparty immediately on demand against any cost, loss or liability it incurs as a result of a Debtor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Hedging Agreement on the date when it would have been due. The amount payable by a Debtor under this indemnity will not exceed the amount it would have had to pay under this Schedule 9 if the amount claimed had been recoverable on the basis of a guarantee.

### 2. Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Debtor under the Hedging Agreements, regardless of any intermediate payment or discharge in whole or in part.

### 3. Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Debtor or any security for those obligations or otherwise) is made by a Hedge Counterparty in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Debtor under this Schedule 9 will continue or be reinstated as if the discharge, release or arrangement had not occurred.

### 4. Waiver of defences

The obligations of each Debtor under this Schedule 9 will not be affected by an act, omission, matter or thing which, but for this Schedule 9, would reduce, release or prejudice any of its obligations under this Schedule 9 (without limitation and whether or not known to it or any Hedge Counterparty) including:

(a) any time, waiver or consent granted to, or composition with, any Debtor or other person;

(b) the release of any other Debtor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Debtor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Debtor or any other person;

(e) any amendment, novation, supplement, extension restatement (however fundamental and whether or not more onerous) or replacement of a Hedging Agreement or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any hedging arrangements or the addition of any new hedging arrangements under any Hedging Agreement or other document or security;

(f) any unenforceability, illegality or invalidity of any obligation of any person under any Hedging Agreement or any other document or security; or

(g) any insolvency or similar proceedings.

**5. Debtor intent**

Without prejudice to the generality of paragraph 4 (*Waiver of defences*), each Debtor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Hedging Agreements and/or any hedging made available for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

**6. Immediate recourse**

Each Debtor waives any right it may have of first requiring any Hedge Counterparty (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Debtor under this Schedule 9. This waiver applies irrespective of any law or any provision of a Hedging Agreement to the contrary.

**7. Appropriations**

Until all amounts which may be or become payable by the Debtors under or in connection with the Hedging Agreements have been irrevocably paid in full, each Hedge Counterparty (or any trustee or agent on its behalf) may:

(a) refrain from applying or enforcing any other moneys, security or rights held or received by that Hedge Counterparty (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Debtor shall be entitled to the benefit of the same; and

(b) hold in an interest-bearing suspense account any moneys received from any Debtor or on account of any Debtor’s liability under this Schedule 9.

**8. Deferral of Debtors’ rights**

Until all amounts which may be or become payable by the Debtors under or in connection with the Hedging Agreements have been irrevocably paid in full, no Debtor will exercise any rights which it may have by reason of performance by it of its obligations under the Hedging Agreements or by reason of any amount being payable, or liability arising, under this Schedule 9:

(a) to be indemnified by a Debtor;

(b) to claim any contribution from any other guarantor of any Debtor's obligations under the Hedging Agreements;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Hedge Counterparties under the Hedging Agreements or of any other guarantee or security taken pursuant to, or in connection with, the Hedging Agreements by any Hedge Counterparty;

(d) to bring legal or other proceedings for an order requiring any Debtor to make any payment, or perform any obligation, in respect of which any Debtor has given a guarantee, undertaking or indemnity under paragraph 1 (*Guarantee*);

(e) to exercise any right of set-off against any Debtor; and/or

(f) to claim or prove as a creditor of any Debtor in competition with any Hedge Counterparty.

If a Debtor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Hedge Counterparties by the Debtors under or in connection with the Hedging Agreements to be repaid in full on trust for the Hedge Counterparties and shall promptly pay or transfer the same to the Relevant Hedge Counterparty.

**9. Release of Debtors' right of contribution**

If any Debtor (a "**Retiring Debtor**") ceases to be a Debtor in accordance with the terms of the Hedging Agreements for the purpose of any sale or other disposal of that Retiring Debtor then on the date such Retiring Debtor ceases to be a Debtor:

(a) that Retiring Debtor is released by each other Debtor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Debtor arising by reason of the performance by any other Debtor of its obligations under the Hedging Agreements; and

(b) each other Debtor waives any rights it may have by reason of the performance of its obligations under the Hedging Agreements to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Hedge Counterparties under any Hedging Agreement or of any other security taken pursuant to, or in connection with, any Hedging Agreement where such rights or security are granted by or in relation to the assets of the Retiring Debtor.

**10. Additional security**

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Hedge Counterparty.

**11. Additional Debtor limitations**

The guarantee of any Additional Debtor is subject to any limitations relating to that Additional Debtor set out in any relevant Debtor Accession Deed.

**Signatures**

**The Credit Facility Agent**

**BANK OF CHINA LIMITED, MACAU BRANCH**

/s/ Wong Iao Kun

By: Wong Iao Kun

Address: 13/F, Bank of China Building
Avenida Doutor Mario Soares
Macau

Attn: Mr. James Wong / Ms. Jade Gan
Facsimile: (853) 8792 1659
Email: wong_iaokun@bocmacau.com / gan_qianyu@bocmacau.com

**The Credit Facility Lender**

**BANK OF CHINA LIMITED, MACAU BRANCH**

/s/ Wong Iao Kun

By: Wong Iao Kun

Address: 13/F, Bank of China Building
Avenida Doutor Mario Soares
Macau

Attn: Mr. James Wong / Ms. Jade Gan
Facsimile: (853) 8792 1659
Email: wong_iaokun@bocmacau.com / gan_qianyu@bocmacau.com

**The Senior Secured 2019 Note Trustee**

**DEUTSCHE BANK TRUST COMPANY AMERICAS**
By: Deutsche Bank National Trust Company

/s/ Chris Niesz
By: Chris Niesz
Assistant Vice President

/s/ Kathryn Fischer
By: Kathryn Fischer
Assistant Vice President

Deutsche Bank Trust Company Americas
Trust and Agency Services
60 Wall Street, 16th Floor
Mail Stop: NYC60-1630
New York, New York 10005
Attn: Corporates Team, Studio City
Facsimile: (732) 578-4635

With a copy to:

Deutsche Bank National Trust Company
for Deutsche Bank Trust Company Americas
Trust and Agency Services
100 Plaza One – 6th Floor
Mail Stop: JCY03-0699
Jersey City, NJ 07311-3901
Attn: Corporates Team, Studio City
Facsimile: (732) 578-4635

**The Senior Secured 2021 Note Trustee**

**DEUTSCHE BANK TRUST COMPANY AMERICAS**
By: Deutsche Bank National Trust Company

/s/ Chris Niesz
By: Chris Niesz
Assistant Vice President

/s/ Kathryn Fischer
By: Kathryn Fischer
Assistant Vice President

Deutsche Bank Trust Company Americas
Trust and Agency Services
60 Wall Street, 16th Floor
Mail Stop: NYC60-1630
New York, New York 10005
Attn: Corporates Team, Studio City
Facsimile: (732) 578-4635

With a copy to:

Deutsche Bank National Trust Company
for Deutsche Bank Trust Company Americas
Trust and Agency Services
100 Plaza One – 6th Floor
Mail Stop: JCY03-0699
Jersey City, NJ 07311-3901
Attn: Corporates Team, Studio City
Facsimile: (732) 578-4635

**The Original Debtors**

**The Parent**
**Executed** as a **Deed**
By: **STUDIO CITY INVESTMENTS LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place, Wickhams Cay I
Road Town, Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium, 60 Wyndham Street
Central, Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**The Borrower**
**Executed** as a **Deed**
By: **STUDIO CITY COMPANY LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands
Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR
Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY HOLDINGS TWO LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands
Attention: Company Secretary
Fax: +1 284 494 7279
With a copy to:
Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR
Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer
Fax: +852 2537 3618
Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY HOLDINGS THREE LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands
Attention: Company Secretary
Fax: +1 284 494 7279
With a copy to:
Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR
Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer
Fax: +852 2537 3618
Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY HOLDINGS FOUR LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |
| With a copy to: | |
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **SCP HOLDINGS LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ CHARISA YEUNG

Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |
| With a copy to: | |
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **SCP ONE LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
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Tortola
British Virgin Islands
Attention: Company Secretary
Fax: +1 284 494 7279
With a copy to:
Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR
Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer
Fax: +852 2537 3618
Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **SCP TWO LIMITED**

/s/ Timothy Green NAUSS

Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung

Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
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British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
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Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **SCIP HOLDINGS LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
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British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY ENTERTAINMENT LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY SERVICES LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
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Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY HOTELS LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
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Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY HOSPITALITY AND SERVICES LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen’s Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY DEVELOPMENTS LIMITED**

/s/ Timothy Green NAUSS

Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung

Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY RETAIL SERVICES LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**The Intra-Group Lenders**

**Executed** as a **Deed**
By: **STUDIO CITY INVESTMENTS LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands
Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR
Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY COMPANY LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY HOLDINGS TWO LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |
| With a copy to: | |
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **STUDIO CITY HOLDINGS THREE LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |
| With a copy to: | |
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **STUDIO CITY HOLDINGS FOUR LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands
Attention: Company Secretary
Fax: +1 284 494 7279
With a copy to:
Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR
Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer
Fax: +852 2537 3618
Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **SCP HOLDINGS LIMITED**

/s/ Timothy Green NAUSS

Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung

Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |

With a copy to:

| | |
|---|---|
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **SCP ONE LIMITED**

/s/ Timothy Green NAUSS

Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung

Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |

With a copy to:

| | |
|---|---|
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **SCP TWO LIMITED**

/s/ Timothy Green NAUSS

Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung

Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **SCIP HOLDINGS LIMITED**

/s/ Timothy Green NAUSS

Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung

Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY ENTERTAINMENT LIMITED**

/s/ Timothy Green NAUSS

Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung

Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |

With a copy to:

| | |
|---|---|
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **STUDIO CITY SERVICES LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY HOTELS LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY HOSPITALITY AND SERVICES LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung
Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |

With a copy to:

| | |
|---|---|
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **STUDIO CITY DEVELOPMENTS LIMITED**

/s/ Timothy Green NAUSS

Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ Charisa Yeung

Signature of witness:

Name of witness: Charisa Yeung

Address of witness: 26th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Occupation of witness: Solicitor

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |

With a copy to:

| | |
|---|---|
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

*Signature page to Asgard Intercreditor Agreement*

**Executed** as a **Deed**
By: **STUDIO CITY RETAIL SERVICES LIMITED**

/s/ TIMOTHY GREEN NAUSS
Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26TH FLOOR, GLOUCESTER TOWER, LANDMARK, 15 QUEEN'S ROAD, CENTRAL, HONG KONG

Occupation of witness: SOLICITOR

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**The Original Bondco**

**Executed** as a **Deed**
By: **STUDIO CITY FINANCE LIMITED**

/s/ TIMOTHY GREEN NAUSS
Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26TH FLOOR, GLOUCESTER TOWER, LANDMARK, 15 QUEENS ROAD CENTRAL, CENTRAL HONG KONG

Occupation of witness: SOLICITOR

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**The Existing Subordination Parties**

**Executed** as a **Deed**
By: **STUDIO CITY INVESTMENTS LIMITED**

/s/ TIMOTHY GREEN NAUSS
Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26TH FLOOR GLOUCESTER TOWER, LANDMARK, 15 QUEENS ROAD, CENTRAL, HONG KONG

Occupation of witness: SOLICITOR

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |

With a copy to:

| | |
|---|---|
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **STUDIO CITY COMPANY LIMITED**

/s/ TIMOTHY GREEN NAUSS
Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26TH FLOOR, GLOUCESTER TOWER, LANDMARK, 15 QUEENS ROAD, CENTRAL, HONG KONG

Occupation of witness: SOLICITOR

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |

With a copy to:

| | |
|---|---|
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **STUDIO CITY HOLDINGS TWO LIMITED**

/s/ TIMOTHY GREEN NAUSS
Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26TH FLOOR, GLOUCESTER TOWER, LANDMARK, 15 QUEENS ROAD, CENTRAL, HONG KONG

Occupation of witness: SOLICITOR

*Notice details*

| | |
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| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |
| With a copy to: | |
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **STUDIO CITY HOLDINGS THREE LIMITED**

/s/ TIMOTHY GREEN NAUSS
Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26TH FLOOR, GLOUCESTER TOWER, LANDMARK, 15 QUEENS ROAD, CENTRAL, HK

Occupation of witness: SOLICITOR

*Notice details*


Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
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Tortola
British Virgin Islands
Attention: Company Secretary
Fax: +1 284 494 7279
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36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR
Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer
Fax: +852 2537 3618
Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY HOLDINGS FOUR LIMITED**

/s/ TIMOTHY GREEN NAUSS
Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26TH FLOOR, GLOUCESTER TOWER, LANDMARK, QUEENS ROAD, CENTRAL, HK

Occupation of witness: SOLICITOR

*Notice details*

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| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
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| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **SCP HOLDINGS LIMITED**

/s/ TIMOTHY GREEN NAUSS

Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG

Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26TH GLOUCESTER TOWER, LANDMARK, QUEENS ROAD, CENTRAL, HK

Occupation of witness: SOLICITOR

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |
| With a copy to: | |
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **SCP ONE LIMITED**

/s/ TIMOTHY GREEN NAUSS
Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26TH FLOOR, GLOUCESTER TOWER, LANDMARK, 15 QUEENS RD CENTRAL, HK

Occupation of witness: SOLICITOR

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |
| With a copy to: | |
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **SCP TWO LIMITED**

/s/ TIMOTHY GREEN NAUSS
Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26 GLOUCESTER TOWER, LANDMARK, 15 QUEENS RD, CENTRAL, HK

Occupation of witness: SOLICITOR

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
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Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

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36/F, The Centrium
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Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **SCIP HOLDINGS LIMITED**

/s/ TIMOTHY GREEN NAUSS

Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG

Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26 GLOUCESTER TOWER, LANDMARK, 15 QUEENS RD, CENTRAL, HK

Occupation of witness: SOLICITOR

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |

With a copy to:

| | |
|---|---|
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **STUDIO CITY ENTERTAINMENT LIMITED**

/s/ TIMOTHY GREEN NAUSS
Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26 GLOUCESTER TOWER, LANDMARK, 15 QUEENS RD, CENTRAL, HK

Occupation of witness: SOLICITOR

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
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British Virgin Islands
Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR
Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY SERVICES LIMITED**

/s/ TIMOTHY GREEN NAUSS
Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26 FR, GLOUCESTER TOWER, 15 QUEENS RD, CENTRAL, HK

Occupation of witness: SOLICITOR

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |

With a copy to:

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|---|---|
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **STUDIO CITY HOTELS LIMITED**

/s/ TIMOTHY GREEN NAUSS
Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26TH FR, GLOUCESTER TOWER, LANDMARK, 15 QUEENS RD CENTRAL, HK

Occupation of witness: SOLICITOR

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |

With a copy to:

| | |
|---|---|
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Executed** as a **Deed**
By: **STUDIO CITY HOSPITALITY AND SERVICES LIMITED**

/s/ TIMOTHY GREEN NAUSS
Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26TH FLOOR, GLOUCESTER TOWER, LANDMARK, 15 QUEENS RD, CENTRAL, HK

Occupation of witness: SOLICITOR

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY DEVELOPMENTS LIMITED**

/s/ Timothy Green NAUSS
Signature of Director/Authorised Representative
Name: Timothy Green NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26TH FLOOR, GLOUCESTER TOWER, THE LANDMARK
15 QUEEN'S ROAD CENTRAL, HONG KONG

Occupation of witness: SOLICITOR

*Notice details*

Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**Executed** as a **Deed**
By: **STUDIO CITY RETAIL SERVICES LIMITED**

/s/ TIMOTHY GREEN NAUSS
Signature of Director/Authorised Representative
Name: TIMOTHY GREEN NAUSS

in the presence of:

/s/ CHARISA YEUNG
Signature of witness:

Name of witness: CHARISA YEUNG

Address of witness: 26TH FLOOR, GLOUCESTER TOWER, THE LANDMARK
15 QUEEN'S ROAD CENTRAL, HONG KONG

Occupation of witness: SOLICITOR

*Notice details*

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |

With a copy to:

| | |
|---|---|
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, Executive Vice President and Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**

/s/ Yang Peng

By: Yang Peng

/s/ Lui Kwok Tai

By: Lui Kwok Tai

*Notice details for loan administration matters*


Address: 18/F, ICBC Tower, Macau Landmark<br>555 Avenida da Amizade<br>Macau

Attention: Linda Chan / Selene Ren / Stephanie Guo

Telephone: +853 8398 2452 / 8398 2499 / 8398 2503

Fax: +853 2858 4496


*Notice details for credit matters*


Address: 11/F, ICBC Tower, Macau Landmark<br>555 Avenida da Amizade<br>Macau

Attention: Alex Li / Eric Chan

Telephone: +853 8398 7313 / 8398 2118

Fax: +853 8398 2160

**The Intercreditor Agent**

**DB TRUSTEES (HONG KONG) LIMITED**

/s/ Howard Hao-Jan Yu

By: Howard Hao-Jan Yu
Authorised Signatory

/s/ James Connell

By: James Connell
Vice President

Address: 52/F, International Commerce Centre
1 Austin Road West, Kowloon
Hong Kong

Attn: The Directors
Facsimile: (852) 2203 7320
Email: loanagency.hkcsg@list.db.com

**The Common Security Agent**

**INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**

/s/ Yang Peng

By: Yang Peng

/s/ Lui Kwok Tai

By: Lui Kwok Tai

*Notice details for loan administration matters*


Address: 18/F, ICBC Tower, Macau Landmark 555
Avenida da Amizade
Macau

Attention: Linda Chan / Selene Ren / Stephanie Guo

Telephone: +853 8398 2452 / 8398 2499 / 8398 2503

Fax: +853 2858 4496


*Notice details for credit matters*


Address: 11/F, ICBC Tower, Macau Landmark 555
Avenida da Amizade
Macau

Attention: Alex Li / Eric Chan

Telephone: +853 8398 7313 / 8398 2118

Fax: +853 8398 2160

**The POA Agent**

**INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**

/s/ Yang Peng

By: Yang Peng

/s/ Lui Kwok Tai

By: Lui Kwok Tai

*Notice details for loan administration matters*


Address: 18/F, ICBC Tower, Macau Landmark 555
Avenida da Amizade
Macau

Attention: Linda Chan / Selene Ren / Stephanie Guo

Telephone: +853 8398 2452 / 8398 2499 / 8398 2503

Fax: +853 2858 4496


*Notice details for credit matters*


Address: 11/F, ICBC Tower, Macau Landmark 555
Avenida da Amizade
Macau

Attention: Alex Li / Eric Chan

Telephone: +853 8398 7313 / 8398 2118

Fax: +853 8398 2160

**Exhibit 4.17**

**EXECUTION VERSION**

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**MCE Cotai Investments Limited**

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**New Cotai, LLC**

---

**and Others**

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# Shareholders' Agreement

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**Date**

Parties

**MCE Cotai Investments Limited**, a company incorporated in the Cayman Islands, of Walker House, 87 Mary Street, George Town, Grand Cayman KY1 – 9005, Cayman Islands (**MCE Cotai**)

**New Cotai, LLC**, a limited liability company formed in Delaware, United States of America, c/o New Cotai Holdings, LLC, of Two Greenwich Plaza, Greenwich, Connecticut 06830, United States of America (**New Cotai**)

**Melco Crown Entertainment Limited**, a company incorporated in the Cayman Islands, of Walker House, 87 Mary Street, George Town, Grand Cayman KY1 – 9005, Cayman Islands (**MCE**)

**Cyber One Agents Limited**, a company incorporated in the British Virgin Islands, with its registered office at Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands (**Company**)

Background

A MCE Cotai and New Cotai have agreed to enter into this document to govern their relationship in connection with, and the conduct and operations of, the Group.

B MCE Cotai and New Cotai have agreed to invest further capital in the Company on the terms of this document.

Agreed terms

1 Interpretation

**1.1 Definitions**

In this document:

**Accounting Standards** means the applicable accounting standards under US GAAP or such other accounting standards (including Hong Kong IFRS and IFRS) as may be implemented by the Board from time to time.

**Additional Capital Notice** has the meaning given to that term in **clause 19.3(b)**.

**Affiliate** means in relation to a person (**First Person**), any other person:

(a) directly or indirectly controlling, controlled by, or under direct or indirect common control with, the First Person;

(b) who is a director or officer of the First Person or any Subsidiary of the First Person or of any person referred to in paragraph (a) of this definition; or

(c) who is a spouse or any person cohabiting as a spouse, child or stepchild, parent or step-parent, parent-in-law, grandchild, and grandparent of the First Person or of a person described in paragraph (b) of this definition.

**Appointing Shareholder** means a Minority Shareholder from time to time that:

(a) is the Largest Minority Shareholder; and

(b) holds at least 20% of the Securities on issue.

**Appointment Date** has the meaning given to that term in **clause 10.2(a)**.

**Audited Accounts** means the annual audited accounts for the Group incorporating:

(a) a statement of financial performance for the Financial Year;

(b) a statement of financial position as at the last day of the Financial Year;

(c) a statement of cash flows for the Financial Year; and

(d) any notes, statements and reports attached to and forming part of those statements, including the certification of independent certified public accountants of recognized international standing selected by the Board, to the effect that, except as set forth therein, such statements have been prepared in accordance with Accounting Standards, applied on a basis consistent with prior years and fairly present in all material respects the financial condition of the Company as of the dates thereof and the results of its operations and changes in its cash flows for the periods covered thereby.

**Authorisation** means:

(a) any consent, permit, license, or authorisation; or

(b) exemption,

from, by, or with, a Governmental Agency.

**Board** means the board of Directors from time to time.

**Business Day** means a day which is not a Saturday, Sunday or bank or public holiday in Hong Kong or New York, nor a day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted or remains hoisted in Hong Kong at any time between 9.00am and 5.00pm.

**Business Plan** means the Group business plan as set out in section II of the Project Plan and as amended from time to time subject to **clause 7.2(a)**.

**Call Notice** has the meaning given to that term in **clause 17.3(a)**.

**Calling Shareholder** has the meaning given to that term in **clause 17.2(c)**.

**Capital Call** means a call on the Shareholders to contribute capital to the Company in exchange for Securities under **clause 17**.

**Capital Issue Notice** has the meaning given to that term in **clause 20.7**.

**Casino Management Agreement** means the services and right to use agreement between Melco Crown Gaming (Macau) Limited, New Cotai Entertainment, LLC and New Cotai Entertainment (Macau) Limited dated 11 May 2007.

**Cause** means, in respect of a person, the person's:

(a) conviction for fraud, embezzlement, any other serious criminal act or any other actions subject to serious civil or administrative actions by any Governmental Agency; or

(b) gross misconduct, willful act or omission not done in good faith or done without reasonable belief that the action was in furtherance of the interests or business of the relevant Group Company.

**Chairperson** means the chairperson of the Board appointed from time to time pursuant to **clause 3.6**.

**Commitment Letters** means the letter agreements from MCE, the Silver Point Funds, and the Oaktree Funds to the Company attached to this document as **Annexures F-1**, **F-2**, and **F-3**.

**Company Subsidiary** means any company which is or becomes a Subsidiary of the Company from time to time.

**Competitor** means:

(a) any person or entity (other than MCE and its Affiliates (under clause (a) of that definition, but not clause (b) or (c) thereof)) holding a gaming concession or subconcession to operate games of fortune and chance in a casino in Macau;

(b) any person or entity holding a direct or indirect interest in any person specified in **paragraph (a)** of this definition and having the right to appoint a director on the board of any such entity; or

(c) any subsidiary of any person specified in **paragraph (a)** of this definition.

**Confidential Information** means:

(a) any confidential, non-public or proprietary information relating to the business, assets or affairs of the Group (and includes any information provided under **clauses 30.1**, **30.2** or **30.4**); and

(b) any information relating to this document and the transactions contemplated by it including the existence of this document and the transactions contemplated by it and of the negotiations which preceded it;

provided, however, that Confidential Information shall not include information that:

(a) is or becomes generally available to the public other than as a result of disclosure in violation of this document;

(b) is or becomes available to the receiving person on a non-confidential basis prior to its disclosure to such person;

(c) is or has been independently developed or conceived by the receiving person without use of Confidential Information; or

(d) becomes available to the receiving person on a non-confidential basis from a source other than the Company; provided, that such source is not known by such person to be bound by a confidentiality agreement with the Company.

**Confidentiality Deed** means the confidentiality deed attached to this document as **Annexure C**.

**Conflicts Committee** means a committee to approve certain transactions between any Group Company and any of the Shareholders, their Affiliates or Connected Persons.

**Conflicts Committee Charter** means guidelines for the membership and operations of the Conflicts Committee.

**Connected Person** has the meaning given to that term in the Rules.

**Contracts** means agreements, contracts, arrangements or understandings, whether formal or informal, written or oral.

**control** means, in relation to a person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the person, whether through the ownership of voting securities, by contract, or otherwise.

**Covered Persons** means any Shareholder, any holder of Upstream Securities in that Shareholder, and any of their Affiliates (respectively), and in the case of any such persons that are investment funds, any funds managed by them or by any of their Affiliates.

**D&O Policy** means a directors and officers insurance policy taken out by the Company from time to time with a reputable insurer.

**Deed of Accession** means a deed of accession substantially in the form contained in **Annexure B**.

**Defaulting Loan** has the meaning given to that term in **clause 18.1(b)**.

**Defaulting Securities** has the meaning given to that term in **clause 18.2(a)**.

**Defaulting Shareholder** has the meaning given to that term in **clause 18.1**.

**Demanding Shareholder** has the meaning given to that term in **clause 29.1(a)**.

**Development and Pre-Opening Services Agreement** means an agreement proposed to be entered into between MCE and one or more of its Affiliates, on the one hand, and one or more of the Group Companies, on the other, in relation to provision of services to the Group Companies related to the development, construction, design, fit-out, and completion of the MSC
Property, and the Opening, and the payment and the reimbursement of Development and Pre-Opening Services Costs.

**Development and Pre-Opening Services Costs** means the following categories of service fees to be charged by MCE to the Company and the costs and expenses incurred by MCE on behalf of the Company in relation to the development, construction, design, fit-out, installation, completion and pre-opening of the MSC Property, and the Opening including:

(a) supervisory and project management costs directly involved with the development, construction, design, fit-out, installation, completion and pre-opening of the MSC Property and the Opening which are contained in the Project Budget;

(b) development capital expenditures;

(c) out of pocket costs & expenses under construction contracts;

(d) design and construction consultancy fees;

(e) other advisory fees and out of pocket costs and expenses in relation to MCE service fees;

(f) costs and expenses incurred in relation to the operations of the MSC Property prior to the Opening or in connection with the Opening;

(g) payroll costs including costs related to: payroll processing, management labour, City of Dreams employee dining room usage, employee shuttle usage, investigation cost for new employees, relocation accommodation for senior expatriate employees or corporate hotel room rates, and procurement costs;

(h) MCE recruitment services fees and out of pocket costs and expenses;

(i) marketing fees and out of pocket costs and expenses related to: pre-opening event, pre-opening launch (marketing and advertising), initial photography, website development, branding development, premium customer entertainment and visits;

(j) rental costs including preopening offices if required and shared space;

(k) office supplies;

(l) travel and entertainment including: factory visits, key market launches and regulatory meetings;

(m) transportation costs to site including MCE vehicle fleet;

(n) external legal fees and expenses and in-house legal costs; and

(o) accounting services including accounts payable and other finance processing.

**Development Plan** means the plan for the construction and development of the MSC Property as set out in section I of the Project Plan and as amended from time to time subject to **clause 7.2(a)**.

**Director** means a member of the Board of the Company from time to time.

**Disagreement** has the meaning given to that term in **clause 7.3(a)**.

**Disagreement Notice** has the meaning given to that term in **clause 7.3(a)**.

**Disclosing Shareholder** has the meaning given to that term in **clause 31.7(a)**.

**Dispute** has the meaning given to that term in **clause 37.1(a)**.

**Dispute Notice** has the meaning given to that term in **clause 37.1(b)**.

**Disputing Parties** has the meaning given to that term in **clause 37.1(c)**.

**Drag Along Notice** has the meaning given to that term in **clause 26.4**.

**Drag Along Right** has the meaning given to that term in **clause 26.1**.

**Dragged Securities** has the meaning given to that term in **clause 26.1**.

**Dragged Shareholders** has the meaning given to that term in **clause 26.1**.

**Dragging Shareholder** has the meaning given to that term in **clause 26.1**.

**Duty** means any stamp, transaction or registration duty or similar charge imposed by any Governmental Agency and includes any interest, fine, penalty, charge or other amount in respect of the above.

**Effective Interest in Securities** means the interest of a person or entity (the **Person**) in Securities calculated as the sum of:

(a) the number of Securities on issue for which the Person is the registered holder; plus

(b) the product of:

(i) the fraction that is determined by multiplying the economic interest in the equity of an entity (the **First Entity**) held by the Person (expressed as a fraction of all the economic interests in the equity of the First Entity) by the economic interest in the equity of each other entity within the chain of entities between the First Entity and the Registered Holder (in each case expressed as a fraction of all the economic interests in the equity of each such entity) and, where the Person has an interest in Securities through more than one First Entity, the interest that is obtained by aggregating such Person’s fractional interest in all such First Entities, and

(ii) the number of Securities on issue that are held by registered holders of Securities in which the Person holds an interest through the chain or chains of entities in **paragraph (b)(i)** (**Registered Holder**); and

expressed as a percentage of all the Securities on issue.

For the purposes of this definition, “economic interest in the equity of an entity” excludes any derivative or synthetic security that represents an interest in the underlying equity securities of such entity.

**Encumbrance** means an interest or power:

(a) reserved in or over an interest in any asset; or

(b) created or otherwise arising in or over any interest in any asset under any mortgage, charge, pledge, lien, hypothecation, trust or bill of sale,

by way of security for the payment of a debt or other monetary obligation or the performance of any other obligation.

**Entertainment Agreement** has the meaning given to that term in **clause 13.2(a)**.

**Entertainment Service Provider** means eSun or any of its Affiliates.

**eSun** means eSun Holdings Limited.

**Expert** means an expert appointed under **clause 7.3** or **26.3**, as applicable.

**Expert Request** has the meaning given to that term in **clause 7.3(e)**.

**Fair Market Value** is the value determined in accordance with **clause 34**.

**Fairness Opinion** has the meaning given to that term in **clause 26.3(d).**

**Finance Director** means the most senior finance executive of the Group from time to time and having whatever title or designation as the Company may confer from time to time.

**Financial Interest** means:

(a) in respect of an initial Shareholder, that number set out opposite the Shareholder’s name in column 2 of the table in **schedule 1** as may be increased or decreased under **clause 22.5**; and

(b) in respect of any successor Shareholder who has entered into a Deed of Accession, the interest specified in that deed as may be increased or decreased under **clause 22.5**.

**Financial Support** has the meaning given to that term in **clause 20.1(b)**.

**Financial Supporter** has the meaning given to that term in **clause 20.4(a)**.

**Financial Support Fee** has the meaning given to that term in **clause 20.3(a)**.

**Financial Support Loan** has the meaning given to that term in **clause 20.4(a)**.

**Financial Year** means:

(a) the period commencing on the date of this document and ending on 31 December; and

(b) each subsequent 12 month period.

**Financing and Funding Schedule** means the funding and financing schedule of the Group as set out in sections V and VI (respectively) of the Project Plan and as amended from time to time subject to **clause 7.2(a)**.

**Force Majeure** means:

(a) any change in Law or rules or regulations of a Governmental Agency; or

(b) any of the following (but only to the extent outside the control of the Group):

(i) any act of God;

(ii) any political conditions, including acts or war, armed hostilities or terrorism;

(iii) any conditions resulting from natural disasters;

(iv) any deterioration in global market conditions or the market conditions in Hong Kong, Macau or the People s Republic of China (except to the extent such deterioration has a significantly disproportionate impact on MCE and its Affiliates when taken as a whole relative to other participants in the gaming industry in Macau);

(v) any crisis or material disruption in the global financial system or the financial systems of Hong Kong, Macau or the People s Republic of China;

(vi) any pandemic;

(vii) any labour shortage, or any labour or industrial action of any kind (stoppage, strike, slowdown or interruption of any kind) not specific to the MSC Property; or

(viii) any failure to obtain any Authorisation, despite the Company having used commercially reasonable endeavours to obtain any such Authorisation.

**Further Capital Notice** has the meaning given to that term in **clause 19.6**.

**Future Funding Date** has the meaning given to that term in **clause 19.6(b)**.

**Gaming Authorisation** means any gaming concession, subconcession, licensing or regulatory Authorisation to conduct gaming business in any jurisdiction.

**Gaming Promoter** means any gaming promoter duly licensed by the Macau government to act in any such capacity, and whose activity is to promote gaming in casinos in Macau by providing (among other things) amenities such as transport, lodgement, food and beverage and entertainment to patrons.

**Gaming Regulator** means any Governmental Agency responsible for the regulation of gaming, wagering or betting in any jurisdiction.

**Governmental Agency** means:

(a) a government, whether foreign, federal, state, territorial or local;

(b) a department, office, or minister of a government acting in that capacity; or

(c) a commission, delegate, instrumentality, agency, board or other governmental or semi-governmental, judicial, administrative, monetary, regulatory, fiscal or tax authority, whether statutory or not.

**Group** means the Company and the Company Subsidiaries from time to time and the expressions **member of the Group** or **Group member** or **Group Company** mean any one of them.

**HKIAC** has the meaning given to that term in **clause 7.3(f)(iii)**.

**Hong Kong** means the Hong Kong Special Administrative Region of the People's Republic of China.

**Implementation Agreement** means the agreement entered into between MCE, MCE Cotai, New Cotai and New Cotai Holdings, LLC dated June, 2011.

**IPO** means an initial public offering of any class of equity securities by the Company (or a new holding company formed as a special purpose vehicle for the initial public offering (**IPO HoldCo**) provided that, as part of, or immediately after such offering, a Shareholder has the right, at its sole option, to cause the Company to exchange any or all of its Securities for equity securities of the class offered in such offering) in conjunction with a listing or quotation of those equity securities on a Recognised Stock Exchange.

**Land** means a plot of land situated in Macau, at the Cotai reclaimed land area, with gross area of 140,789 square meters, described at the Macau Immovable Property Registry under n.º 23059, comprised by lots G300, G310 and G400, denoted by the letter "A" on map no. 5899/2000 issued by Macao Cartography and Cadastre Bureau on 22 January 2001.

**Land Grant** means the land concession by way of lease, for the Land, for a period of 25 years as of 17 October 2001, renewable for successive periods of ten years up to 19 December 2049, registered with the Macau Immovable Property Registry in PropCo's name under inscription no. 26642 of Book F, titled by Dispatch of the Secretary for Public Works and Transportation no. 100/2001 of 9 October 2001.

**Largest Minority Shareholder** means:

(a) the Minority Shareholder holding the most Securities of all Minority Shareholders; or

(b) if there is more than one Minority Shareholder holding the same number of Securities and more Securities than any other Minority Shareholder, each such Minority Shareholder.

**Law** means any law or legal requirement, including at common law, in equity, under any statute, regulation or by-law and any decision, directive, guidance, guideline or requirement of any Governmental Agency.

**Macau** means the Macau Special Administrative Region of the People's Republic of China.

**Majority of the Minority Shareholders** means the holders of a majority of the Securities on issue held by all of the Minority Shareholders.

**Management Accounts** means the monthly unaudited management accounts for the Group which must include:

(a) a statement of financial performance;

(b) a statement of financial position;

(c) cash flow statement; and

(d) a statement of the source and application of funds for the Financial Year to date.

**MCE Casino(s)** means the casino(s) and gaming area(s) owned directly or indirectly (in whole or in majority) or operated (or both) by MCE, the MCE Subconcessionaire or any of their respective Affiliates.

**MCE Director** means a Director appointed by the MCE Shareholders under **clauses 3.2(a)** or **3.2(b)** (as applicable).

**MCE Shareholders** means MCE and any Affiliate (under clause (a) of that definition, but not clause (b) or (c) thereof) of MCE to whom Securities are issued or Transferred under this document.

**MCE Shareholder Valuation Expert** means the Valuation Expert MCE notifies to the Company pursuant to the Implementation Agreement, provided that Shareholders holding a majority of the Securities on issue held by all of the MCE Shareholders may from time to time (but not more than once per year) change the MCE Shareholder Valuation Expert by selecting a different person from the list set out in **schedule 4** and notifying the Company and each Minority Shareholder within 3 Business Days following such change.

**MCE Subconcession** means the trilateral agreement dated 8 September 2006 entered into by and among the Macau government, Wynn Resorts (Macau), S.A. (**Wynn Macau**) (as concessionaire for the operation of casino games of chance and other casino games in Macau, under the terms of a concession contract dated 24 June 2002 between Macau and Wynn Macau, as amended on 8 September 2006) and the MCE Subconcessionaire, comprising a set of instruments from which shall flow an integrated web of rights, duties and obligations by and for all and each of Macau, Wynn Macau and the MCE Subconcessionaire, pursuant to the terms of which the MCE Subconcessionaire shall be entitled to operate casino games of chance and other casino games in Macau as an autonomous subconcessionaire in relation to Wynn Macau, including any supplemental letters or agreements entered into or issued by the Macau government and the MCE Subconcessionaire from time to time, and including any replacement concession or subconcession for the operation of casino games of chance and other casino games in Macau.

**MCE Subconcessionaire** means Melco Crown Gaming (Macau) Limited, a company incorporated in Macau, or any other Affiliate of MCE holding the MCE Subconcession from time to time.

**Memorandum and Articles of Association** means the memorandum and articles of association of the Company attached to this document as **Annexure A** as may be amended from time to time in accordance herewith.

**Minority Director** means a Director appointed by the Minority Shareholders under **clause 3.3(a)**.

**Minority Shareholders** means any Shareholder as at the date of this document (other than any MCE Shareholder) and any person (other than any MCE Shareholder) to whom a Shareholder (other than, with respect to Transfers of Securities to persons who are not Minority Shareholders at the time of such Transfer, any MCE Shareholder) Transfers Securities.

**Minority Shareholder Valuation Expert** means the Valuation Expert New Cotai notifies to the Company pursuant to the Implementation Agreement, provided that the Majority of the Minority Shareholders may from time to time (but not more than once per year) change the Minority Shareholder Valuation Expert by selecting a different person from the list set out in **schedule 4** and notifying the Company and MCE within 3 Business Days following such change.

**Minority Transferor** has the meaning given to that term in **clause 24.2**.

**MSC Casino** means the casino and gaming area to be constructed or operated within the MSC Property.

**MSC Property** means the Macau Studio City project to be developed and operated on the Land.

**New Shareholder** has the meaning given to that term in **clause 26.7**.

**Non Defaulting Shareholders** has the meaning given to that term in **clause 18.1**.

**Notified Party** has the meaning given to that term in **clause 27.2(b)**.

**Oaktree Funds** means each of OCM Opportunities Fund V, L.P., OCM Asia Principal Opportunities Fund, L.P., and OCM Opportunities Fund VI, L.P.

**Observer** means an observer appointed to the Board in accordance with **clause 3.4(a)**.

**Offer** has the meaning given to that term in **clause 21.1**.

**Offer Notice** has the meaning given to that term in **clause 21.2**.

**Offeree** has the meaning given to that term in **clause 21.1**.

**Opening** means the opening of the MSC Property to the public.

**Performance Failure** means, in respect of any employee of a Group Company:

(a) continued failure to perform the duties and responsibilities described herein or in the person's employment agreement for his or her position in any Group Company to the standard reasonably required by the Group Company (including the employee's supervisor) or continued failure to follow a reasonable and lawful order or direction of the relevant Group Company (including that from the employee's supervisor), other than any such failure resulting from employee's sickness or disability;

(b) misconduct, such conduct being inconsistent with the due and faithful discharge of his or her duties under his or her employment agreement with such Group Company; or

(c) continued failure, habitual neglect of his or her duties and responsibilities under his employment agreement with such Group Company.

**Permitted Transferee** means:

(a) in the case of an MCE Shareholder, any Affiliate of MCE;

(b) in the case of a Minority Shareholder (i) any Affiliate of that Minority Shareholder or (ii) any holder of Upstream Securities in that Minority Shareholder or any Affiliate of that holder of Upstream Securities;

(c) in the case of a holder of Upstream Securities in a Minority Shareholder, (I) any holder of Upstream Securities in that holder of Upstream Securities or in that Minority Shareholder or (II) any Affiliate of the holder of Upstream Securities or of any person in clause (I);

(d) in the case of a natural person, any spouse or any other person cohabitating as a spouse, child or step-child, parent or step-parent, parent-in-law, grandchild or grandparent of that person; and

(e) any Project Lender in accordance with **clause 22.6**.

A person who becomes a holder of Upstream Securities by purchasing such securities in a primary issuance shall not, as a result, become a Permitted Transferee. As used in this definition, Affiliate shall include clause (a) of that definition, but shall not include clause (b) or (c) of the definition thereof.

**Policy on Related Party Transactions** means a policy regulating the entry by Group Companies into certain transactions with Shareholders, their Affiliates and Connected Parties as initially approved by all of the Directors on the date of this document, and as amended from time to time in accordance with **clause 11.2**.

**President** means the most senior executive officer of the Company from time to time or the person holding substantially the same position and having whatever title or designation as the Company may confer from time to time.

**Project Budget** means the budget for the development and construction of the MSC Property (including pre-opening expenses) as set out in the subsection entitled "Development Budget" in section I of the Project Plan and in section III of the Project Plan, in each case as amended from time to time subject to **clause 7.2(a)**.

**Project Director** means the most senior project development officer of the Group from time to time with the responsibility to manage the design, development, construction and completion of the MSC Property.

**Project Lenders** has the meaning given to that term in **clause 20.1(b)**.

**Project Plan** means the plans and budget for the construction and development of the MSC Property as agreed to, and initialled by, each of New Cotai, MCE Cotai and MCE prior to the date of this document and amended from time to time subject to **clause 7.2(a)**.

**PropCo** means East Asia-Televisão Por Satélite, Limitada, a company incorporated in Macau (also known as East Asia Satellite Television Limited).

**Proposed Drag Notice** has the meaning given to that term in **clause 26.2**.

**Proposed Purchaser** has the meaning given to that term in **clause 25.2(d)**.

**Proposed Sale Notice** has the meaning given to that term in **clause 25.2**.

**Proposed Seller** has the meaning given to that term in **clause 25.1**.

**Prospective Purchaser** has the meaning given to the term in **clause 31.7**.

**Qualified IPO** means an IPO in which the total aggregate value of the Securities or shares of IPO HoldCo publicly sold (including any Securities or shares of IPO HoldCo on issue to be Transferred in the IPO) is not less than US$150 million.

**Quarter** means the:

(a) the period commencing on the date of this document and ending on the immediately succeeding Quarter Date; and

(b) each 3 month period after the period in (a) and ending on 31 December, 31 March, 30 June and 30 September of each calendar year (each such date, a **Quarter Date**).

**Recognised Stock Exchange** means the Stock Exchange of Hong Kong Limited, the Singapore Exchange, the New York Stock Exchange and the NASDAQ and such other exchange jointly designated as such by the MCE Shareholders and the Majority of the Minority Shareholders.

**Registration Rights Agreement** means the registration rights agreement attached to this document as **Annexure E**.

**Related Agreement** has the meaning given to that term in **clause 26.9(a)**.

**Reorganisation Event** means:

(a) a pro rata dividend of Securities;

(b) a sub-division or consolidation of Securities; or

(c) any other reorganisation or reconstruction of shares the Company is authorised to issue where the Company does not pay or receive cash.

**Respective Proportion** means the proportion the number of Securities on issue held by a Shareholder bears to the total number of Securities on issue held by all Shareholders.

**Rules** means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time).

**Sale Offer** has the meaning given to that term in **clause 24.2**.

**Sale Notice** has the meaning given to that term in **clause 24.3**.

**Sale Securities** has the meaning given to that term in **clause 25.2**.

**Securities Issue Notice** has the meaning given to that term in **clause 20.5**.

**Security** means a fully paid share in the capital of the Company carrying the rights and obligations set out in this document and in the Memorandum and Articles of Association.

**Share Sale** means the Transfer of all of the Securities in the Company.

**Shareholder** means a holder of Securities from time to time.

**Shareholder Group** means each of the MCE Shareholders, on the one hand, and the Minority Shareholders, on the other hand, or either one of them (as the context requires).

**Shareholder Loan Agreement** means the agreement in the form set out in **Annexure D** as amended in accordance with **clause 35** from time to time.

**Shared Vendor Contracts** has the meaning given to the term in **clause 12.1**.

**Shared Vendors** has the meaning given to the term in **clause 12.1**.

**Silver Point Funds** means each of Silver Point Capital Fund, L.P. and Silver Point Capital Offshore Master Fund, L.P.

**Steering Committee** has the meaning given to that term in **clause 10.4(a)**.

**Subsidiary** has the meaning given to that term in the Companies Ordinance of Hong Kong (Cap 32 of the Laws of Hong Kong).

**Supervisory Board** has the meaning given to the term in **clause 10.4(c)**.

**Tag Along Notice** has the meaning given to that term in **clause 25.3**.

**Tagging Shareholders** has the meaning given to that term in **clause 25.4.**

**Tagging Securities** has the meaning given to that term in **clause 25.3**.

**Tax** means tax, levy, impost, duty or other charge or withholding of a similar nature imposed by any Governmental Agency (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

**Third Party Casino** means those casinos or gaming areas operated but not majority owned or controlled by MCE or any of its Affiliates.

**Third Party Purchaser** has the meaning given to that term in **clause 26.1**.

**Tier 1 Reserved Matters** means the matters set out in Part A of **schedule 3**.

**Tier 2 Reserved Matters** means the matters set out in Part B of **schedule 3**.

**Tier 3 Reserved Matter** means the matter set out in Part C of **schedule 3**.

**Tier 4 Reserved Matter** means the matter set out in Part D of **schedule 3**.

**Transaction Documents** means this document, the Implementation Agreement, the Registration Rights Agreement, the Commitment Letters and the Memorandum and Articles of Association.

**Transfer** means to transfer, sell, assign, convey, or otherwise dispose of.

**Unsubscribed Securities** has the meaning given to that term in **clause 21.3(b)**.

**Unsuitable Person** means a person or entity whose direct or indirect ownership of Securities could (on the facts then known):

(a) based on the written advice of outside legal counsel to a Shareholder or MCE (as applicable); or

(b) based on an objection received from a Gaming Regulator,

be reasonably expected to adversely impact the suitability or entitlement of:

(x) any member of the Group;

(y) any MCE Shareholder, any holder of Upstream Securities in any MCE Shareholder, or any of their respective Affiliates (under clause (a) of that definition, but not clause (b) or (c) thereof), in each case, in the case of a Transfer of any Securities or Upstream Securities by any person other than those persons; or

(z) any Minority Shareholder, any holder of Upstream Securities in any Minority Shareholder, or any of their respective Affiliates (under clause (a) of that definition, but not clause (b) or (c) thereof), in each case, in the case of a Transfer of any Securities or Upstream Securities by any person other than those persons,

to maintain any Gaming Authorisation.

**Upstream Securities** means, in respect of a Shareholder, any equity securities or interests in equity securities issued by that Shareholder or by any person that directly, or indirectly through one or more interposed entities (whether legally or beneficially) holds an Effective Interest in Securities held by that Shareholder, but does not include any equity securities or interests in equity securities:

(a) in any investment fund or account managed by any investment fund, or in any successors or Affiliates of the foregoing, or in any person that, directly or indirectly through one or more interposed entities (whether legally or beneficially) holds equity securities or interests in equity securities in any such person;

(b) in MCE, or any of its shareholders or any person that directly, or indirectly through one or more interposed entities (whether legally or beneficially) holds equity securities or interests in equity securities in those shareholders; or

(c) in any other Shareholder or holder of Upstream Securities whose shares are listed on an internationally recognised stock exchange.

**Valuation Expert** means each of the MCE Shareholder Valuation Expert, on the one hand, and the Minority Shareholder Valuation Expert, on the other hand, or either one of them (as the context requires).

**Valuation Expert Report** has the meaning given to the term in **clause 34.4(a)**.

**Warranties** means the warranties in **schedule 2** and **Warranty** means any of them.

### 1.2 Construction

Unless expressed to the contrary, in this document:

(a) words in the singular include the plural and vice versa;

(b) any gender includes the other genders;

(c) if a word or phrase is defined its other grammatical forms have corresponding meanings;

(d) **includes** means includes without limitation;

(e) no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause;

(f) a reference to:

(i) a person includes a partnership, individual, limited liability company, trust, joint venture, unincorporated association, corporation and a Governmental Agency;

(ii) a person or a party includes the person's legal personal representatives, successors, assigns and persons substituted by novation;

(iii) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced;

(iv) an obligation includes a warranty or representation and a reference to a failure to comply with an obligation includes a breach of warranty or representation;

(v) a right includes a benefit, remedy, discretion or power;

(vi) time is to local time in Hong Kong;

(vii) "US$" or US dollars is a reference to the currency of the United States of America;

(viii) "HK$" or HK dollars is a reference to the currency of Hong Kong;

(ix) this or any other document includes the document as novated, varied or replaced in accordance with the terms hereof and thereof and despite any change in the identity of the parties;

(x) this document includes all schedules, annexures and exhibits to it;

(xi) a clause, schedule or annexure is a reference to a clause, schedule or annexure, as the case may be, of this document;

(xii) a reference to a meeting is a meeting in person, by conference telephone or similar equipment, so long as all of the participants can hear each other; and

(xiii) if the number of Securities the Effective Interest in Securities represents is required to be calculated, if the number is not a whole number, that number will rounded up or down, as appropriate, with .5 or greater rounded up;

(g) if the date on or by which any act must be done under this document is not a Business Day, the act must be done on or by the next Business Day;

(h) where time is to be calculated by reference to a day or event, that day or the day of that event is excluded; and

(i) the schedules and annexures to this document shall be incorporated by reference herein and constitute a part hereof.

**1.3 Headings**

Headings do not affect the interpretation of this document.

2 Shareholders

As at the date of this document the only Shareholders are New Cotai and MCE Cotai.

3 Directors

**3.1 Number of Directors**

(a) The number of Directors must not be less than one or more than five (excluding alternate directors).

(b) On the date of this document the number of Directors will be five.

**3.2 MCE Directors**

(a) Subject to **clause 3.2(b)**, the MCE Shareholders may, from time to time, appoint one Director for every 20% of the Securities on issue held by them in aggregate, including to fill vacancies created by removals under **clause 3.2(c)** or vacancies created as a result of the application of **clauses 3.7(b)** or **3.7(c)**.

(b) Despite **clause 3.2(a)**, the MCE Shareholders may, from time to time, by notice to the Company, appoint up to three Directors for so long as they hold in aggregate:

(i) more than 40% of the Securities on issue; and

(ii) more Securities on issue than any other Shareholder and its Affiliates to whom Securities have been issued or Transferred in accordance with this document, in the aggregate.

(c) Subject to **clause 3.2(d)**, the MCE Shareholders may remove any Director appointed by them under **clauses 3.2(a)** or **3.2(b)** (as applicable) by notice to the Company.

(d) Any notice under **clause 3.2(c)** must be signed by Shareholders holding a majority of the Securities on issue held by all of the MCE Shareholders as at the date of the notice.

**3.3 Minority Directors**

(a) The Minority Shareholders may, by action of the Majority of the Minority Shareholders, for so long as they hold in aggregate:

(i) 20% or more of the Securities on issue, appoint two Directors; and

(ii) 10% or more, but less than 20% of the Securities on issue, appoint one Director, including in each case to fill vacancies created by removals under **clause 3.3(c)** or vacancies created as a result of the application of **clauses 3.7(b)** or **3.7(c)**, in each case by written notice to the Company.

(b) Subject to **clause 3.3(c)**, the Minority Shareholders may, by action of the Majority of the Minority Shareholders, remove any Director appointed by them under **clause 3.3(a)** by notice to the Company.

(c) Any notice under **clause 3.3(b)** must be signed by the Majority of the Minority Shareholders as at the date of the notice.

**3.4 Minority Shareholder Observers**

(a) The Majority of the Minority Shareholders may, for so long as the Minority Shareholders hold, in aggregate, an Effective Interest in Securities of 5% or more but less than 20%, designate by notice to the Company one Observer.

(b) The Majority of the Minority Shareholders may change any Observer designated by them under **clause 3.4(a)** by notice to the Company.

(c) Any notice under **clauses 3.4(a)** or **3.4(b)** must be signed by the Majority of the Minority Shareholders as at the date of the notice.

(d) No more than one Observer may be designated under this **clause 3.4**.

**3.5 Eligibility and rights of Observers**

(a) An Observer is entitled to attend each meeting of the Board.

(b) An Observer must be given the same notice of each meeting of the Board, at the same time and in the same form, as given to the Directors.

(c) An Observer must be provided with all of the information provided to Directors at the same time as such information is provided to the Directors, including all board packs, agendas and any information to be presented to the Board.

(d) An Observer is not entitled to vote at meetings of the Board.

(e) It is a condition of the designation of an Observer under **clause 3.4(a)** that the Observer enters into, or is already covered by, a confidentiality deed with the Company on terms substantially the same as the Confidentiality Deed or otherwise acceptable to the Company.

**3.6 Chairperson**

(a) For so long as **clauses 3.2(b)(i)** and **3.2(b)(ii)** are satisfied, the MCE Shareholders may from time to time by notice to the Company appoint an MCE Director as the Chairperson and may remove from office any person so appointed and appoint another MCE Director as the Chairperson in their place.

(b) If **clause 3.2(b)(i)** or **3.2(b)(ii)** is not satisfied, the holders of a majority of the Securities then on issue may from time to time by notice to the Company appoint a Director as the Chairperson and may remove from office any person so appointed and appoint another Director as the Chairperson in their place.

**3.7 Vacation of office**

The office of a Director will be vacated if:

(a) the Director is removed under **clause 3.2(c)** or **3.3(b)** (as applicable);

(b) the Director gives notice to the Company that he or she resigns as a Director; or

(c) the Director dies.

**3.8 Removal of Directors**

(a) If the number of Directors appointed by a person under **clause 3.2** or **3.3** is greater than the number of Directors entitled to be appointed by that person under the relevant clause, then that person must, within two Business Days of ceasing to be so entitled, give notice to the Company removing that number of Directors in excess of its entitlement.

(b) If any person to whom **clause 3.8(a)** applies does not give notice removing the required number of Directors within the period specified in that clause, any person entitled to appoint a Director under **clauses 3.2** or **3.3** may give such a notice removing any such Directors.

### 3.9 Alternate directors

(a) A Director may, with the prior written approval of the Board, appoint an alternate director by notice to the Company.

(b) An alternate director may attend any Board meeting and vote on any resolution of the Board provided the Director that appointed the alternate is not present at the meeting and is a Director at the time of the meeting.

(c) An alternate director is entitled to a separate vote for each Director the alternate director represents in addition to any vote that alternate director may have as a Director if that alternate director is also a Director.

### 3.10 Director duties

Each Director and director of a Company Subsidiary shall be required to have regard to, and act in the best interests of, the Company and all of its Shareholders; provided that, to the maximum extent permitted by law and without detracting from or limiting the foregoing obligation, Directors and directors of Company Subsidiaries shall be permitted to also have regard to the interests of the Shareholder Group that appointed that Director in carrying out his or her duties as a Director or a director of any Company Subsidiary to the extent that those interests are consistent with the best interests of the Company and all of its Shareholders.

### 3.11 Fees and expenses of Directors

(a) The Company must:

(i) pay the reasonable expenses properly incurred by Directors and members of the Supervisory Board in relation to the business of the Group, including accommodation expenses in travelling to and from meetings of the Board, any Group Company, or any committee of any such Company, and any meeting of the Supervisory Board, and provided such expenses are supported by valid receipts; and

(ii) pay the cost of any insurance policies taken out by the Company in respect of the Directors.

(b) No Director is entitled to be paid any fees in connection with his or her appointment or role as a Director.

### 3.12 D&O Policy

The Company must:

(a) maintain a D&O Policy in respect of each Director and each director of a Company Subsidiary that provides a level of coverage consistent with that maintained by similarly sized companies that engage in activities similar to those undertaken by the Company and the Company Subsidiaries; and

(b) pay the premiums in respect of that D&O Policy in relation to the Director s term in office and for six years after the expiry of the Director s term (to the maximum extent permitted by Law).

**3.13 Indemnity deed**

Each Group member must enter into a deed of access and indemnity with each director of such a company (on terms acceptable to the Board) under which it indemnifies the directors to the maximum extent permitted by law and gives each director a right (subject to certain limitations) to have access to and make copies of board papers and minutes in respect of the period during which the relevant director is or was a director of such a company.

4 Board meetings

**4.1 Board meetings**

This **clause 4** applies to each meeting of Directors.

**4.2 Minimum notice of meetings of Directors**

(a) Unless agreed to the contrary by all the Directors, each Director must receive:

(i) in the case of an emergency, not less 48 hours notice; and

(ii) in all other cases, not less than five days' notice, of a meeting of the Directors.

(b) Any notice of a meeting of Directors must specify the resolutions to be voted on and the location, date and time of the meeting.

(c) Minority Directors (if there are any) shall be permitted to include additional items for discussion at the Board meeting.

(d) Notice of any meeting that is determined by the Company to be an emergency meeting shall specify that determination, which must be reasonable, the nature of the emergency in reasonable detail and information for participating telephonically or by video-conferencing.

**4.3 Provision of information for Board meeting**

After the notice referred to in **clauses 4.2(a)** and **4.2(b)** , the Company must:

(a) in the case of an emergency, not less than 24 hours prior to the meeting; and

(b) in all other cases, not less than 2 days prior to the meeting,

deliver to each of the Directors the materials to be discussed at the Board meeting the subject of the notice in **clause 4.2(a)** (including board packs, agendas and other information to be presented to the Board).

## 4.4 Delay in meetings of Directors

(a) A Director may, on receipt of a notice of a meeting of the Directors under **clause 4.2(a)**, by notice to the Company and each other Director, require the meeting to be delayed:

(i) in the case of an emergency meeting, for up to 24 hours; and

(ii) in the case of all other meetings, for up to 48 hours.

(b) Any notice under **clause 4.4(a)** must specify the date and time the delayed meeting is to be held (but not the place, which will be the same place as the meeting notified under **clause 4.2(a)**).

(c) Any particular meeting may not be delayed by the Minority Directors as a group and the MCE Directors as a group under **clause 4.4(a)** more than once each and, in any event, for more than 24 hours in the case of an emergency meeting, and 48 hours in all other cases.

## 4.5 Quorum for meetings of Directors

(a) A quorum for a meeting of Directors is one MCE Director, provided that **clauses 4.2(a)**, **4.2(b)** and **4.4** have been complied with.

(b) An alternate director who is present at a meeting of the Directors in place of his or her appointor will count for the purposes of determining whether a quorum is constituted.

## 4.6 Voting entitlements

(a) Subject to **clause 4.7**, each Director is entitled to one vote.

(b) The Chairperson does not have a casting vote in addition to the vote the Chairperson has as a Director.

## 4.7 Block voting

If at a meeting of the Directors:

(a) there are Directors (or their alternates) present who comprise less than the total number of Directors then appointed by the relevant Shareholder Group (as applicable) and who are otherwise entitled to attend and vote on a resolution at such meeting; or

(b) a Shareholder Group has not exercised its rights to appoint all of the Directors entitled to be appointed by it under **clause 3.2(a)** , **3.2(b)** or **3.3(a)** (as the case may be),

then in each case the Directors appointed by the relevant Shareholder Group present at the meeting will be entitled to cast (in aggregate) the number of votes all the Directors appointed by the Shareholder Group (whether appointed or not) would have been entitled to cast had all the Directors entitled to be appointed by that Shareholder Group been appointed and present at the meeting.

**4.8 Decisions of Directors**

(a) Subject to **clause 4.8(b)**, a properly noticed meeting of Directors at which a quorum is present is competent to exercise powers and discretions vested in or exercisable by the Directors under this document or the Memorandum and Articles of Association.

(b) Except as set out in **clauses 6.2(a)(i)(B), 8.3(b)**, **13.1(a)** and **18.6**, any question, matter or issue arising at a meeting of Directors and all resolutions must be decided by a simple majority of votes cast.

**4.9 Frequency of meeting of Directors**

(a) A meeting of the Directors will be held at least once every three months.

(b) Subject to **clause 4.9(c)**, any Director may call a meeting of Directors.

(c) The Minority Directors may not call more than six meetings of Directors (in aggregate) in any calendar year.

**4.10 Interested Directors**

(a) Subject to **clause 4.10(b)**, a Director who has a material personal interest in a matter being considered by the Board must not consider the matter in question, vote on the matter or sign any written resolution of the Directors concerning the matter, unless:

(i) that Director has disclosed in sufficient detail the general nature and extent of that interest to the Board at a meeting of the Directors prior to that matter being considered or voted on or written resolution signed; and

(ii) the Board has resolved to permit the Director to consider the matter in question, vote on the matter or sign any written resolution of the Directors concerning the matter (and for the purposes of any such resolution, the interested Director will not have a vote (including as an alternate director or on behalf of any other Director) nor may any vote be cast under **clause 4.7** in respect of such Director).

(b) A Director will not be deemed to have a material personal interest under **clause 4.10(a)** solely because that Director:

(i) is a director, officer, employee or agent of any Shareholder, of any holder of Upstream Securities (and for this purpose sub-paragraphs (a) and (b) of that definition will be disregarded) in that Shareholder, or of any Affiliate of any such person; or

(ii) is, or any of his or her Affiliates is, a holder of Securities or Upstream Securities (and for this purpose sub-paragraphs (a) and (b) of that definition will be disregarded) in a Shareholder.

**4.11 Conduct of meetings of Directors**

Directors shall be entitled to participate in meetings by telephone, video-conferencing or similar equipment, such participation will be as effective as if the Directors had met in person, and the Company must use reasonable efforts to accommodate time zone differences when scheduling such meetings.

5 Shareholder meetings

**5.1 Shareholder meetings**

This **clause 5** applies to each meeting of the Shareholders and the shareholders of each Company Subsidiary (with defined terms being adjusted to apply to such Company Subsidiary, as appropriate).

**5.2 Notice of meetings**

(a) Subject to any express provision of this document or the Memorandum and Articles of Association to the contrary, unless an MCE Shareholder (for so long as there is an MCE Shareholder) and the Majority of the Minority Shareholders consent in writing to shorter notice, at least seven days' notice in writing must be given to all Shareholders entitled to receive notice of any meeting of Shareholders.

(b) Any notice of a meeting of Shareholders must specify the matters to be voted on and include all other materials to be discussed (including agendas and any other information to be presented to the Shareholders) at that meeting, the location, date and time of the meeting and information for participating telephonically.

**5.3 Quorum**

The quorum for a meeting of Shareholders is one Shareholder (which must be a representative of an MCE Shareholder for so long as the MCE Shareholder holds at least 40.1% of the Securities on issue), and provided **clause 5.2** has been complied with, otherwise a quorum is holders of a majority of the Securities on issue.

**5.4 Decisions of Shareholders**

Subject to any special majority required as a matter of Law and any other express provision of this document (including **clause 7.2(a)**) or the Memorandum and Articles of Association to the contrary, questions arising at a general meeting are to be decided by affirmative vote of the holders of a simple majority of votes cast by Shareholders on a poll entitled to vote on the resolution and present in person or by proxy or attorney and voting and any such decision is for all purposes a decision of all of the Shareholders.

**5.5 Chairperson**

(a) The Chairperson must be the chairperson of the meeting of Shareholders or, if the Chairperson is not present in person or by telephone, video-conferencing or other similar equipment, any Director notified by the Chairperson to the Company prior to commencement of the meeting must be the chairperson of the meeting.

(b) If at any meeting of the Shareholders neither the Chairperson nor his or her nominee is present, the Directors present must elect one of their number as chairperson of that meeting and if no Director is present then holders of a majority of the Securities on issue present in person or by telephone, video-conferencing or other similar equipment at that meeting must elect one of their number as chairperson of that meeting.

**5.6 Conduct of meetings of Shareholders**

Shareholders shall be entitled to participate in meetings by telephone or video conference or similar equipment, and such participation will be as effective as if the Shareholders had met in person.

6 Resolutions without a meeting

**6.1 Resolutions**

Subject to **clause 6.2**, if Shareholders holding the requisite number of Securities or if the requisite number of Directors (as the case may be) sign a document which:

(a) was sent to all Shareholders or to all Directors (as the case may be); and

(b) contains a statement to the effect that they are in favour of a particular resolution set out in the document,

then for the purpose of this document a resolution in those terms is to be taken as having been passed at a Shareholder meeting or Board meeting (as the case may be), which meeting is taken to have been held on the day and at the time at which the document was last signed.

**6.2 Execution**

(a) For the purposes of **clause 6.1**:

(i) a document is signed by the requisite number of:

(A) Shareholders, if it is signed by the Shareholders entitled to vote on the resolution at a Shareholder meeting (including the quorum requirements in **clause 5.3**) holding a majority of Securities then on issue and held by all of the Shareholders entitled to vote on that resolution, or as otherwise required by applicable Law, this document or the Memorandum and Articles of Association; and

(B) Directors, if it is signed by all Directors entitled to vote on the resolution; and

(ii) two or more separate documents in identical terms, each of which is signed by one or more Shareholders or Directors (as the case may be), are to be taken to constitute one document.

(b) The MCE Directors, on the one hand, and Minority Directors, on the other hand, may, by prior written notice to the Company and each of the other Directors, to the extent permitted by Law, authorise any one or more of their number to sign a resolution under **clause 6.2(a)** and such resolution, if signed by that person will be as if it was signed by all of the MCE Directors or Minority Directors (as applicable) who gave such an authority.

7 Corporate Governance

**7.1 General management**

(a) Without limiting **clause 7.2**, the Board is responsible for the overall management of the Group.

(b) The Board may, without limiting **clause 7.2**, delegate to management of members of the Group or any committee of the Board some or all matters relating to the day to day affairs of the Group.

**7.2 Shareholder approval matters**

(a) The Company must not undertake, and must procure that the other members of the Group do not undertake:

(i) any Tier 1 Reserved Matter without the prior written consent of each Minority Shareholder holding more than 20% of the Securities on issue;

(ii) any Tier 2 Reserved Matter without the prior written consent of each Minority Shareholder holding 20% or more of the Securities on issue;

(iii) the Tier 3 Reserved Matter without the prior written consent of each Minority Shareholder holding 20% or more of the Securities on issue, if the suitability or entitlement of such Minority Shareholder, or any holder of Upstream Securities in any such Minority Shareholder, or any of their respective Affiliates, to hold Gaming Authorisations could reasonably be expected to be adversely affected by the taking of any action which is the subject of the Tier 3 Reserved Matter; or

(iv) the Tier 4 Reserved Matter without the prior written consent of each Minority Shareholder holding more than 2% of the Securities on issue.

(b) Each Shareholder must exercise all of its rights as a Shareholder to procure that the Company does not undertake any Tier 1 Reserved Matter, Tier 2 Reserved Matter or Tier 3 Reserved Matter unless approved under **clause 7.2(a)**.

(c) The Shareholders must, if required by the Company, do all things reasonably required by the Company (including vote in favour of any Shareholder resolution) to give effect to the relevant matter if the relevant matter has been approved under **clause 7.2(a)**.

(d) A notice (i) signed by a Minority Shareholder (or its duly authorised agent or representative) having approval rights in respect of a particular matter referred to in **clause 7.2(a)** and (ii) specifically referencing such matter shall be deemed to constitute such Minority Shareholder s written consent when such notice is delivered to the Company.

(e) **Clauses 5** and **6** shall not apply to this **clause 7.2**.

(f) **Clause 7.2(a)** does not apply to issuances of Securities or the making of loans to the Company under **clauses 17** through **21**, except to the extent expressly set out in such clauses.

**7.3 Disagreement**

(a) If any Shareholder having approval rights under **clause 7.2(a)** is, or becomes, aware that a Group Company proposes to undertake any matter:

(i) which, in the reasonable opinion of that Shareholder, relates to any of the matters specified in item 2 of the Tier 1 Reserved Matters, or item 8 of the Tier 2 Reserved Matters; and

(ii) in respect of which consent has not been, or is not proposed to be, sought under **clause 7.2(a)** in respect of that matter,

that Shareholder may, by notice to the Company with a copy to each other Shareholder (**Disagreement Notice**), refer the matter as to whether consent must be sought under **clause 7.2(a)** (**Disagreement**) to the representative of such Shareholder and MCE under **clauses 7.3(b)** and **7.3(c)** (as applicable).

(b) A Disagreement Notice must:

(i) specify in reasonable detail, the reasons why, in the reasonable opinion of the relevant Shareholder, consent is required under **clause 7.2(a)**; and

(ii) except in the case of MCE, designate a representative of such Shareholder for the purposes of this **clause 7.3**.

(c) The representative of MCE for the purposes of this **clause 7.3** is the person MCE notifies to the Company pursuant to the Implementation Agreement or such other person as MCE may notify to the Company and each Shareholder from time to time.

(d) The representatives of the applicable Shareholder(s) and MCE must meet and attempt in good faith to resolve the Disagreement within three Business Days of receiving a Disagreement Notice.

(e) If the representatives of the applicable Shareholder(s) and MCE do not resolve the Disagreement within three Business Days after the delivery of the Disagreement Notice, either the applicable Shareholder(s) or MCE may refer the matter for resolution under **clause 7.3(f)** by serving on the other party a request for expert determination (**Expert Request**).

(f) Any Disagreement referred by the applicable Shareholder(s) or MCE to expert determination under **clause 7.3(e)** must be determined in accordance with the following provisions:

(i) an Expert appointed under this clause is to resolve the matters set out in the Disagreement Notice served under **clause 7.3(a)**;

(ii) the applicable parties shall agree on the appointment of an independent Expert and shall agree with the Expert the terms of his appointment within 7 days of the receipt of the Expert Request by the receiving party;

(iii) if the applicable parties are unable to agree on an Expert or the terms of his appointment within the period under **clause 7.3(f)(ii)**, either party shall then be entitled to request the Hong Kong International Arbitration Centre (**HKIAC**) to appoint an independent Expert who is a member of good standing at the Hong Kong Bar Association with at least 20 years of experience of civil practice and for the HKIAC to agree with the Expert the terms of his appointment;

(iv) the Expert is required to prepare a written decision and give notice (including a copy) of the decision to the applicable parties within a maximum of 30 days of the written agreement by the Expert of the terms of his appointment;

(v) if the Expert dies or becomes unwilling or incapable of acting, or does not deliver the decision within the time required by this clause, then (x) either applicable party may apply to the HKIAC to discharge the Expert and to appoint a replacement independent Expert with the required background, and (y) this clause applies in relation to the new Expert as if he were the first Expert appointed;

(vi) all matters under this clause must be conducted, and the Expert's decision shall be written, in English;

(vii) the applicable parties are entitled to make brief written submissions to the Expert in such manner and within such time as the Expert may direct, and will provide the Expert with such assistance and documents as the Expert reasonably requires for the purpose of reaching a decision;

(viii) to the extent not provided for by this clause, the Expert may in his reasonable discretion determine such other procedures to assist with the conduct of the determination as he considers just or appropriate;

(ix) each party shall with reasonable promptness supply each other with all information and give each other access to all documentation as the other party reasonably requires to make a submission under this clause;

(x) the Expert shall act as an expert and not an arbitrator and the Expert shall determine the matters set out in the Disagreement Notice, which may include any issue involving the interpretation of any provision of this document, his jurisdiction to determine the matters and issues referred to him or his terms of reference;

(xi) if the Expert decides as a preliminary question that he has jurisdiction following a challenge by either party, any party may request, within seven days after having received notice of that decision, that the jurisdictional issue be decided by way of arbitration in accordance with **clauses 37.1(d)** to **37.1(g)**, and the decision of the arbitral tribunal shall not be subject to appeal (except in the case of fraud or manifest error); while such a request is pending, the Expert may continue the expert determination proceedings and make a determination on the substantive issues;

(xii) the Expert's written decision on the matters referred to him shall be final and binding on the parties in the absence of manifest error or fraud;

(xiii) each party shall bear its own costs in relation to the reference to the Expert, and the fees of the Expert and any costs properly incurred by him in arriving at his determination shall be allocated among the parties by the Expert having regard to his or her decision in **clause 7.3(f)(xii)**; and

(xiv) all matters concerning the process and result of the determination by the Expert shall be kept confidential among the applicable parties and the Expert.

(g) After a Disagreement Notice is deemed given in accordance with **clauses 7.3(b)** and **39**, no Group Company may undertake the applicable matter until the Disagreement has been resolved in accordance with this **clause 7.3**.

### 7.4 Material Contracts

The Company must, and must procure that each Group Company must, use commercially reasonable endeavours to ensure that each material Contract entered into by a Group Company contains a provision permitting the relevant Group Company to terminate the Contract if the failure to terminate the Contract could reasonably be expected to adversely impact the suitability or entitlement of any Shareholder holding at least 5% of the Securities on issue, any holder of Upstream Securities having an Effective Interest in Securities of at least 5%, or any of their respective Affiliates, to maintain any Gaming Authorisation.

### 7.5 Conduct of the business of the Group

The Company must procure and each Shareholder must, to the maximum extent of its rights hereunder, exercise all its rights as a Shareholder to procure, that each other member of the Group complies with this document and the other Transaction Documents (to the extent applicable).

8 Company Subsidiaries and Committees

### 8.1 Incorporation of Company Subsidiaries

(a) In addition to the rights and powers of the Company at Law, the parties acknowledge and agree that the Company may, or may instruct a Company Subsidiary to, from time to time, but subject to **clause 8.1(b)** and without limitation of **clause 36**, incorporate one or more Company Subsidiaries.

(b) It is a condition of the incorporation of any Company Subsidiary under **clause 8.1(a)** that the memorandum and articles of association (or similar constituent documents) of the relevant Company Subsidiary include (and, as to any Company Subsidiary existing immediately after the date of this document, its constituent documents must be revised as soon as practicable to include) a requirement that any action of the Company Subsidiary which, if undertaken by the Company, would require approval under **clause 7.2(a)** or approval of the Board, also require approval under that clause and, if applicable, by the Board to be valid (unless such requirement cannot be implemented due to the Laws of the jurisdiction in which the Company Subsidiary is incorporated, in which case the Company will implement such alternative arrangements as would, as closely as possible, give effect to that requirement).

### 8.2 Subsidiaries

(a) The parties acknowledge and agree that the Board may, from time to time:

(i) subject to **clause 8.1** and without limitation of **clause 36**, incorporate one or more Company Subsidiaries;

(ii) to the extent permitted by applicable Law and subject to approval under **clause 7.2(a)** (if applicable):

(A) procure the Company Subsidiaries to do any act (including execute any documents), or omit to do any act as required by the Board;

(B) delegate to any Company Subsidiary the authority to do any act (including execute any documents), or omit to do any act, as may be done by the Company; and

(C) authorise any person to do any thing (including execute any document) on behalf of any Company Subsidiary; and

(iii) subject to **clauses 8.1(b)** and **8.2(d)**, appoint such directors to the boards of each Company Subsidiary as it determines.

(b) Without limiting **clause 7.2(a)**, the binding form of any document executed by a Company Subsidiary will require the signature of one director appointed by the MCE Shareholders or any other person authorised by the Board from time to time for so long as the MCE Shareholders are entitled to appoint three Directors.

(c) The parties agree that the Board may require that the Company Subsidiaries (including any Company Subsidiaries incorporated by the Board under **clause 8.2(a)**) have only the minimum number of directors required by the Law of the jurisdiction in which the Company Subsidiary is incorporated.

(d) The parties acknowledge that PropCo will for so long as it is required by Law to have a minimum of three directors have a board of three directors, two of which will be appointed by the MCE Shareholders and one of which will be appointed by the Minority Shareholders (in each case, for so long as the MCE Shareholders and Minority Shareholders are entitled to appoint three Directors and at least one Director (respectively)).

**8.3 Committees**

(a) Subject to **clause 8.3(b)**, the Board may, from to time, establish any one or more committees of the Board.

(b) The Board must not establish any committee under **clause 8.3(a)** or amend such committee's charter without the prior approval of a Minority Director (for so long as the Minority Shareholders are entitled to appoint a Director).

(c) The Board may determine the membership of, powers of, and the practices and procedures of any committee established by it under this clause.

**8.4 Obligation**

The parties agree to do all things reasonably required to give effect to this **clause 8** (including exercising all their rights as Shareholders, if applicable).

9 Land Grant

**9.1 Acknowledgement**

The parties acknowledge and agree that the Company intends, as soon as practicable, to cause PropCo to seek:

(a) an amendment to the Land Grant consistent in all material respects with the development of the MSC Property as set out in the Project Plan;

(b) the approval of the Macau government to the amendment of the Land Grant; and

(c) publication of the Land Grant amendment in the Macau Official Gazette.

**9.2 Board powers**

Despite anything to the contrary in this document and without limiting the powers of the Board, the parties agree that the Board has the sole and exclusive authority to:

(a) seek the modification of the Land Grant as contemplated by **clause 9.1(a)**; and

(b) procure that PropCo does all things (including the payment of fees and premiums to the Macau government, take all other actions, and execute all documents) required in connection with the modification of the Land Grant as contemplated by **clause 9.1(a)** (including grant all authorisation letters and powers of attorney by or on behalf of PropCo).

**9.3 Co-operation**

The Minority Shareholders agree to reasonably co-operate with and not interfere with, and despite anything to the contrary in this document (but without limiting their rights under **clause 7.2(a)** (if applicable)) do all things reasonably required by the Board including take all reasonable actions and execute all documents) in connection with, or related to, the modification of the Land Grant as contemplated by **clause 9.1(a)**.

10 Senior Management

**10.1 President and Project Director**

(a) The Board may, after consultation with the Appointing Shareholder, appoint and, except where **clause 10.1(b)** applies, remove the President and Project Director from time to time.

(b) The Board will not be required to consult with the Appointing Shareholder under **clause 10.1(a)** prior to removing the President or Project Director for:

(i) Cause; or

(ii) a Performance Failure.

(c) The Board must give the Appointing Shareholder a reasonable opportunity to meet any person proposed to be appointed as the President or Project Director prior to that person being appointed (it being agreed that notice and an opportunity to meet a candidate at least 25 Business Days prior to such candidate's appointment will be deemed reasonable for such purpose).

(d) The form and amount of compensation of the President and Project Director will be solely determined by the Board but in each case not less than a majority of each person's total compensation, and substantially all of that person's cash compensation, must be determined having sole regard to:

(i) in the case of the President, the performance of the Company; and

(ii) in the case of the Project Director, the timely development of the MSC Property having regard to the Development Plan and Project Budget.

(e) For the avoidance of doubt, subject only to the consultation rights in **clause 10.1(a)**, the appointment and removal of the President and the Project Director will be within the sole control of, and the responsibilities and reporting line of the President and Project Director will be solely determined by, the Board from time to time.

### 10.2 Finance Director

(a) The Appointing Shareholder, if any, may from time to time, nominate a person to be the Finance Director by giving notice to the Company and the MCE Shareholders:

(i) specifying the name of the proposed Finance Director;

(ii) attaching the resume of, and all reports prepared by or on behalf of the Company in relation to, the proposed Finance Director; and

(iii) specifying the proposed date of appointment (which must be no earlier than the date 25 Business Days from the date of receipt of the notice (**Appointment Date**)).

(b) The MCE Shareholders may veto the appointment of a proposed Finance Director by giving notice to the Appointing Shareholder (with a copy to the Company) no later than 25 Business Days after receipt of the notice in **clause 10.2(a)**.

(c) The Appointing Shareholder must, if requested by the MCE Shareholders, give the MCE Shareholders reasonable opportunity to meet the proposed appointee, assess the proposed appointee's work references and conduct any executive assessment and any other due diligence process as may be required during the period 25 Business Days after receipt of the notice in **clause 10.2(a)**.

(d) If the appointment of the proposed Finance Director is not vetoed by the MCE Shareholders under **clause 10.2(b)**, that person will be deemed to be appointed on the Appointment Date unless the proposed appointment is withdrawn prior to that date by notice by the Appointing Shareholder to the Company and the MCE Shareholders.

(e) The Finance Director may be removed at any time by:

(i) the Appointing Shareholder, after consultation with the MCE Shareholders;

(ii) the Board for Cause; or

(iii) under **clause 10.3(c)**.

(f) Subject to **clause 10.2(g)**, the terms of employment of the Finance Director will be determined by the Board provided that his or her responsibilities will include oversight over the Company's expenses, receipts and disbursements, maintenance of books and records related thereto, financial reporting, operating and capital budgeting, oversight of the Company's financial systems and controls, supervisory authority over all other finance and accounting employees, and such other responsibilities not inconsistent therewith as determined by the Board from time to time.

(g) The form and amount of compensation of the Finance Director will be solely determined by the Appointing Shareholder (subject to the Company's annual budget as approved by the Board) after consultation with the MCE Shareholders and having regard to the terms then applicable to employees having similar positions in comparable companies.

(h) The Finance Director will report to the President, or as otherwise determined by the Board from time to time.

### 10.3 Performance reviews

(a) The employment contract of the Finance Director must provide for regular performance reviews (such reviews to occur at the end of his or her probation period and, after that, at least once every calendar year).

(b) The performance reviews under **clause 10.3(a)** will be conducted by the President having regard to the terms of the Finance Director's employment and after consultation with the Appointing Shareholder.

(c) Subject to the approval of the Conflicts Committee and the outcome of the performance reviews conducted under **clause 10.3(b)**, in addition to its right to terminate the Finance Director under **clause 10.2(e)(ii)**, the Board may terminate the employment of the Finance Director for Performance Failure.

### 10.4 Steering Committee and Supervisory Board

(a) The parties agree that it is the intent of the Board to establish a steering committee (**Steering Committee**) as soon as practicable.

(b) The Steering Committee will:

(i) consist of such persons as may be appointed by the Board from time to time (which will include the Project Director and the Finance Director); and

(ii) serve as a working committee of the Company's project development team to facilitate the development and construction and completion of the MSC Property.

(c) The Steering Committee will be supervised and directed by a supervisory body (**Supervisory Board**).

(d) The Supervisory Board will be appointed by the Board and will consist of:

(i) a representative of the Minority Shareholders (for so long as the Minority Shareholders are entitled to appoint a Director) with such representative to be appointed and removed from time to time by the Majority of the Minority Shareholders; and

(ii) such other persons as determined by the Board.

(e) The Steering Committee and Supervisory Board will:

(i) meet periodically as and when determined by the Board; and

(ii) be subject to the direction of the Board.

(f) For the avoidance of doubt, the Steering Committee and Supervisory Board will not be committees of the Board.

## 11 Related Party Transactions and Conflicts

### 11.1 Related Party Transactions and Conflicts

The parties agree that subject to the approval by all of the Directors, the Company proposes to:

(a) adopt a Conflicts Committee Charter; and

(b) establish a Conflicts Committee.

### 11.2 Variation

(a) The parties agree that the Conflicts Committee may, subject to **clause 11.2(b)**, amend the Policy on Related Party Transactions from time to time.

(b) The Conflicts Committee must not amend any of the criteria for the approval of related party transactions under the Policy on Related Party Transactions or any of the material provisions of that policy without the prior written consent of holders of a majority of Securities on issue held by Minority Shareholders holding at least 10% of the Securities on issue.

### 11.3 Implementation of Policy on Related Party Transactions

(a) The Company must implement the Policy on Related Party Transactions and must use reasonable efforts (including putting in place appropriate internal procedures) with the objective of procuring that employees of each Group Company comply with that policy.

(b) Without limiting **clause 11.3(a)**, the Company must comply, and the Company shall procure that each Group member shall comply, with Sections IV. (4) and V. (C) of the Policy on Related Party Transactions as if it were set forth herein and constituted a part hereof.

**11.4 Post IPO**

Following an IPO, Related Party Transactions must be approved by an audit committee of independent Directors, unless the rules of the relevant exchange require an alternative approval process by independent Directors (in which case that process will apply).

12 Shared Vendor Contracts

**12.1 Shared Vendor Contracts**

The parties acknowledge that MCE and its Affiliates may from time to time enter into Contracts with a supplier, vendor or other party or its Affiliates or Connected Persons (**Shared Vendors**) for the provision of various goods and services to more than one MCE Casino (**Shared Vendor Contracts**).

**12.2 Obligation**

Subject to **clause 12.3**, MCE must, for so long as any Minority Shareholder holds 10% or more of the Securities on issue, use commercially reasonable endeavours:

(a) to obtain on behalf of the Group, to the extent possible, economic and other terms at least as favourable (when taken as a whole and after taking into account, among other things, the passing of time, inflation and the then prevailing economic conditions) to the Group as the economic and other terms it obtains from the applicable Shared Vendor for any of the other MCE Casinos in respect of similar goods and services; and

(b) to utilise the services of, and obtain goods from, the Shared Vendors and to obtain volume and pricing discounts on such services and goods from such Shared Vendors for the benefit of the Group.

**12.3 Application**

(a) The parties agree that **clause 12.2** will not apply in respect of any the following Shared Vendors:

(i) any utility operators (water, electricity, gas and telephone and whether public or private) in Hong Kong or Macau;

(ii) a financier or lender to MCE or any of its Affiliates;

(iii) a Governmental Agency;

(iv) a Gaming Promoter; or

(v) a Third Party Casino.

(b) The parties agree that **clause 12.2(b)** does not apply to any Shared Vendor Contract which is the subject of any dispute, claim, or other proceedings or the performance of which, or the goods provided under which, do not in the reasonable opinion of MCE or any of its Affiliates, meet appropriate standards of performance.

### 12.4 Gaming Promoters

MCE will use commercially reasonable efforts to ensure that there is no bias or discrimination by or at the direction of MCE or any of its Affiliates against the Group with respect to:

(a) the use or selection of Gaming Promoters;

(b) the allocation of customers by Gaming Promoters (to the extent it is within the control of MCE); or

(c) the commissions, commission rate policies or extensions of credit in respect of Gaming Promoters for the Group as compared to commissions, commission rate policies or extensions of credit in respect of Gaming Promoters for any of the other MCE Casinos (excluding Third Party Casinos).

### 12.5 Audit rights

(a) If **clause 12.2** applies, the Majority of the Minority Shareholders may on an annual basis jointly request the Company to instruct the Company’s auditors to audit the compliance by MCE with its obligations under **clause 12.2** and to share the results thereof with the Directors appointed by the Minority Shareholders.

(b) The parties agree that any audit conducted under **clause 12.5(a)** will be limited to a review of a random sample of Shared Vendor Contracts of an appropriate size to be determined by the auditor to verify compliance by MCE with **clause 12.2(a)**.

(c) Any work conducted by the Company’s auditors in respect of **clause 12.5(a)** will be at the expense of the Company.

(d) MCE must instruct the auditors of the other MCE Casinos (other than Third Party Casinos) to reasonably cooperate with the Company’s auditors in connection with any work conducted by the Company’s auditors under **clause 12.5(a)** (but subject to **clause 12.5(b)**).

## 13 Development and Pre-Opening

### 13.1 Development and Pre-Opening Services Agreement

(a) The parties acknowledge and agree that the Company intends to enter into the Development and Pre-Opening Services Agreement and that entry into that document will require the approval of all of the Directors.

(b) The parties acknowledge and agree that prior to the Opening the Company intends to enter into a services agreement with MCE and certain of its Affiliates in relation to the provisions of services to the Company during the operational phase of the MSC Property and that the Policy on Related Party Transactions will apply to the entry into that agreement and any services to be provided thereunder.

## 13.2 Entertainment Agreement

(a) The parties acknowledge and agree that one or more of MCE and its Affiliates propose to enter into an agreement with the Entertainment Service Provider under which that person will provide certain entertainment and related services to or at the direction of one or more of MCE and its Affiliates (**Entertainment Agreement**). The final version of the Entertainment Agreement has been provided to the Minority Shareholders prior to execution of this document.

(b) Subject to the entry into the Entertainment Agreement by each of the parties to that agreement, the Company may, from time to time by written notice to MCE, request that the services to be provided under that agreement are provided to a Group Company.

(c) Any notice under **clause 13.2(b)** must specify, in reasonable detail, the services to be provided and the time for providing such services.

(d) Subject to the receipt by MCE of a notice under **clause 13.2(b)** and subject to **clause 13.2(f)**, MCE must use commercially reasonable endeavours to procure that (so far as it is able to do so and is permitted under the Entertainment Agreement to do so) the services specified in the notice are provided by the Entertainment Service Provider to the relevant Group Company when required.

(e) The Company must, on the relevant Group Company being provided with the services requested by the Company under **clause 13.2(c)**, promptly pay to MCE (and in any event prior to any amounts owed by MCE for any such services to the Entertainment Service Provider becoming delinquent) the amount payable by MCE or its Affiliates in respect of such services.

(f) The total amount payable by the Company for services provided by the Entertainment Service Provider under this **clause 13.2** may not exceed US$5 million and the parties agree that MCE will be under no obligation to procure any services are provided if the total amount payable in respect of all services provided to the Group is, at that time, greater than, or will following the provision of such services, be greater than, that amount.

(g) So long as **clause 13.2(d)** is satisfied, the Company agrees (on behalf of itself and each Company Subsidiary to whom services are provided under the Entertainment Agreement) that MCE and its Affiliates have no liability to any Group Company in respect of any services provided by any person to any Group Company under or in connection with the Entertainment Agreement.

(h) MCE agrees that it will promptly provide to the Company a copy of the Entertainment Agreement and any amendments to that agreement (from time to time).

(i) For the avoidance of doubt, the Policy on Related Party Transactions will not apply to any services provided under this **clause 13.2**.

14 Casino operation

**14.1 Casino operation**

(a) The MCE Subconcessionaire is the holder of the MCE Subconcession under which the MCE Subconcessionaire is authorised by the Macau government to conduct the operation of casino games of chance and other casino games in Macau.

(b) The parties acknowledge that the MCE Subconcessionaire shall operate the MSC Casino within the MCE Subconcession on terms substantially similar to the Casino Management Agreement (as amended under **clause 14.2** and any other contractual arrangements referenced in annexure G of the Implementation Agreement).

(c) The MCE Subconcessionaire must apply for an extension of the MCE Subconcession prior to any expiration from time to time and, in any event, continue to operate the MSC Casino for as long as the MCE Subconcession is in effect.

**14.2 Casino Management Agreement**

(a) The parties agree that the Company and MCE shall use commercially reasonable efforts to procure, so far as they are able to, that the Casino Management Agreement is amended as set forth in the Implementation Agreement and that the other matters set forth in annexure G of the Implementation Agreement are implemented.

(b) None of the Company, any Company Subsidiary or the MCE Subconcessionaire may cause (by action or inaction) a breach of the Casino Management Agreement (as amended under this **clause 14.2** and any other contractual arrangements referenced in annexure G of the Implementation Agreement).

(c) The parties acknowledge that any amendment to the Casino Management Agreement will be subject to the approval of the Macau government.

**14.3 Gaming tables**

(a) The parties agree that:

(i) after consultation, the MCE Shareholders and the Majority of the Minority Shareholders will agree (and any such agreement will be binding notwithstanding any change in the composition of the Minority Shareholders, absent subsequent agreement by the MCE Shareholders and the Majority of the Minority Shareholders) on the initial number of gaming tables to be applied for in relation to the MSC Casino; and

(ii) the initial number of gaming tables included in the MSC Casino on Opening will be determined by the Macau government, and may be less than the number applied for in accordance with **clause 14.3(a)(i)**.

(b) Any additional gaming tables authorised by the Macau government to be utilised by the MCE Subconcessionaire after initial allocation of gaming tables by the Macau government to the MSC Casino will (to the extent permitted by the Macau government) be allocated by the MCE Subconcessionaire to the MSC Casino and the other MCE Casinos:

(i) in proportion to the number of tables the MSC Casino and the other MCE Casinos have (or have allocated to them) at that time; and

(ii) if the number of additional gaming tables authorised by the Macau government to be utilised by the MCE Subconcession is disproportionately more than the number of gaming tables authorised to other concession and subconcession holders in Macau (based on the number of gaming tables held by each of them and including circumstances in which the percentage of additional gaming tables allocated to the MCE Subconcessionaire exceeds the percentage of gaming tables allocated to other gaming concession or subconcession holders in Macau under the table cap regime implemented by the Macau government from time to time), the amount of the excess will (to the extent permitted by the Macau government) be allocated by the MCE Subconcessionaire between the MSC Casino and the other MCE Casinos based on:

(A) the relative gaming expansion plans approved by the Macau government; or

(B) if no such plans exist, pro rated based on the respective number of tables at (or allocated to) the MSC Casino and the other MCE Casinos.

(c) In the event that, after initial allocation of gaming tables by the Macau government to the MSC Casino, the number of gaming tables authorised by the Macau government to be utilized by the MCE Subconcession is reduced, MCE and the Majority of the Minority Shareholders must discuss in good faith whether there is to be any reduction in the number of gaming tables at the MSC Casino having regard to (among other things) a fair and appropriate allocation of gaming tables to all MCE Casinos and after taking into account any Macau government requirement and the capital expenditures of each of the MCE Casinos and, in any event, the number of gaming tables at the MSC Casino must not be disproportionately reduced relative to the reduction of gaming tables at other MCE Casinos (unless the MCE Shareholders and a Majority of the Minority Shareholders agree otherwise).

**14.4 MCE Casinos**

Despite any other clause of this document, but without limitation of **clause 14.3(b)** , the parties agree that if the Macau government approves less gaming tables than applied for in **clause 14.3(a)(i)**, MCE and its Affiliates are under no obligation to allocate additional gaming tables to the MSC Casino to make up for any gaming tables applied for under **clause 14.3(a)(i)** but not allocated by the Macau government.

15 Project Plan and other administrative matters

**15.1 Project Plan**

The Project Plan is incorporated by reference herein and constitutes a part hereof.

**15.2 Amendments**

(a) The Company may make any amendment to the Project Plan other than the matters in respect of which approval is required under **clause 7.2(a)**.

(b) Except as contemplated in **clause 15.2(a)**, nothing in this **clause 15.2** limits any of the rights of the Minority Shareholders under **clause 7.2** to approve any changes to the Project Plan.

**15.3 Milestones**

The parties shall act in good faith in connection with the design, development and construction of the MSC Property and shall procure, to the extent they are able to do so, the Company to use commercially reasonable endeavours to meet project milestones and to commence significant commercial operations in respect of the MSC Property in accordance with the Development Plan as may be amended from time to time in accordance with the approval rights described in **clause 7.2**.

**15.4 Other administrative matters**

The parties agree to be bound by and comply with **annexures G** and **H**.

16 Restrictions on issue of Securities

**16.1 Restriction on issue of Securities**

The Company must not issue any Securities except:

(a) under **clauses 17**, **18**, **19**, or **20**;

(b) under **clause 21** but subject to the Company having first complied with the Policy on Related Party Transactions except where such issue occurs after Opening; or

(c) in connection with an IPO in accordance with **clause 29**.

**16.2 Exclusions**

The restrictions in **clause 16.1**, do not apply to any issue of Securities:

(a) under a Reorganisation Event approved by the Minority Shareholders (if required under **clause 7.2(a)** or applicable Law), provided that the Reorganisation Event does not dilute any Shareholders’ interests in Securities or otherwise adversely affect any Shareholder's economic interest in the Company; or

(b) to an employee pursuant to the Group’s employee incentive plan as approved by the Board from time to time, subject to **clause 7.2(a)** , or to the President, Project Director or Finance Director under **clauses 10.1(d)** or **10.2(f)** (as applicable).

**16.3 Prohibitions**

The Company must not, and must procure that each Company Subsidiary does not, issue any Securities, or securities in any Company Subsidiary, to any Competitor or Unsuitable Person.

**16.4 Upstream Securities**

A Shareholder must not, and must procure that each of the holders of Upstream Securities in that Shareholder do not:

(a) issue any Upstream Securities to any Competitor or Unsuitable Person; or

(b) enter into any arrangement with any person other than another Shareholder or, in the case of a holder of Upstream Securities, another holder of Upstream Securities in the same entity or with the entity in which the Upstream Securities were issued, in respect of the voting of any Securities or Upstream Securities (as the case may be) or that otherwise has the effect of defeating the purposes or intent of **clause 24**.

17 Capital Calls

**17.1 Power to make a Capital Call**

(a) A Capital Call may only be made by the Board, or if **clause 17.2(c)** applies, a Calling Shareholder.

(b) So long as any Capital Calls may still be made by the Board, the Company may not issue or sell Securities to any person other than pursuant to **clauses 17** and **18** or in the case of an IPO under **clause 29**.

**17.2 Making a Capital Call**

(a) In determining when to make, and the amount of, a Capital Call, the Board must subject to **clause 17.2(b)** act in a manner consistent with the funding requirements of the Group for the pre-Opening development of the MSC Project as set out in the Financing and Funding Schedule.

(b) The Board may, if it determines that, despite the Financing and Funding Schedule, capital is not required to be called at the time contemplated by the Financing and Funding Schedule, defer calling that capital to a future date prior to the Opening by notice to the Shareholders.

(c) If the Board does not make a Capital Call on or before the date three months after the last date for the making of that Capital Call as set out in the Financing and Funding Schedule and:

(i) the failure to make that Capital Call would reasonably be expected to result in a delay in the completion of the development, construction and Opening; and

(ii) making that Capital Call and the amount of the Capital Call is, in the circumstances, commercially reasonable and consistent with the Development Plan and the Project Budget,

then any Minority Shareholder holding more than 20% of the Securities on issue may, after consultation with MCE, give a Call Notice (**Calling Shareholder**) unless **clause 17.2(d)** applies.

(d) A Calling Shareholder may not give a Call Notice if the failure of the Board to make a Capital Call is a result of Force Majeure which has a material adverse effect on the Group and the timely development of the MSC Property.

(e) The issue price for Securities must be Fair Market Value.

### 17.3 Call Notice

(a) If the Board or Calling Shareholder wishes to make a Capital Call it must serve a notice on each of the Shareholders (**Call Notice**) specifying:

(i) a Capital Call is being made;

(ii) the aggregate amount of the Capital Call in US$;

(iii) the amount in US$ required to be contributed by each Shareholder and the number of Securities that amount corresponds to (determined under **clause 17.2(e)**); and

(iv) subject to **clause 17.6**, the date and time for payment of the Capital Call.

(b) A Capital Call is made on the date the Call Notice is deemed given in accordance with **clause 39**.

(c) A Capital Call must be made on all Shareholders and not some only and must be on the same terms for each Shareholder (other than as to the amount and number of Securities).

### 17.4 Capital Call amount

The proportion of any Capital Call required to be contributed by a Shareholder is equal to the proportion the Financial Interest of that Shareholder bears to the aggregate Financial Interests held by all Shareholders at the time of the relevant Capital Call.

### 17.5 Cap on all Capital Calls

The maximum amount payable on all Capital Calls under this clause 17 by all Shareholders in the aggregate is US$800 million (less any amounts subscribed for or advanced to the Company under **clause 18** and the amount of Financial Support provided under **clause 20.2(a)**), and in no event shall more than US$150 million be called prior to receipt by the Company of (and subject to the continued effectiveness and availability of) definitive project financing or other debt commitments (together with funded debt) from third party lenders for at least US$1.4 billion in the aggregate.

### 17.6 Date for payment of a Capital Call

(a) A Call Notice may not be given any earlier than the Quarter immediately preceding the Quarter to which the use of capital relates.

(b) The date for payment of a Capital Call must be at least 25 Business Days after the date the Call Notice is deemed made under **clause 17.3(b)** and must be consistent with the Financing and Funding Schedule.

### 17.7 Payment of a Capital Call

Each Shareholder must pay the amount of the Capital Call set out in the Call Notice in immediately available funds to an account notified by the Company from time to time to the Shareholders.

### 17.8 Failure to pay a Capital Call

**Clause 18** will apply on a failure by any Shareholder to pay the amount of a Capital Call in full on or before the date required for payment.

### 17.9 Revocation

(a) A Call Notice may be revoked by the party that gave the Call Notice by notice to the Shareholders at any time before the date that is 15 Business Days prior to the date for payment of a Capital Call.

(b) Any amendment or modification to a Call Notice shall be deemed a revocation thereof and issuance of a new Call Notice subject to the terms of this **clause 17**.

### 17.10 Expiration

(a) No Shareholder will be required to contribute any capital to the Company under this **clause 17** on or after the earlier of Opening and the date five years after the date of this document:

(i) unless **clause 17.10(b)** applies; or

(ii) except, as to any Shareholder, to the extent that Shareholder has failed to contribute capital when required under this **clause 17** (except to the extent such Shareholder's liability and obligation in respect thereof has been eliminated as provided in **clause 18.5**).

(b) The Board may, by notice to each of the Shareholders, prior to expiry of the period in **clause 17.10(a)** (as extended under this **clause 17.10(b)**), extend the date by which Capital Calls may be made for an additional period of up to 12 months (in aggregate) if the Opening has not occurred as a result of Force Majeure.

(c) The Board may give one or more notices under **clause 17.10(b)** but may not extend the period in which Capital Calls may be made by more than 12 months (in aggregate).

**17.11 Related Party Transactions**

The Policy on Related Party Transactions will not apply to any issue of Securities under this **clause 17**.

**17.12 Securities**

Upon receipt by the Company of payment of the amount of the Capital Call the Company must issue to the Shareholder the Securities subscribed for by that Shareholder, update the share register and issue share certificates for the Securities.

**17.13 Amendment**

**Clauses 17.4, 17.5, 17.6, and 17.10** may not be amended or modified except with the prior written consent of each Shareholder who is to be bound thereby.

18 Failure to contribute capital

**18.1 Failure to contribute**

If any Shareholder (**Defaulting Shareholder**) fails to subscribe for Securities required to be subscribed by it under **clause 17** on or before the date specified in the Call Notice, the Defaulting Shareholder will have no further right to subscribe for such Securities and the Company must offer to each of the Shareholders other than the Defaulting Shareholders (**Non Defaulting Shareholders**) under this **clause 18** the right to either:

(a) purchase those Securities (together with certain additional Securities contemplated by this **clause 18**) under **clause 18.2** ; or

(b) advance to the Company a shareholder loan on the terms set out in the Shareholder Loan Agreement (**Defaulting Loan**) under **clause 18.3**.

### 18.2 Clause 21 applies

**Clause 21** will apply to an issue of Securities under this **clause 18**, except that:

(a) the number of Securities offered to be issued will be 1.3 times the number of Securities failed to be subscribed for by the Defaulting Shareholders (**Defaulting Securities**);

(b) the Defaulting Securities will be offered to each of the Non Defaulting Shareholders only;

(c) each Non Defaulting Shareholder is entitled to subscribe for the proportion of the Defaulting Securities equal to the proportion of the Securities on issue held by it to the total number of Securities held by all the Non Defaulting Shareholders immediately prior to the relevant Capital Call;

(d) the total issue price for the Defaulting Securities offered must be, in aggregate, the same amount that would have been payable by the Defaulting Shareholders under **clause 17** in respect of the Call Notice (**Default Amount**) and the issue price of each Defaulting Security must be the same for all of the Defaulting Securities of the same class being offered; and

(e) the time periods specified in **clauses 21.2** and **21.3** shall be shortened to 30 and 15 Business Days, respectively.

### 18.3 Defaulting Loans

(a) Instead of purchasing Defaulting Securities under **clause 18.2**, a Non Defaulting Shareholder may elect to advance a loan to the Company in an amount equal to the product of the Default Amount multiplied by a fraction, the numerator of which is the number of Securities on issue held by such Non Defaulting Shareholder, and the denominator of which is the total number of Securities on issue held by all Non Defaulting Shareholders immediately prior to the relevant Capital Call.

(b) If a Non-Defaulting Shareholder wishes to advance a loan to the Company under this **clause 18.3** it must give notice of its intent to do so to the Company within 20 Business Days after the date the Offer Notice is deemed to be given in accordance with **clauses 18.2** and **39**.

(c) Any such Non Defaulting Shareholder electing to advance a loan under this **clause 18.3** must advance such loan no later than the date the Securities are required to be purchased under **clause 18.2** and deliver to the Company the Shareholder Loan Agreement duly executed by such Non Defaulting Shareholder.

(d) The Company must deliver to any such Non Defaulting Shareholder the Shareholder Loan Agreement duly executed by the Company on the date such loan is made.

### 18.4 Related Party Transactions

The Policy on Related Party Transactions will not apply to any issue of Securities or making of Defaulting Loans under this **clause 18**.

**18.5 Election of remedies**

The liability and obligation of a Defaulting Shareholder in respect of a particular Capital Call shall be eliminated to the extent that the Default Amount has been subscribed for by any Non Defaulting Shareholder under **clause 18.2**. If the Default Amount is not subscribed for, the Defaulting Shareholder will remain liable for such amount and this clause does not affect the rights that the Company or Non Defaulting Shareholder may have against the Defaulting Shareholder. In the event that there are two or more Defaulting Shareholders in respect of the same Capital Call and some, but not all, of the Default Amount is subscribed for by any Non Defaulting Shareholders, the amount of the liability and obligation of each Defaulting Shareholder that is eliminated thereby shall be in proportion to their respective portions of the Default Amount. Upon elimination of the liability and obligation of a Defaulting Shareholder under the foregoing provisions, no claims for damages or otherwise may be made or continued against that Defaulting Shareholder, or any other person who may have made guarantees or commitments, in each case in respect of the applicable Default Amount.

**18.6 Company action in respect of MCE Shareholder default**

In the event an MCE Shareholder is a Defaulting Shareholder, the Minority Directors shall have the power to direct the Company to pursue all appropriate remedies, subject to **clause 18.5**, against the Defaulting Shareholder and against any party that has made an equity commitment to the Company in respect of the obligations of that Defaulting Shareholder and the Company shall be required to act in accordance with any such direction. Any such act that requires approval of the Board may be taken with the approval of all of the Minority Directors notwithstanding any contrary action by the MCE Directors.

19 Additional capital

**19.1 Requirement for additional capital**

If, after the maximum amount payable in respect of all Capital Calls has been subscribed for or advanced (less any amounts called under **clause 17** and which have not been subscribed for or advanced under that clause or **clause 18**), the Board determines that additional capital is currently required or imminently likely to be required to fund the construction and development of the MSC Property, then the Board may (i) seek the required capital from third parties either in the form of a loan (subject to **clause 7.2(a)**) or through the issuance of additional securities in accordance with **clause 21** or (ii) serve a notice to MCE and the Shareholders under **clause 19.3(a)** .

**19.2 Determination**

Any Board determination that additional capital is required under **clause 19.1** must be consistent with the Project Plan.

### 19.3 Additional Capital Notice

(a) If the Board determines that additional capital is required under **clauses 19.1** and **19.2**, it may serve a notice on MCE and the Shareholders stating that additional capital is required and the amount of that capital.

(b) Upon receipt of the notice in **clause 19.3(a)**, MCE may serve notice on the Company and the Shareholders (**Additional Capital Notice**):

(i) stating the amount (if any) of such capital it will advance to the Company in the form of a loan (**Loan Amount**) under **clause 19.4** and the amount (if any) of such capital it requires the Company to issue additional Securities to fund under **clause 19.5** (which may be less than the amount notified in **clause 19.3(a)**); and

(ii) specifying the date the additional capital will be provided (which may be no earlier than the date 20 Business Days and no later than 40 Business Days after the date the notice is deemed given in accordance with **clause 39**).

### 19.4 Loan funds

(a) If MCE notifies the Company and the Shareholders under **clause 19.3** that it will advance funds to the Company in the form of a loan, it must on the date specified in the Additional Capital Notice:

(i) advance to the Company the amount notified under **clause 19.3(b)(i)**; and

(ii) deliver to the Company the Shareholder Loan Agreement duly executed by MCE.

(b) The Company must deliver to MCE the Shareholder Loan Agreement duly executed by the Company on the date specified in the Additional Capital Notice.

### 19.5 Additional Securities

If MCE notifies the Company and the Shareholders under **clause 19.3** that additional Securities are required to be issued, **clauses 21.1** to **21.5** will apply to that issue of Securities, and the Company must comply with those clauses, except that:

(a) the issue price for the Securities must be Fair Market Value;

(b) the proposed subscription date is the date specified in the Additional Capital Notice; and

(c) each Shareholder (including each MCE Shareholder) is not entitled to subscribe for more than its Respective Proportion of the Securities proposed to be issued.

**19.6 Requirement to advance funds**

(a) If any Securities are not taken up under **clause 19.5**, then the Company must, within five Business Days after the date the Securities are required to be taken up, give a notice to MCE and each Shareholder (**Further Capital Notice**):

(i) specifying the aggregate amount, in US$, which has not been subscribed for under **clause 19.5** (excluding any amounts not subscribed for as a result of a breach of this **clause 19**); and

(ii) notifying MCE that it or its Affiliates must advance to the Company by way of a loan (or arrange for an unrelated third party to so advance) the amount specified in **clause 19.6(a)(i)** (**Further Loan Amount**).

(b) Within 15 Business Days of the date the Further Capital Notice is given (**Future Funding Date**), MCE or one of its Affiliates must, or an unrelated third party arranged by MCE must:

(i) advance to the Company the Further Loan Amount; and

(ii) deliver to the Company the Shareholder Loan Agreement duly completed and executed by MCE or, in the case of a loan by an unrelated third party, deliver such form of loan agreement that may be acceptable to the Board and the third party in relation to the Further Loan Amount.

(c) The Company must deliver to MCE (or its Affiliate or an unrelated third party, as applicable) the Shareholder Loan Agreement (or in the case of a loan by an unrelated third party, such form of loan agreement that may be acceptable to the Board and the third party in relation to the Further Loan Amount) duly completed and executed by it on the Future Funding Date.

**19.7 Related Party Transactions**

The Policy on Related Party Transactions will not apply to any issue of Securities or the advance of any amounts by way of loan under this **clause 19**.

20 Project Financing

**20.1 Project financing**

The parties acknowledge and agree that:

(a) it is the intent of the Company to seek non-recourse debt financing from third party lenders to enable the development and construction of the MSC Property; and

(b) the third party lenders to the MSC Property (**Project Lenders**) may, as a condition of, or in connection with, providing the financing referred to in **clause 20.1(a)**, require that the Shareholders provide, procure or arrange a guarantee, letter of credit, or other form of financial support to either or both of the Project Lenders and the MSC Property (**Financial Support**).

## 20.2 Financial Support

(a) If the Project Lenders require Financial Support, the Shareholders will, if requested by the Board, not unreasonably refuse to provide support up to a total amount of (in aggregate) US$800 million minus the aggregate equity contribution set out in the applicable financing scenario in the Financing and Funding Schedule.

(b) Subject to **clause 20.2(a)**, each Shareholder must provide that proportion of the aggregate amount of Financial Support to be provided under that clause equal to the proportion that the Financial Interest of that Shareholder bears to the aggregate Financial Interests held by all Shareholders at the time requested by the Board under that clause.

(c) If the Project Lenders require additional Financial Support (in addition to the Financial Support provided under **clause 20.2(a)**) each of the Shareholders agree to negotiate in good faith as to the form, terms, and amount of additional Financial Support (if any) that Shareholder or its Affiliates is prepared to provide.

## 20.3 Financial Support Fee

(a) If the Project Lenders require Financial Support, the parties agree that the Shareholder providing, procuring or arranging the Financial Support may charge the Company a fee (**Financial Support Fee**), to be determined under **clause 20.3(b)**.

(b) The parties agree that the Financial Support Fee charged by each Shareholder will be equal to two percent per annum of the aggregate amount of the non-recourse debt supported by that Shareholder.

(c) The Financial Support Fee (or portion of that amount) will be charged to the Company each Quarter of each year in which the Financial Support is provided.

(d) In addition to the Financial Support Fee, each Shareholder may charge to the Company all reasonable costs incurred by the Shareholder in providing the Financial Support (including all establishment and administration fees and reasonable legal fees and expenses and, in the case of a letter of credit, all interest, fees and charges) from time to time.

(e) If two or more persons provide support in respect of the same facility, the fees in respect of that facility and the payment of those fees will be proportionate to the amount of support provided by each such person but in no event will the fee exceed two percent of the amount supported in aggregate.

(f) The Financial Support Fee must be paid prior to any dividends or other distributions in respect of Securities.

## 20.4 Financial Support is called on

(a) If for whatever reason, the Financial Support provided by a Shareholder or former Shareholder (**Financial Supporter**) is called on, or will be imminently called on, the Financial Supporter may advance the amount called on to the Company in the form of a loan (**Financial Support Loan**).

(b) Any loan made under **clause 20.4(a)** must be on the terms of the Shareholder Loan Agreement.

**20.5 Securities Issue Notice**

If at any time after providing the Financial Support Loan, a Financial Supporter wishes to convert that loan into Securities, the Financial Supporter may serve a notice on the Company (**Securities Issue Notice**):

(a) stating that it requires the Company to issue additional Securities;

(b) specifying the issue price of the Securities (which must be Fair Market Value);

(c) specifying the number of Securities to be issued having an aggregate subscription price up to the principal plus accrued and unpaid interest on the Financial Support Loan; and

(d) specifying the date the Securities are required to be subscribed for (which may be no earlier than the date 20 Business Days and no later than 40 Business Days after the date the notice is deemed given in accordance with **clause 39**).

**20.6 Issue of Securities**

**Clause 21** will apply to the issue of any Securities under **clause 20.5**, except that:

(a) the issue price for the Securities must be Fair Market Value;

(b) the proposed subscription date is the date specified in the notice in the Securities Issue Notice;

(c) each Shareholder is not entitled to subscribe for more than its Respective Proportion of the Securities proposed to be issued; and

(d) the time periods specified in **clauses 21.2** and **21.3** shall be shortened to 30 and 15 Business Days, respectively.

**20.7 Securities not taken up**

If any Securities are not taken up under **clause 20.6** then the Company must within five Business Days after the date the Securities are required to be taken up serve a notice on each Shareholder (**Capital Issue Notice**):

(a) specifying the aggregate amount, in US$, which has not been subscribed for under **clause 20.6**; and

(b) that amount of the Financial Support Loan made by the Financial Supporter that was seeking to convert its Financial Support Loan into Securities representing the portion of the Securities not taken up shall automatically convert into Securities at Fair Market Value.

**20.8 Cessation of Financial Support**

Each Financial Supporter agrees that if advised by the Project Lenders that Financial Support is no longer required, and subject to being released from the obligation to provide Financial Support by the Project Lenders, that Financial Supporter will stop providing that support as soon as practicable and any break fees, early termination fees or similar fees payable by the Financial Supporter to the Project Lenders in connection with that cessation will be charged to the Company.

**20.9 Related Party Transactions**

The Policy on Related Party Transactions will not apply to the making of any loan or the issue of any Securities or the payment of the Financial Support Fee under this **clause 20**, but it will apply to payment by the Company of any other fees in connection with, or the granting of any priorities, encumbrances or other economic benefits in respect of, the provision of Financial Support.

**20.10 No obligation**

Except as expressly provided for in this **clause 20**, no Shareholder or any of their respective Affiliates is required to provide Financial Support or, except as expressly set out in this document (and in particular **clause 17**), under any obligation to provide any other financial accommodation, guarantee or other similar commitment or comfort in relation to any Group Company.

21 Pre-emptive rights on issue

**21.1 Pro rata offer**

(a) If the Board resolves to issue any Securities, the Securities must, subject to the Policy on Related Party Transactions being complied with (except where such Securities are issued after Opening in which case the Policy on Related Party Transactions will not apply), be offered to all the Shareholders (each an **Offeree**) on the following terms (**Offer**):

(i) each Offeree is entitled to subscribe for up to its Respective Proportion of the Securities proposed to be issued;

(ii) the Offeree, if it accepts the Offer, must subscribe for the Securities it applies for; and

(iii) the issue price of the Securities must be the same for all of the Securities of the same class being offered.

(b) Despite **clause 21.1(a)**, in the case of **clauses 17**, **18**, **19**, **20** and **29**, this **clause 21** shall only apply as provided in such clauses, with such changes as are provided therein.

(c) After Opening, Securities proposed to be issued under this **clause 21** must be issued at Fair Market Value which shall be determined in accordance with the procedures in **clause 34**, except that references to each Quarter in such clause shall instead be deemed to refer to the date of the applicable Offer Notice under **clause 21.2**.

**21.2 Offer Notice**

The Company must make the Offer to each Offeree by giving a notice in writing (**Offer Notice**) to each Offeree specifying:

(a) the total number of Securities proposed to be issued;

(b) the number of Securities the Offeree is entitled to subscribe for (up to its Respective Proportion of the aggregate of all Securities to be issued); and

(c) the terms of issue of the Securities (including the issue price, which must, after Opening, be at Fair Market Value, and the proposed subscription date which must be no earlier than the date 40 Business Days after the date the notice is deemed given in accordance with **clause 39**).

**21.3 Response to Offer**

Within 20 Business Days after the date the Offer Notice is deemed given in accordance with **clause 39**, each Offeree must give notice to the Company stating:

(a) that the Offeree accepts all or any portion of the Securities offered to it in the Offer Notice or declines the Offer in full; and

(b) if the Offeree wants to subscribe for a greater number of Securities than offered to it in the Offer Notice, the Offeree offers to subscribe for a specified number of additional Securities if not applied for by other Offerees under their Offers (**Unsubscribed Securities**).

**21.4 Failure to respond**

If an Offeree does not give a notice to the Company within the period stated in **clause 21.3**, the Offeree is deemed to have declined its Offer.

**21.5 Subscription by accepting Offerees**

If an Offeree accepts all or any portion of the Securities offered to it in the Offer, the Offeree must subscribe for the number of Securities specified in its notice of acceptance of its Offer on the terms specified in the Offer Notice.

**21.6 Disposal to third parties**

If any Securities are not taken up under the Offers (or any of the Offerees default in respect of any such subscription obligation) then the Company may issue any Securities not taken up (on the same terms as specified in the Offer Notice):

(a) firstly, to any Offerees that have offered to subscribe for Unsubscribed Securities under **clause 21.3(b)** (and, if there is competition between them, on a pro rata basis to their acceptances under **clause 21.3(a)** ) but on the basis that no Offeree will be required to subscribe for more than the number of additional Securities specified in its notice under **clause 21.3(b)**; and

(b) secondly, to any person (other than any Shareholder), at any time within 180 days after the end of the period referred to in **clause 21.3** (subject to the extension of such 180 day period for a reasonable time not to exceed 90 days to the extent reasonably necessary to obtain any required Authorisation) on terms no more favourable to such person than those offered to the Offerees.

22 Transfers

**22.1 Shareholders**

Shareholders (other than MCE Shareholders) must not Transfer any Securities, and must procure that no holder of Upstream Securities Transfers any Upstream Securities, in each case except:

(a) under **clauses 23** or **24**;

(b) on exercise of a tag along right under **clause 25.3**;

(c) in the case of Securities, on exercise of a Drag Along Right under **clause 26.4**;

(d) as required under **clause 27**; or

(e) in the case of an IPO, in accordance with **clause 29**.

**22.2 MCE Shareholders**

MCE Shareholders may Transfer any Securities, and any holder of Upstream Securities in the MCE Shareholders may Transfer any Upstream Securities to any person, in each case only in compliance with **clause 23**, **25**, or **27** or, in the case of an IPO, **clause 29**, except:

(a) if, following that Transfer, MCE would have an Effective Interest in Securities less than or equal to 40%, such Transfer may only be made pursuant to **clause 26** in a transaction in which the Dragging Shareholders have required all of the Dragged Shareholders to Transfer their Dragged Securities to the Third Party Purchaser (or to such person as the Third Party Purchaser directs) in accordance with, and provided the Dragging Shareholders have complied with, **clause 26**.

(b) no such Transfer may be made to eSun or any of its Affiliates without the prior written consent of the Majority of the Minority Shareholders.

**22.3 Prohibition on Transfers**

(a) A Shareholder must not, and must procure that each of the holders of Upstream Securities in that Shareholder do not, Transfer any Securities or Upstream Securities to any Competitor or Unsuitable Person.

(b) A Transfer of any Securities or Upstream Securities in breach of this document will be void and of no force or effect and, where applicable, the Shareholder in whom the applicable holder of Upstream Securities holds a direct or indirect interest must procure that the transferee of Upstream Securities Transferred in breach of this document re-transfers those securities.

### 22.4 Credit worthiness

A Shareholder must not Transfer any Securities under **clauses 23**, **24** or **27** unless:

(a) the person to whom the Securities are proposed to be Transferred or other suitably creditworthy entity:

(i) proves to the reasonable satisfaction of MCE (in the case of a Transfer by a Minority Shareholder) or the Majority of the Minority Shareholders (in the case of a Transfer by an MCE Shareholder) that it has sufficient financial resources to meet the funding requirements of the proposed transferee (including making all Capital Calls) and otherwise comply with the obligations of Shareholders under this document; and

(ii) if required by MCE or the Majority of the Minority Shareholders, as the case may be, provides an undertaking to the Company to meet the funding requirements of the proposed transferee (including to making all Capital Calls) on similar terms to that provided by the person, if any, currently undertaking to meet the transferor funding obligations under this document; or

(b) the Shareholder that proposes to Transfer Securities (and, if applicable, the person then undertaking to meet that Shareholder's obligations to meet its funding requirements (including making all Capital Calls)) undertakes to meet those obligations should the transferee fail to do so when required.

### 22.5 Transfers of Financial Interests

So long as any Capital Calls may still be made by the Board, any Transfer of Securities by a Shareholder to a person in accordance with this document must be accompanied by a Transfer of that proportion of the Financial Interests held by that Shareholder equal to the proportion that the Securities on issue transferred by that Shareholder bears to the total number of Securities on issue held by that Shareholder immediately prior to the transfer. For the avoidance of doubt, a Transfer of Financial Interests by a Shareholder as provided by this **clause 22.5** shall relieve that Shareholder of any further liability or obligation in respect of the Financial Interests subject to such Transfer.

### 22.6 Encumbrances

A Shareholder must not grant or create an Encumbrance over any of its Securities except in favour of any Project Lender and must, if required by any Project Lender, grant or create such Encumbrance on such terms as may reasonably be requested by the Project Lenders.

## 23 Permitted Transfers

### 23.1 Permitted Transfers

A Shareholder may Transfer some or all of its Securities to a Permitted Transferee without complying with, and a holder of Upstream Securities in that Shareholder may Transfer some or all of its Upstream Securities to a Permitted Transferee without the relevant Shareholder being required to comply with, **clauses 24** or **25**.

## 24 Minority Shareholders

### 24.1 Right of first offer

(a) If a Minority Shareholder proposes to Transfer any Securities it must, or if a holder of Upstream Securities in any Minority Shareholder proposes to Transfer any Upstream Securities the Minority Shareholder must, ensure this **clause 24** is complied with prior to such Transfer, except:

(i) where the Transfer involves a primary issuance of Upstream Securities;

(ii) where the Transfer is permitted under **clause 23**;

(iii) on exercise of a Tag Along Right under **clause 25.3**;

(iv) where the Transfer is required under **clause 26.4**;

(v) where the Transfer is required under **clause 27**; or

(vi) in the case of an IPO in accordance with **clause 29**.

(b) If a Shareholder to whom any MCE Shareholder has Transferred any Securities proposes to Transfer any Securities it must, or if a holder of Upstream Securities of any such Shareholder proposes to transfer any Upstream Securities that Shareholder must, ensure this **clause 24.1** is complied with, except in circumstances where **clauses 24.1(a)(i)** to **24.1(a)(vi)** applies, and for that purpose all references in this **clause 24** to Minority Shareholder will be interpreted to refer to that Shareholder, all references to an MCE Shareholder will be interpreted to refer to the Minority Shareholders and the Sale Offer must be made to all Minority Shareholders based on their respective proportions of the Securities subject to such Sale Offer, provided that any Minority Shareholder shall have the right to purchase any such Securities not taken up by any other Minority Shareholder.

### 24.2 Offer

If:

(a) a Minority Shareholder wishes to Transfer any Securities; or

(b) a holder of Upstream Securities in any Minority Shareholder wishes to Transfer any Upstream Securities,

not covered by an exception in **clause 24.1(a)(i)** to **24.1(a)(vi)** , the applicable Minority Shareholder (**Minority Transferor**) must offer to the MCE Shareholders the right to purchase Securities held by the Minority Transferor on the following terms (**Sale Offer**):

(A) the MCE Shareholders are entitled to purchase the number of Securities held by the Minority Transferor equal to:

(i) in the case of a sale of Securities, that number of Securities proposed to be Transferred; and

(ii) in the case of a sale of Upstream Securities, the Effective Interest in Securities the relevant Upstream Securities proposed to be Transferred correspond to;

(B) the MCE Shareholders must, if they accept the Sale Offer, purchase all and not some only of the Securities offered for sale; and

(C) the price of the Securities must be the same for each Security and, in the case of a Transfer of Upstream Securities, the same, in aggregate, as the amount payable for those Upstream Securities.

**24.3 Sale Notice**

The Minority Transferor must make the offer to the MCE Shareholders under **clause 24.2** by giving a notice in writing to the MCE Shareholders (**Sale Notice**):

(a) in the case of a sale of Securities, specifying the number of Securities proposed to be Transferred;

(b) in the case of a sale of Upstream Securities, specifying:

(i) the Effective Interest in Securities the relevant Upstream Securities proposed to be Transferred correspond to; and

(ii) the number of Securities that the Effective Interest in Securities in **clause 24.3(b)(i)** corresponds to; and

(c) specifying the terms of the Transfer (including the purchase price) and the proposed completion date of the Transfer.

**24.4 Response to Sale Offer**

Within 20 Business Days after the date the Sale Notice is deemed to be given in accordance with **clause 39**, the MCE Shareholders must give notice to the Minority Transferor stating:

(a) the MCE Shareholders accept all (but not some only) of the Securities offered to them in the Sale Notice or reject the Sale Offer in full; and

(b) if the MCE Shareholders so accept, the number of Securities to be purchased by each MCE Shareholder (which must be no less, in aggregate, than all of the Securities offered to them in the Sale Notice).

**24.5 Failure to respond**

If the MCE Shareholders do not give a notice to the Minority Transferor within the period stated in **clause 24.4** of the MCE Shareholders' acceptance or rejection of the Sale Offer in its entirety under **clause 24.2**, the MCE Shareholders are deemed to have rejected the Sale Offer in its entirety.

**24.6 Purchase by MCE Shareholders**

If the MCE Shareholders accept the Sale Offer in its entirety, the MCE Shareholders must purchase those Securities referred to in the Sale Notice on the terms specified therein.

**24.7 Disposal to third parties**

If the Securities are not taken up under the Sale Offer then:

(a) the Minority Transferor may, in the case of a proposed sale of Securities under **clause 24.2**, Transfer those Securities; or

(b) in the case of a Transfer of Upstream Securities under **clause 24.2**, the holder of those Upstream Securities may Transfer those Upstream Securities,

on the same terms as specified in the Sale Notice to any person (including any Shareholder, at any time within 180 days after the end of the period referred to in **clause 24.4** (which 180 day period may be extended for a reasonable time not to exceed 90 days to the extent reasonably necessary to obtain any required Authorisation) on terms not substantially less favourable, in aggregate, to the Minority Transferor or the holder of Upstream Securities, as the case may be, than those offered to MCE Shareholders (other than to price which may be not less than 85% of the price, on a per security basis, specified in the Sale Notice).

**24.8 Transferor must provide details**

(a) If a holder of Upstream Securities proposes to Transfer some or all of its Upstream Securities other than pursuant to one of the exceptions in **clause 24.1(a)**, the Shareholder in relation to whom the Upstream Securities are proposed to be Transferred must, prior to that Transfer, provide to the MCE Shareholders details of (**Relevant Information**):

(i) the terms applicable to the sale; and

(ii) details of all of the assets and liabilities of the entity in respect of which Upstream Securities are to be Transferred.

(b) If, following receipt of the Relevant Information the Shareholder in respect of whom the Upstream Securities are proposed to be Transferred and MCE Shareholders cannot agree on the value of the Securities that correspond to the Effective Interest in Securities to be Transferred by the holder of Upstream Securities, then despite the other provisions of this **clause 24**, the Shareholder must procure that the holder of the Upstream Securities does not Transfer those securities.

(c) This **clause 24.8** shall apply equally to a Transfer by holders of Upstream Securities in any MCE Shareholder under **clause 25.1**, except that reference to MCE Shareholders (i) in **clause 24.8(a)** shall instead be deemed to refer to the Minority Shareholders and (ii) in **clause 24.8(b)** shall instead be deemed to refer to the Minority Shareholders, by action of the Majority of the Minority Shareholders.

## 25 Tag along

### 25.1 Tag along right

If any MCE Shareholder wishes to Transfer Securities, or any holder of Upstream Securities in any MCE Shareholder wishes to Transfer any Upstream Securities (**Proposed Seller**) and following that Transfer MCE will hold, in aggregate, an Effective Interest in Securities of less than 50.1% and more than 40%, MCE must comply with **clauses 25.2** to **25.6** except where:

(a) the Drag Along Right under **clause 26** is exercised; or

(b) in the case of an IPO in accordance with **clause 29**.

### 25.2 Proposed Sale Notice

If any MCE Shareholder, or any holder of Upstream Securities in any MCE Shareholder, proposes to Transfer any Upstream Securities or Securities (**Sale Securities**) and **clause 25.1** applies, MCE must give a notice (**Proposed Sale Notice**) to the Minority Shareholders on or before the date 20 Business Days prior to the proposed date of Transfer:

(a) in the case of Securities, specifying the number of Securities proposed to be Transferred;

(b) in the case of a sale of Upstream Securities, specifying:

(i) the Effective Interest in Securities the Upstream Securities corresponds to;

(ii) the Effective Interest in Securities held by MCE following the Transfer; and

(iii) the number of Securities that the Effective Interest in Securities in **clause 25.2(b)(ii)** corresponds to;

(c) specifying the aggregate consideration payable for the Sale Securities, and in the case of:

(i) a sale of Securities, the consideration per Security for which the Proposed Seller wishes to Transfer the Securities, or

(ii) a sale of Upstream Securities, the consideration per Security if Securities calculated under **clause 25.2(b)(iii)** were proposed to be Transferred under this **clause 25**;

(d) specifying the name and address of the person to whom the Proposed Seller wishes to Transfer the Sale Securities to (**Proposed Purchaser**);

(e) specifying the proposed date of Transfer of the Sale Securities;

(f) specifying all other terms and conditions on which the Proposed Seller proposes to Transfer the Sale Securities; and

(g) notifying the Minority Shareholders of their right to sell Securities under this **clause 25**.

**25.3 Exercise of tag along right**

Each Minority Shareholder may serve a notice (**Tag Along Notice**) on MCE on or before the date 15 Business Days after the date the Proposed Sale Notice is deemed given in accordance with **clause 39** specifying that it wishes to Transfer to the Proposed Purchaser a fraction of its Securities up to (but not to exceed) such fraction of its Securities as is equal to the fraction given by the following formula:

$$TS = \frac{ES - RS}{ES}$$

Where:

**TS** or **Tagging Securities** is the fraction of the Securities entitled to be sold by the Minority Shareholder under this **clause 25**.

**RS** is the Effective Interest in Securities held by MCE following completion of the Transfer of the Sale Securities to the Proposed Purchaser.

**ES** is, if MCE holds prior to the date of such Transfer an Effective Interest in Securities:

(a) greater than 50.1, 50.1; or

(b) less than 50.1, that lower amount.

**25.4 Transfer of Securities to Proposed Purchaser**

If MCE receives a Tag Along Notice from one or more of the Minority Shareholders (**Tagging Shareholders**), then the Proposed Seller must not, and MCE must procure that the Proposed Seller does not, Transfer the Sale Securities to the Proposed Purchaser unless the Proposed Purchaser purchases the Tagging Securities of the Tagging Shareholders:

(a) at the same time as the acquisition of the Sale Securities;

(b) for:

(i) in the case of a Transfer of Securities, the same form and amount of consideration per Security calculated under **clause 25.2(c)(i)**, or

(ii) in the case of a Transfer of Upstream Securities, the same form and amount of consideration per Security calculated under **clause 25.2(c)(ii)**, in either case as specified in the Proposed Sale Notice; and

(c) subject to **clause 25.7** on terms no less favourable to the Tagging Shareholders than the terms on which the Proposed Seller proposes to sell the Sale Securities.

**25.5 Completion of the sale**

Completion of the Transfer (including payment) of the Tagging Securities must take place on the same date as the completion of the sale of the Sale Securities.

**25.6 Lapsing of Tag Along Notice**

If a Tag Along Notice is not served by a Minority Shareholder on MCE on or before the date 15 Business Days after the date the Proposed Sale Notice is deemed given in accordance with **clause 39**, then the Proposed Seller will be free to sell the Sale Securities to the Proposed Purchaser on or before the date 180 days after the date of the Proposed Sale Notice (which 180 day period may be extended for a reasonable time not to exceed 90 days to the extent reasonably necessary to obtain any required Authorisation) on the terms set out in the Proposed Sale Notice.

**25.7 Warranties on Transfer of the Tagging Securities**

The Tagging Shareholders must, if requested by the Proposed Seller, represent and warrant to the Proposed Purchaser on completion of the Transfer of the Tagging Securities that they are the legal owners of the Tagging Securities and have full power and authority to Transfer the Tagging Securities free of any Encumbrances but will not be required to provide any other representations or warranties.

**25.8 Liability and other terms**

(a) The liability of any Tagging Shareholder to the Proposed Purchaser in connection with any warranty, representation, indemnity, obligation, escrow, holdback, retention or similar provision will be several (and not joint or joint and several) and will be pro rata based on the consideration received by the Proposed Seller and each Tagging Shareholder, in each case limited to the amount actually received by the Tagging Shareholder in respect of the Transfer of that Shareholder’s Tagging Securities.

(b) MCE must procure that the Transfer of the Tagging Securities to the Proposed Purchaser be on terms no more onerous to the Tagging Shareholders than the terms on which the Proposed Purchaser proposes to purchase the Sale Securities.

(c) The Proposed Purchaser must assume all Financial Interests of the Tagging Shareholders.

## 26 Drag along

### 26.1 Drag Along Right

If one or more Shareholders that together own a majority of the Securities on issue (**Dragging Shareholders**) receive a bona fide offer from an unrelated third party (**Third Party Purchaser**) to purchase all of the Securities on issue solely for cash or cash equivalents (whether by Transfer, merger or other similar transaction) then the Dragging Shareholders have the right (**Drag Along Right**) to require all of the other Shareholders (**Dragged Shareholders**) to Transfer all their Securities (**Dragged Securities**) to the Third Party Purchaser (or to such person as the Third Party Purchaser directs) in accordance with, and provided the Dragging Shareholders have complied with, this **clause 26**.

### 26.2 Proposed Drag Notice

If the Dragging Shareholders propose to exercise the Drag Along Right they must give notice to the Company and the Dragged Shareholders (**Proposed Drag Notice**) on or before the date 30 Business Days prior to the proposed date of Transfer of all of the Securities to the Third Party Purchaser, specifying:

(a) the name and address of the Third Party Purchaser;

(b) the consideration per Security (or class of Security) payable (directly or indirectly) for the Dragged Securities;

(c) the proposed date of Transfer of the Dragged Securities;

(d) details of any payments or other consideration reasonably expected to be received, directly or indirectly, by the Dragging Shareholders from the Third Party Purchaser in connection with the Transfer, including in connection with any potential Related Agreements under **clause 26.9**;

(e) details of any potential Related Agreements under **clause 26.9**;

(f) the name of a reputable internationally recognised investment bank proposed to be instructed by the Dragging Shareholders to prepare the Fairness Opinion; and

(g) all other material terms and conditions on which the Dragged Securities are to be Transferred.

### 26.3 Fairness Opinion

(a) On or before the date five Business Days after the date of the Proposed Drag Notice, holders of a majority of the Dragged Securities must serve a notice on the Dragging Shareholders stating whether they consent to the appointment of the investment bank specified in the Proposed Drag Along Notice.

(b) If such holders of Dragged Securities do not consent to the appointment of the investment bank specified in the Proposed Drag Along Notice, or fail to give a notice consenting to that appointment within the period specified in **clause 26.3(a)**, the Dragging Shareholders, on the one hand, and such objecting holders of Dragged Securities, on the other hand, must meet within 5 Business Days to attempt in good faith to agree to an investment bank to prepare the Fairness Opinion.

(c) If such Shareholders cannot agree on an investment bank within 3 Business Days of first meeting under **clause 26.3(b)** , any such Shareholder may request the HKIAC to appoint an independent Expert having the qualifications set out in **clause 7.3(f)(iii)** and to instruct that Expert to promptly nominate an investment bank to prepare the Fairness Opinion.

(d) The Dragging Shareholders must promptly instruct the investment bank agreed to under this **clause 26.3** or appointed under **clause 26.3(b)** to prepare an opinion as to the fairness of the proposed transaction to the Dragged Shareholders from a financial perspective (**Fairness Opinion**) and **clauses 37.1(a)** to **37.1(h)** will not apply to such Fairness Opinion.

**26.4 Exercise of Drag Right**

If in the opinion of the investment bank agreed to under **clause 26.3** or appointed under **clause 26.3(b)** the proposed transaction is fair from a financial point of view to the Dragged Shareholders, the Dragging Shareholders may serve a notice on each of the Dragged Shareholders (**Drag Along Notice**) requiring them to Transfer all of their Securities on the terms set out in the Proposed Drag Along Notice but no sooner than 15 Business Days after the Drag Along Notice is deemed given in accordance with **clause 39**.

**26.5 Lapsing of Drag Along Notice**

(a) A Drag Along Notice is irrevocable but will lapse if all of the Securities are not Transferred to the Third Party Purchaser within 180 days after the Drag Along Notice is deemed given in accordance with **clause 39** (which 180 day period may be extended for a reasonable time not to exceed 90 days to the extent reasonably necessary to obtain any required Authorisation).

(b) The Dragging Shareholders may serve further Proposed Drag Notices and Drag Along Notices following the lapse of any Drag Along Notice, in compliance with the provisions of this **clause 26**.

**26.6 Completion of the sale**

Completion of the sale (including payment) of the Dragged Securities must take place on the same date as the completion of the sale of the Securities held by the Dragging Shareholders.

**26.7 Application to New Shareholders**

If any person (other than a Third Party Purchaser), following the issue of a Drag Along Notice, becomes a Shareholder, whether pursuant to the exercise of pre-existing options to acquire Securities or otherwise (**New Shareholder**), then a Drag Along Notice will be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice, and each such New Shareholder will be required to sell Securities acquired by it to the Third Party Purchaser (or such person as the Third Party Purchaser directs) and the provisions of this **clause 26** will apply, with appropriate changes, to the New Shareholder.

### 26.8 Consideration for Dragged Securities

The consideration payable by the Third Party Purchaser for the Dragged Securities must be solely in cash or cash equivalents and must be the same in value, on a per Security basis, as payable by the Third Party Purchaser to the Dragging Shareholders for their Securities of that same class.

### 26.9 Related Agreements

(a) If the Dragging Shareholders or any of their Affiliates have entered into or propose to enter into any Contract (**Related Agreement**) in connection with, in anticipation of or related to, the proposed Transfer of Securities under this **clause 26**, including:

(i) to provide consulting or other services (including as to casino management), or for the discontinuation of any services (including as to casino management), to any Group Company, the Third Party Purchaser or any of their respective Affiliates; or

(ii) not to compete with any of the persons specified in **clause 26.9(a)(i)**,

the Dragging Shareholder must within 20 Business Days of completion of the sale of all the Securities, instruct a person selected from the list set out in **schedule 4** to determine the net present value of the Related Agreements under **clause 26.9(c)**.

(b) If one or more of the Shareholders that hold 5% or more of the Securities on issue disagree with the determination of net present value of the Related Agreements under **clause 26.9(a)** made by the person selected by the Dragging Shareholder, the net present value of the Related Agreements shall be determined under **clause 26.9(c)** by taking the arithmetic mean of the determination of net present of value by such person and the determination of net present value by a different person selected by the holders of a majority of the Securities on issue held by all such objecting 5% or greater Shareholders from the list set out in **schedule 4**. If the difference between the two calculations of net present value made by those persons is greater than 10% of the value of the higher calculation, then an internationally recognised accounting firm that is independent of the Company and MCE must be selected by those two persons and the final net present value shall be the value that is the arithmetic mean of the valuation calculated by such accounting firm and the valuation of such first two persons that is closest to the valuation of the accounting firm.

(c) The net present value of the Related Agreements must be determined as at the date of completion of the sale of all the Securities and will be equal to:

(i) the amount of any payment received, or reasonably likely to be received, by the Dragging Shareholders or any of their Affiliates under the Related Agreements; less

(ii) any costs of the type reimbursable under the Casino Management Agreement or, as to services other than casino management, any other reasonable costs ordinarily incurred in providing any of the services under the Related Agreements,

but excluding any amounts under **clause 26.9(c)(i)** (not exceeding 2% of the aggregate purchase price for the Securities) for services (other than casino management services) that are not being provided to a Group Company prior to completion of the sale of the Securities and which are entered into on arm's length terms.

(d) The Dragging Shareholders must within 20 Business Days of the final determination of net present value of the Related Agreements, pay to each of the Dragged Shareholders in cash the proportion of such amount that the number of Securities held by them immediately prior to completion of the sale of the Securities bears to the total number of Securities held by all Shareholders at such time.

**26.10 Warranties on Transfer of the Dragged Securities**

The Dragged Shareholders must, if requested by the Dragging Shareholder, represent and warrant to the Third Party Purchaser that they are the legal owners of the Dragged Securities and have full power and authority to Transfer their Securities free of any Encumbrances but will not be required to provide any other representations or warranties.

**26.11 Liability and other terms**

(a) The liability of any Dragged Shareholder to the Third Party Purchaser in connection any warranty, representation, indemnity obligation, escrow, holdback, retention or similar provision will be several (and not joint or joint and several) and will be pro rata based on the consideration received by the Dragging Shareholders and each Dragged Shareholder, in each case limited to the amount actually received by the Dragged Shareholder in respect of the Transfer of that Shareholder's Dragged Securities.

(b) The Dragging Shareholders must procure that the Transfer of the Dragged Securities to the Third Party Purchaser be on terms no more onerous to the Dragged Shareholders than the terms on which the Third Party Purchaser proposes to purchase the Securities held by the Dragging Shareholders.

(c) The Third Party Purchaser must assume all Financial Interests of the Dragged Shareholders.

## 27 Compulsory Transfer

### 27.1 Competitor or Unsuitable Person

(a) A Shareholder must promptly notify the Company and each other Shareholder if it has actual knowledge that any holder of Upstream Securities in that Shareholder, has become, or is reasonably likely to become, a Competitor or Unsuitable Person (and for this purpose, paragraphs (a) and (b) of the definition of Unsuitable Person will not apply).

(b) If at any time a Shareholder, or holder of Upstream Securities in a Shareholder, other than a person to whom **clause 27.3** applies, becomes a Competitor or an Unsuitable Person (**Prohibited Investor**) and any Shareholder affected thereby serves, at any time, a notice on the relevant Shareholder (with a copy to the Company) to that effect, the Shareholder on whom notice has been served must:

(i) where the Shareholder has become a Competitor or an Unsuitable Person, subject to **clause 27.3**, immediately offer all the Securities held by it for sale on a pro rata basis to each other Shareholder and the Shareholder must use commercially reasonable endeavours to procure the sale of any Securities which have not been purchased following the completion of that process to a third party (but subject to the terms of this document); and

(ii) where a holder of Upstream Securities in a Shareholder has become a Competitor or an Unsuitable Person, immediately procure that the holder transfers all of its interests in the Upstream Securities to a person that is not a Competitor or an Unsuitable Person (but subject to the restrictions on Transfer in this document).

### 27.2 Governmental Agency

(a) Each Shareholder acknowledges that each other Shareholder, each holder of Upstream Securities, and their respective Affiliates from time to time are or may be engaged in businesses that are the subject of regulation by Governmental Agencies (including Gaming Regulators).

(b) If any Shareholder, holder of Upstream Securities or any of their respective Affiliates (**Notified Party**):

(i) is directed by any Governmental Agency to terminate its association with any other Shareholder, or any holder of Upstream Securities in any other Shareholder, or any of their respective Affiliates; or is advised in writing by a Gaming Regulator that such direction will be made; or

(ii) receives notice in writing from any Governmental Agency that:

(A) any other Shareholder, or any holder of Upstream Securities in any other Shareholder, or any of their respective Affiliates; or

(B) any officer, director or employee of any of the persons in **clause 27.2(b)(ii)(A)**,

is an Unsuitable Person, or in the opinion of the Gaming Regulator is a person who may result in such Notified Party or its Affiliates being directed to terminate its association with the relevant Shareholder, holder of Upstream Securities, or Affiliate or, in the case of MCE or its Affiliates, that such association may result in the ability of MCE Subconcessionaire to operate games of fortune and chance and other games in casino in Macau being materially adversely affected,

then the Notified Party (in the case of a Shareholder), the Shareholder that is an Affiliate of the Notified Party (in the case of an Affiliate of a Shareholder), or the Shareholder that is related to the holder of Upstream Securities or Affiliate thereof (in the case of a holder of Upstream Securities or an Affiliate thereof) must give a notice (**Suitability Notice**) in writing to the relevant Shareholder (**Relevant Holder**) to that effect.

(c) If a Relevant Holder, other than a person to whom **clause 27.3** applies, receives a Suitability Notice under **clause 27.2(b)** , it must:

(i) where the Notified Party has been directed by any Governmental Agency to terminate its association with that Relevant Holder, or where the Notified Party has received a notice under **clause 27.2(b)(ii)(A)** in relation to that Relevant Holder, immediately offer all the Securities held by such Relevant Holder for sale on a pro rata basis to each other Shareholder and use commercially reasonable endeavours to procure the sale of any Securities which have not been purchased following the completion of that process to a third party (but subject to the terms of this document);

(ii) where the Notified Party has been directed by any Governmental Agency to terminate its association with a holder of Upstream Securities or any of its Affiliates or where a notice has been received by a Notified Party under **clause 27.2(b)(ii)(A)** in relation to a holder of Upstream Securities or any of its Affiliates, immediately procure that such holder of Upstream Securities Transfers all of its interests in the Upstream Securities to a person that is not a Competitor or Unsuitable Person (but subject to the terms of this document);

(iii) where the Notified Party has been directed by any Governmental Agency to terminate its association with an Affiliate of that Relevant Holder, or where the Notified Party has received a notice under **clause 27.2(b)(ii)(A)** in relation to any Affiliate of that Relevant Holder, immediately terminate its association with such Affiliate or comply with **clause 27.2(c)(i)** or **27.2(c)(ii)**, as applicable; or

(iv) where a notice has been received by the Notified Party under **clause 27.2(b)(ii)(B)** in relation to any officer, director or employee of any of the persons specified in **clause 27.2(b)(ii)(A)** , procure that the relevant director, officer or employee is terminated or resigns their office.

**27.3 Existing holders**

The parties agree that if, in respect of any person who is, as at the date of this document, a Shareholder, or the holder of Upstream Securities in a Shareholder:

(a) that person or any Permitted Transferee to whom those Securities or Upstream Securities are transferred in accordance with this document becomes a Competitor or an Unsuitable Person; or

(b) that person is the subject of any notice from a Governmental Agency under **clause 27.2(b)(ii)**,

**clauses 27.1(b)** and **27.2(c)** (as the case may be) will not apply and instead MCE and the relevant Shareholder will meet to agree on a process for resolving the issue.

**27.4 Specific performance**

Each Shareholder acknowledges that:

(a) any breach of the obligations in **clause 27.2** may result in any party to this document suffering damage, for which damages may not be an adequate remedy; and

(b) a party is entitled to seek specific performance as a remedy in respect of a breach by a party of its obligations under **clause 27.2** (in addition to any other remedies available at Law).

28 Shareholders

**28.1 Deed of Accession**

(a) A Shareholder who proposes to Transfer any Securities to anyone other than another Shareholder must ensure that the transferee enters into a Deed of Accession before the Transfer takes place.

(b) Before issuing Securities to anyone other than another Shareholder the Company must ensure that the person to whom the Securities are to be issued enters into a Deed of Accession.

**28.2 Accession by holders of Upstream Securities**

Each Shareholder must procure that each holder of Upstream Securities having an Effective Interest in Securities as at the date of this document of 1% or more, and each person to whom Upstream Securities are proposed to be Transferred and who would following that Transfer have an Effective Interest in Securities greater than 1%, must enter into an agreement (in a form reasonably acceptable to the Company and consistent with **clause 27**) under which that person agrees to comply with **clause 27** and to keep confidential any information provided to them under **clause 30** or **31** on the terms of that clause (and in any event no more onerous to them than the terms of the Confidentiality Deed).

**28.3 Minimum transaction size**

Minority Shareholders must not Transfer less than 2% of the Securities on issue to any one person other than to the MCE Shareholders under **clause 24**.

## 29 IPO

**29.1 Right to demand an IPO**

(a) Subject to **clause 29.1(b)** any Shareholder (other than an MCE Shareholder) holding more than 20% of the Securities (**Demanding Shareholder**) on issue may, by notice to the Company (with a copy to MCE), demand an IPO.

(b) A Demanding Shareholder may only demand an IPO on or after the Opening.

(c) For the avoidance of doubt, in determining the percentage of Securities held by a Demanding Shareholder, any reduction in the percentage arising out of Securities issued subsequent to the date hereof or in the IPO will be disregarded, except where such issue occurs under **clause 17** or **18**.

**29.2 Revocation**

A call for an IPO is revocable, however if revoked prior to the IPO, the Shareholder that called for the IPO may not call for an IPO again for another 12 months from the date the call was revoked.

**29.3 Condition to IPO**

Despite **clause 29.1**, it is a condition to any IPO demanded by a Demanding Shareholder that the Demanding Shareholder has complied with **clause 29.6** and that either:

(a) the total aggregate value of the Securities or shares of IPO HoldCo publicly offered in the IPO (including any Securities or shares of IPO HoldCo on issue to be Transferred in the IPO) is not less than US$150 million; or

(b) the number of Securities or shares of IPO HoldCo publicly offered in the IPO (including any Securities or shares of IPO HoldCo on issue to be Transferred in the IPO) is not less than 10% of the total number of Securities or shares of IPO HoldCo, as applicable, on issue immediately following the IPO.

**29.4 Call by the Board**

The Board may, at any time, call for an IPO and **clause 29.3** will not apply to any such IPO.

**29.5 Recognised Stock Exchange**

Any IPO must take place on a Recognised Stock Exchange nominated by the Board after consultation with each Minority Shareholder holding more than 20% of the Securities on issue, or where a demand is made under **clause 29.1(a)** , nominated by the Demanding Shareholder after consultation with MCE.

**29.6 Requirement to negotiate**

(a) The Demanding Shareholder and MCE must, following receipt by MCE of a demand under **clause 29.1(a)**:

(i) engage in good faith negotiations for a period of not less than 45 days, as to the purchase by MCE (or any of its Affiliates) of all the Securities held by the Demanding Shareholder; and

(ii) each appoint a financial advisor to assist them in determining the fair market value of the Company and the Securities proposed to be publicly offered in the IPO.

(b) The negotiations under **clause 29.6(a)** must include at least one face to face meeting between a duly authorised representative of the Demanding Shareholder and MCE.

(c) The Company shall, during the 45-day period referred to in **clause 29.6(a)(i)**, comply with its obligations hereunder and under the Registration Rights Agreement with respect to an IPO.

(d) This **clause 29.6** is without prejudice to the rights of a Demanding Shareholder to demand an IPO under **clause 29.1(a)**.

**29.7 Structure of the IPO**

Where a demand is made under **clause 29.1(a)** , the Demanding Shareholder and MCE will have the joint right to approve the structure of the IPO (such approval by either party not to be unreasonably withheld, conditioned, or delayed), which structure will, among other things, attempt to minimise, to the extent permitted by applicable Law and to the extent possible, any recognition of taxable income with respect to the Shareholders' interests in the Company being sold in the IPO in advance of the receipt of the proceeds therefor and will take into account the Minority Shareholders' desires for liquidity.

**29.8 Obligations of the parties**

(a) If a demand is made under **clause 29.1(a),** or the Board calls for an IPO under **clause 29.4**, then the Company must give a notice to each Shareholder requiring them to co-operate and use their commercially reasonable endeavours in applying to a Recognised Stock Exchange selected for the IPO under **clause 29.5** for:

(i) the admission of the Company or a new holding company of the Company to the official list of that stock exchange; and

(ii) the official quotation of the Securities or shares of IPO HoldCo on that stock exchange,

as soon as reasonably practicable after service of the notice.

(b) On and after the date on which a notice is given under **clause 29.1(a)** , or the Board calls for an IPO under **clause 29.4**, each Shareholder and the Company must use all commercially reasonably endeavours to enable the IPO to occur in accordance with this document and the Registration Rights Agreement including:

(i) in the case of Shareholders only, consenting to and voting in favour of a conversion of the Company into a corporation or other limited liability entity or other matters necessary to effect the structure agreed upon pursuant to **clause 29.7**; and

(ii) taking all other reasonable actions in connection with consummation of the IPO,

in each case as mutually agreed by Shareholders holding a majority of all Securities then on issue that are held by Minority Shareholders and the MCE Shareholders and achieve the listing of the Company or the holding company and quotation of the Securities or shares of IPO HoldCo on the Recognised Stock Exchange selected for the IPO under **clause 29.5** on which the IPO is to occur, provided that each Shareholder is at all times treated the same (if the Board has called for an IPO), or the same as the Demanding Shareholder (in the case of a notice under **clause 29.1(a)**).

(c) The Shareholders must, in exercising their respective rights to agree to the actions reasonably required to enable an IPO to successfully occur under **clause 29.8(b)**, cause the Company to act reasonably and in good faith and with a view to expeditiously consummating the IPO.

(d) The terms of the Registration Rights Agreement shall apply to such transaction.

## 30 Information

### 30.1 Shareholder holding 1%

The Company must provide to each Shareholder holding 1% or more of the Securities on issue:

(a) a copy of the Management Accounts for that Quarter on or before the date 20 Business Days after the end of each Quarter or the date provided to the Project Lenders (if applicable and later);

(b) a copy of the Audited Accounts for that Financial Year on or before the date four months after the end of each Financial Year or the date provided to the Project Lenders (if applicable and later); and

(c) such other information as that Shareholder may reasonably request from time to time for the sole purpose of enabling that Shareholder to prepare and file any Tax returns.

**30.2 Shareholder holding 15%**

The Company must provide to each Shareholder holding 15% or more of the Securities on issue (in addition to what must be delivered pursuant to **clause 30.1**):

(a) copies of all information provided to the Project Lenders at the same time that such information is provided to those lenders (if applicable);

(b) copies of reports (to be prepared not less frequently than monthly) as to the status of the project development; and

(c) any other information reasonably requested from time to time by such Shareholders.

**30.3 Gaming**

(a) For so long as any Shareholder, holder of Upstream Securities in a Shareholder, or any of their respective Affiliates, is required to provide information to any Gaming Regulator in relation to their interest in the Company (including any information about another Shareholder or any holder of Upstream Securities in that Shareholder), the Company will and will procure that each Company Subsidiary will, to the extent permitted by law, cooperate in good faith to obtain and endeavour to provide that information where requested in writing by that person.

(b) Despite **clause 30.3(a)**, if reasonable to do so, the Company may limit the information provided to such information as is required by the Gaming Regulator or otherwise customarily provided to any such Gaming Regulator.

(c) Any person to whom information is provided under **clause 30.3(a)** must agree, as a condition of being provided with that information, to cooperate with the Company to seek to limit or protect the information required to be provided, if the Company determines (acting reasonably) that providing such information would:

(i) materially compromise the competitiveness of the MSC Property; or

(ii) be prohibited by applicable Laws or the listing or exchange rules of any stock exchange on which the Securities are listed or MCE s equity securities are listed.

### 30.4 Access

Each Shareholder holding 15% or more of the Securities on issue has the right to:

(a) visit and inspect any property of the Group at all reasonable times and on reasonable notice to the Company;

(b) inspect and take copies of documents relating to the business of each Group member at all reasonable times and on reasonable notice to the Company; and

(c) discuss each Group member's affairs, finances and accounts with such of the Group member's officers, employees, agents and advisers (including auditors) at all reasonable times and as often as the Shareholder may reasonably request.

### 30.5 Shareholder information

Each Shareholder must provide to the Company on the date of this document, and within 5 Business Days of being requested by MCE or the Company in writing, a complete and accurate list of:

(a) all of the persons or entities holding Upstream Securities in relation to that Shareholder;

(b) the person that issued the Upstream Securities; and

(c) a calculation of the Effective Interest in Securities held by each of the persons in **clause 30.5(a)** .

## 31 Confidentiality and disclosure

### 31.1 Disclosure by Directors

(a) Each Director must not disclose any Confidential Information except:

(i) in the case of information of a type which is, or would be, the subject of **clause 30.1**, to any Shareholder or holder of Upstream Securities who would be entitled to receive that information under that clause or **clause 31.3(a)**, as applicable;

(ii) in the case of information of a type which is, or would be, the subject of **clause 30.2** or **30.4**, to any Shareholder or holder of Upstream Securities who would be entitled to receive that information under those clauses or **clause 31.3(b)**, as applicable;

(iii) to any officer, manager, employee, director (or equivalent) or financial, legal or accounting adviser of or lender to a Shareholder or holder of Upstream Securities specified in the applicable paragraphs of this **clause 31.1**; and

(iv) in the case of a Director employed by an investment fund or a management company of an investment fund (as applicable) that holds, or has any Affiliates that hold, an Effective Interest in Securities, to any partner, officer, manager, employee or director (or equivalent) of that investment fund or management company.

(b) Each Shareholder must procure that the Director appointed by them complies with the Director's obligations under this **clause 31** (subject to such Director's fiduciary duties).

**31.2 Restrictions on disclosure**

A person (other than a Director) must not disclose any Confidential Information except:

(a) in the case of a Shareholder or holder of Upstream Securities, where permitted under **clauses 31.3**, **31.4**, **31.5** or **31.6**; or

(b) in any other case, where permitted under **clauses 31.4**, **31.5** or **31.8**.

**31.3 Disclosure by Shareholders and holders of Upstream Securities**

Each Shareholder and holder of Upstream Securities, as applicable, may, subject to **clauses 31.6** and **28.2**, disclose any Confidential Information:

(a) received by that Shareholder under **clause 30.1** or **31.1(a)(i)** to any holder of Upstream Securities that has an Effective Interest in Securities of 1% or more, and any such holder of Upstream Securities may further disclose such Confidential Information to any other holder of Upstream Securities that has an Effective Interest in Securities of 1% or more;

(b) received by that Shareholder under **clause 30.2**, **30.4** or **31.1(a)(ii)** to any holder of Upstream Securities that has an Effective Interest in Securities of 15% or more, and any such holder of Upstream Securities may further disclose such Confidential Information to any other holder of Upstream Securities that has an Effective Interest in Securities of 15% or more;

(c) to Oaktree Capital Management, L.P., or any investment fund or account or entity managed by Oaktree Capital Management, L.P. that is a holder of Upstream Securities, so long as those persons own Effective Interests in Securities of at least 4% in aggregate; or

(d) to any officer, manager, employee, representative, director (or equivalent) or financial, legal or accounting adviser of or lender to a Shareholder or holder of Upstream Securities or any of the other persons specified in the applicable paragraphs of this **clause 31.3**.

**31.4 Disclosure generally**

A person may disclose any Confidential Information received by it:

(a) in the case of a person that is an investment fund, to any partner in that fund;

(b) to any officer, manager, employee, director (or equivalent) or financial, legal, valuation or accounting adviser of or lender to a Shareholder or holder of Upstream Securities or any of the other persons specified in this **clause 31.4**;

(c) to any Project Lender; and

(d) to any Financial Supporter.

**31.5 Exceptions**

(a) Despite any other provision of this clause to the contrary, but subject to **clause 31.5(b)**, a person may disclose Confidential Information to:

(i) any person to whom it is required to disclose the information by Law;

(ii) any person to the extent necessary in connection with the exercise of any remedy hereunder;

(iii) any Governmental Agency where required by that agency; or

(iv) any stock exchange on which its securities, or the securities of any of its Affiliates, are listed if required by the listing or exchange rules of such stock exchange.

(b) A party who is required to disclose information under **clause 31.5(a)** must use commercially reasonable endeavours to, and to the maximum extent permitted by Law to, limit the form and content of that disclosure.

**31.6 Conditions to disclosure**

Each Shareholder shall be responsible for ensuring that each holder of its Upstream Securities does not disclose Confidential Information that is not permitted to be disclosed under **clauses 31.3**, **31.4** and **31.5** unless the Company, acting in its reasonable discretion at the request of a Shareholder, executes a Confidentiality Deed or other similar agreement with any particular holder of Upstream Securities.

**31.7 Prospective Purchaser**

(a) A Shareholder (**Disclosing Shareholder**) must not disclose, and must procure that no holder of Upstream Securities discloses, any Confidential Information to a prospective purchaser of Securities or Upstream Securities (**Prospective Purchaser**) unless the Prospective Purchaser, prior to being provided with any such information, enters into a confidentiality agreement on terms no less onerous to the Prospective Purchaser than those set out in the Confidentiality Deed or otherwise reasonably acceptable to the Company.

(b) The Disclosing Shareholder must require that a Prospective Purchaser return or destroy any information provided by the Disclosing Shareholder to the Prospective Purchaser under **clause 31.2** (subject to customary exceptions) if the Prospective Purchaser has not purchased the Disclosing Shareholder’s Securities or the Upstream Securities on or before the date 6 months after the date of entry into the confidentiality agreement referred to in **clause 31.7(a)**.

**31.8 Information to be held confidential**

Each Shareholder must procure that any person to whom information is disclosed by that Shareholder or any Director appointed by that Shareholder under **clauses 31.1** and **31.2** keeps that information confidential and, except as permitted by this **clause 31**, does not disclose the information to any other person.

**31.9 Prohibition**

A Shareholder must not, and, subject to **clause 31.6**, must procure that the holder of Upstream Securities in respect of such Shareholder does not, knowingly disclose any information to any Competitor or an Unsuitable Person, or any of their directors, officers, or employees.

**31.10 Disclosure document**

The obligations of confidentiality in this **clause 31** do not apply to any information concerning the Group, its business or its assets in any document publicly available in connection with an IPO.

32 Ethical screen

**32.1 Acknowledgement**

(a) MCE acknowledges that the Covered Persons may from time to time, directly or indirectly, own interests in or manage entities (or both) that, directly or indirectly, engage in gaming and associated businesses throughout the world, including in the Asia Pacific region.

(b) The parties acknowledge there is no restraint on the ability of the Covered Persons to, directly or indirectly, own interests in or engage (or both), directly or indirectly, in gaming and associated businesses throughout the world, including in the Asia Pacific region.

**32.2 Ethical screen**

Despite **clause 32.1(b)**, if at any time a Covered Person:

(a) has appointed a Director or is entitled to receive information under **clause 30.2** or **30.4** or under **clause 31.3(b)**, and

(b) has appointed a director to the board of a Competitor or is entitled to receive similar confidential information in relation to that Competitor as provided under **clause 30.2** or **30.4** or under **clause 31.3(b)**,

the Covered Person’s Shareholder must:

(i) ensure that no person appointed as a Director is also appointed as a director of the Competitor;

(ii) ensure that the principal members of the deal teams managing the investments of such Covered Person in the Company and any such Competitor are at all times different individuals; and

(iii) implement an ethical screen to ensure that confidential information provided to it (or its director designees) about the Company not be disclosed to any such Competitor and, upon the request of the Company, certify to the Company that it has implemented, and is complying with, such an ethical screen.

**32.3 Sharing otherwise permissible**

For the avoidance of doubt, nothing in **clause 32.2** shall limit the ability of Covered Persons to share Confidential Information within their respective organizations so long as they comply with the provisions of **clause 32.2**.

33 Warranties

**33.1 Warranties**

In consideration of the entry by each of the parties into this document, each of the parties (other than the Company) represents and warrants to each other party as at the date of this document that the Warranties are true and accurate.

**33.2 Warranties independent**

Each Warranty is to be construed independently of the others and is not limited by reference to any other Warranty.

**33.3 Liability**

Liability for breach of the Warranties will not be discharged or limited by the entry by the parties into this document.

34 Fair Market Value

**34.1 Determination of Fair Market Value**

Fair Market Value must be determined:

(a) by the persons specified in **clause 34.2**; and

(b) applying the methodology in **clause 34.3**.

**34.2 Process**

(a) Subject to **clause 34.2(d)**, the Fair Market Value of Securities as of the last day of each Quarter shall be calculated by each Valuation Expert no later than 10 days after the last day of the end of each Quarter.

(b) If the Fair Market Value of Securities is required to be determined under **clause 17.2**, **clause 19.5**, **clause 20.5** or **clause 21.1** during any Quarter, the Fair Market Value of Securities shall be deemed to be the arithmetic mean of the calculations of Fair Market Value set out in the Valuation Expert Reports for the immediately preceding Quarter.

(c) Each Shareholder Group must notify the Company of the Valuation Expert appointed by that Shareholder Group from time to time.

(d) The Fair Market Value of Securities will not be required to be determined each Quarter under **clause 34.2(a)** after the Opening.

**34.3 Methodology**

(a) Subject to **clause 34.4**, in determining the Fair Market Value:

(i) the Securities are to be valued on a going concern basis as between a willing but not anxious seller and a willing but not anxious buyer and utilizing methodologies determined by each Valuation Expert but which shall (to the extent deemed appropriate in the exercise of such Valuation Expert's reasonable judgment) include discounted cash flows, an analysis of comparable companies and an analysis of precedent transactions;

(ii) any reduction in value which may be ascribed to the Securities by virtue of the fact that they represent a minority interest is to be ignored; and

(iii) the Securities are capable of Transfer without restriction.

**34.4 Valuation Expert Report**

(a) The Company must instruct the Valuation Experts notified by the Shareholder Groups under **clause 34.2(c)** to prepare and deliver to the parties a report (**Valuation Expert Report**) setting out the Valuation Experts' calculation of the Fair Market Value as soon as practicable, and in any event no later than 10 days after the last day of each Quarter.

(b) Each Shareholder Group has the right to meet with the Valuation Experts and discuss the Company and its businesses and prospects, and the parties must provide all information and assistance to the Valuation Experts as the Valuation Experts reasonably require for the purposes of preparing the Valuation Expert Reports.

(c) The Valuation Experts may make any inquiries or investigations as the Valuation Experts determine are necessary.

(d) Each Valuation Experts' decision will be final and binding on the parties (except in the case of fraud or manifest error).

(e) The Company will be responsible for payment of the Valuation Experts' costs under this **clause 34.4**.

(f) The final determination of Fair Market Value for each Quarter shall be final and binding on the parties (except in the case of fraud or manifest error).

35 Shareholder Loan Agreement

(a) The parties agree that the form of the Shareholder Loan Agreement may be amended from time to time with the prior written consent of each of the Company and the Largest Minority Shareholder.

(b) The parties agree that any amount advanced to the Company under a Shareholder Loan Agreement will be subordinated to any funds advanced by any Project Lenders if requested by them and on such terms as they may require. Without limitation of the foregoing, the parties agree that the Shareholder Loan Agreement will be amended, to the extent reasonably requested by any Project Lender, to facilitate any and all financings which may be provided from time to time by any Project Lenders (**Senior Loans**), including without limitation, amendments to:

(i) subordinate and make junior any amount advanced to the Company under a Shareholder Loan Agreement, including, interest which may accrue from time to time thereon (collectively, **Subordinate Loan**) and any documents evidencing the Subordinate Loan (**Subordinate Loan Documents**), and all rights, remedies, terms and covenants contained therein to (A) any and all Senior Loans, (B) the liens and security interests created by the documents evidencing and securing the Senior Loans and all extensions, supplements, amendments and modifications to and restatements and consolidations of the foregoing (collectively, **Senior Loan Documents**), and (C) all of the terms, covenants, conditions, rights and remedies contained in, the Senior Loan Documents and any extensions, supplements, amendments and modifications to and restatements and consolidations of the Senior Loan Documents; and

(ii) subordinate all rights to payment of the Subordinate Loan and the obligations evidenced by the Subordinate Loan Documents to all of a Project Lenders' rights to payment of any Senior Loan and the obligations secured by any Senior Loan Documents.

(c) Unless an Event of Default (as defined in the Shareholder Loan Agreement) has occurred and has not been waived, a party must not require payment of any amount advanced to the Company under a Shareholder Loan Agreement or any interest thereon unless:

(i) it is permitted to do so under the terms of any subordination agreed with the Project Lenders; and

(ii) such payment is made from amounts that would otherwise be available for distribution in respect of Securities under this document (including any amounts in respect of which a dividend or distribution may or might have been declared but has not yet been paid).

(d) Payment of any amount advanced to the Company under a Shareholder Loan Agreement or any interest thereon in accordance with the terms of the Shareholder Loan Agreement and this document shall not be subject to approval under **clause 7.2(a)** nor shall such payment be deemed a Related Party Transaction.

36 Tax Matters

**36.1 Tax Treatment**

(a) The Company has previously elected to be treated as a partnership for US federal income tax purposes and each Company Subsidiary has previously elected to be treated as a disregarded entity for US federal income tax purposes. None of the Company, any Company Subsidiary, or any Shareholder shall take any action or position (whether in a filing or otherwise) (1) inconsistent with such classification or (2) to revoke or seek to revoke any election made by or for the Company or any Company Subsidiary pursuant to United States Treasury Regulation Section 301.7701-3 to be classified, for US federal income tax purposes, as a partnership, in the case of the Company, or a disregarded entity, in the case of any Company Subsidiary.

(b) Each Company Subsidiary formed or acquired after the date hereof (**New Entity**) shall be an “eligible entity” within the meaning of United States Treasury Regulation Section 301.7701-3.

(c) Each New Entity with only one owner for U.S. federal income tax purposes shall make an election pursuant to United States Treasury Regulation Section 301.7701-3 to be classified as a disregarded entity for US federal income tax purposes. Each New Entity with two or more owners for U.S. federal income tax purposes shall make an election pursuant to United States Treasury Regulation Section 301.7701-3 to be classified as a partnership for US federal income tax purposes. None of the Company, any Company Subsidiary, any New Entity, or any Shareholder shall take any action or position (whether in a filing or otherwise) (1) inconsistent with such classification of a New Entity or (2) to revoke or seek to revoke any election made by or for a New Entity pursuant to United States Treasury Regulation Section 301.7701-3 so to be classified.

**36.2 Tax Information**

On or before April 10 of each fiscal year, the Company shall provide to each applicable Minority Shareholder a draft based on reasonable estimates of United States Internal Revenue Form K-1 or substitute K-1 for the prior fiscal year. On or before June 15 of each fiscal year, the Company shall provide to each applicable Minority Shareholder a United States Internal Revenue Form K-1 or substitute K-1 the information necessary for the Minority Shareholder (including its direct and indirect owners) to file its United States income tax returns with respect to the operations and business of each of the Company and Company Subsidiaries for such prior fiscal year. The Company shall make its employees and those of any Company Subsidiary reasonably available to assist the Minority Shareholder in obtaining any additional information with respect to the Company, any Company Subsidiary, or any New Entity reasonably necessary for the Minority Shareholder to complete its tax filings.

### 36.3 Tax Allocations

All items of income, gain, loss, deduction and credit realized by the Company shall, for each fiscal period, be allocated pro rata among the Shareholders for U.S. federal, state and local or franchise tax purposes.

### 36.4 Amendment

This **clause 36** may not be amended or modified except in accordance with **clause 7.2(a)** .

## 37 Dispute

### 37.1 Dispute

(a) If a dispute (**Dispute**) arises out of or relates to this document (including any dispute as to the existence, breach or termination of this document or as to any claim in tort, in equity or pursuant to any statute but excluding any disagreement the subject of **clause 7.3**) a party to the document may only commence arbitration proceedings relating to the Dispute if the procedures set out in **clauses 37.1(b)** to **37.1(h)** have been fulfilled.

(b) A party to this document claiming the Dispute has arisen under or in relation to this document must give written notice (**Dispute Notice**) to the other parties to the Dispute specifying the nature of the Dispute.

(c) On receipt of the Dispute Notice by the other parties, all the parties to the Dispute (**Disputing Parties**) must endeavour in good faith to resolve the Dispute expeditiously using informal dispute resolution techniques such as mediation, expert evaluation or determination or similar techniques agreed by them.

(d) If the Disputing Parties do not resolve the Dispute within 20 days of receipt of the Dispute Notice the Dispute shall be determined by way of arbitration in accordance with the Rules of Arbitration of the International Chamber of Commerce in force on the date when the notice of arbitration is submitted in accordance with these rules.

(e) The number of arbitrators shall be three and the nationality or residence of the chairman of the arbitral tribunal shall not be the United States, Hong Kong or Macau.

(f) The arbitral proceedings shall be conducted in the English language and the place of arbitration shall be Hong Kong.

(g) By agreeing to arbitration pursuant to **clause 37.1(d)**, the parties do not intend to deprive any court of its jurisdiction to issue an interim injunction or other interim relief in aid of the arbitration proceedings, provided that the parties agree that they may seek only such relief as is consistent with their agreement to resolve the Dispute by way of arbitration. Without prejudice to such relief that may be granted by a national court, the arbitral tribunal shall have full authority to grant interim or provisional remedies or to order a party to seek modification or vacation of the relief granted by a national court. For purposes of this **clause 37.1(g),** the parties irrevocably and unconditionally submit to the exclusive jurisdiction of the courts of Hong Kong and any courts which have jurisdiction to hear appeals from those courts and waive any right to object to any proceedings being brought in those courts.

(h) Any dispute that arises under this document (other than any disagreement the subject of **clause 7.3**) must be resolved in accordance with this **clause 37**.

**37.2 Proper exercise of rights not a Dispute**

For the avoidance of doubt, the proper exercise by a Shareholder or Shareholder Group of its rights hereunder shall not constitute a Dispute merely because such exercise is contrary to the interests of the Company or another Shareholder or Shareholder Group.

38 Termination

**38.1 Term**

Subject to **clause 38.2**, this document continues in full force and effect until:

(a) terminated by written agreement between the parties;

(b) completion of a Qualified IPO, when it automatically terminates; or

(c) in the case of a Shareholder, that Shareholder ceases to hold any Securities.

**38.2 Certain provisions continue**

The termination of this document with respect to a party does not affect:

(a) any obligation of that party which accrued prior to that termination and which remains unsatisfied or which has been breached; and

(b) any provision of this document which is expressed to come into effect on, or to continue in effect after, that termination including those specified in **clause 41.11**.

39 Notices

**39.1 General**

A notice, demand, certification, process or other communication relating to this document must be in writing in English and may be given by an agent of the sender.

**39.2 How to give a communication**

A communication must be given by being:

(a) personally delivered;

(b) left at the party's current delivery address for notices;

(c) sent to the party's current postal address for notices by reputable international delivery service for delivery within five days; or

(d) sent by fax to the party's current fax number for notices,

provided that any communication hereunder may also be sent by e-mail (which shall not constitute notice).

**39.3 Particulars for delivery of notices**

(a) The particulars for delivery of notices for each party, including such party's (i) delivery address for notices, (ii) postal address for notices (if different than delivery address), (iii) facsimile number for notices, (iv) e- mail address for notices, and (v) designated person or office to whom notices are to be addressed, are as initially set out below and in the Deed of Accession (as the case may be):

**Melco Crown Entertainment Limited**
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong;

facsimile number: +852-2537-3618
e-mail address: scheung@melco-crown.com
attention: Chief Legal Officer

with copy to (which copy will not constitute notice for the purposes of this **clause 39**):

**Corrs Chamber Westgarth**
Level 36, Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000

facsimile number: +612 9210 6611
e-mail address: iain.laughland@corrs.com.au
attention: Iain Laughland

**MCE Cotai Investments Limited**
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong;

facsimile number: +852-2537-3618
e-mail address: scheung@melco-crown.com
attention: Chief Legal Officer

with copy to (which copy will not constitute notice for the purposes of this **clause 39**):

**Corrs Chamber Westgarth**
Level 36, Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000

facsimile number: +612 9210 6611
e-mail address: iain.laughland@corrs.com.au
attention: Iain Laughland

**New Cotai, LLC**
c/o New Cotai Holdings, LLC
Two Greenwich Plaza
Greenwich, Connecticut 06830
United States of America

facsimile number: +1 (203) 542-4308
e-mail address: ffogel@silverpointcapital.com
attention Frederick Fogel

with copy to (which copy will not constitute notice for the purposes of this **clause 39**):

Skadden, Arps, Slate, Meagher & Flom LLP
300 South Grand Avenue, Suite 3400
Los Angeles, California 90071-3144

facsimile number: + 1 213 621 5288
email address: jeffrey.cohen@skadden.com
attention: Jeffrey Cohen

**Cyber One Agents Limited**
Offshore Incorporations Centre
PO Box 957
Road Town, Tortola
British Virgin Islands

with copy to (which copy will not constitute notice for the purposes of this **clause 39**):

facsimile number: +852-2537-3618
e-mail address: scheung@melco-crown.com
attention: Chief Legal Officer

with copy to (which copy will not constitute notice for the purposes of this **clause 39**)

facsimile number: +1 (203) 542-4308
e-mail address: ffogel@silverpointcapital.com
attention Frederick Fogel

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

**39.4 Communications by post**

Subject to **clause 39.6**, a communication is deemed given five days after being sent under **clause 39.2(c)** .

**39.5 Communications by fax**

Subject to **clause 39.6**, a communication is deemed given if sent by fax, when the sender's fax machine produces a report that the fax was sent in full to the addressee. That report is conclusive evidence that the addressee received the fax in full at the time indicated on that report.

**39.6 After hours communications**

If a communication is given:

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

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

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

**39.7 Receipt of notice**

A notice, demand, certification, process or other communication relating to this document shall be deemed received when it is deemed given hereunder.

40 Duties, costs and expenses

**40.1 Fees and costs**

(a) The Company must pay the reasonable legal and other costs and expenses incurred by the parties in negotiating, preparing, executing, and registering this document and the other Transaction Documents and provided that receipts for such expenses are provided to the Company prior to such payment.

(b) If a party other than the Company pays the reasonable legal and other costs and expenses incurred by it of negotiating, preparing, executing, and registering this document or any of the other Transaction Documents then the Company must reimburse that amount to the paying party on demand.

(c) Except as otherwise expressly stated in this document, each party must pay its own legal and other costs and expenses of performing its obligations under this document and of any dispute that may arise in connection with any amendment to this document.

**40.2 Duties**

(a) The Company, as between the parties, is liable for and must pay all Duty (including any fine or penalty except where it arises from default by another party) on or relating to this document, any document executed under it or any dutiable transaction evidenced or effected by it except in respect of any Transfer of Securities, where unless otherwise agreed by the parties to such Transfer, Duty in respect of such Transfer will be borne by the transferee.

(b) If a party other than the Company pays any Duty (including any fine or penalty) on or relating to this document, any document executed under it or any dutiable transaction evidenced or effected by it, the Company must reimburse that amount to the paying party on demand provided that such costs and/or expenses are reasonable.

41 General

**41.1 Amendment**

No amendment to this document will be effective unless it is:

(a) in writing; and

(b) signed by the Company, MCE, the majority of the MCE Shareholders and the Majority of the Minority Shareholders; or

(c) made in compliance with **clause 7**; or

(d) made in compliance with **clause 17.13**, if applicable; or

(e) made in compliance with **clause 36.4**, if applicable.

**41.2 Several obligations**

(a) The obligations of the Minority Shareholders under this document (and each of their Permitted Transferees to whom Securities are Transferred or issued under this document) are several and not joint or joint and several.

(b) The obligations of MCE Shareholders under this document (and each of their Permitted Transferees to whom Securities are Transferred or issued under this document) are joint and several.

**41.3 Counterparts**

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

**41.4 Assignment**

(a) Except in connection with Transfers of Securities that are expressly permitted under this document and otherwise to the extent expressly permitted under this document, a party must not assign, charge, declare a trust over or otherwise deal with any right under this document without the prior written consent of the other parties.

(b) Any purported assignment, charge, declaration of trust or dealing in breach of this **clause 41.4** is of no effect.

(c) The Company may assign its rights, and the Shareholders may assign their rights, under this document to any Project Lender if required by that lender in connection with, providing the financing referred to in **clause 20.1(a)**.

### 41.5 Entire understanding

(a) This document together with the other Transaction Documents constitutes the entire understanding between the parties as to the subject matter of this document.

(b) All previous negotiations, understandings, representations, warranties, memoranda or commitments concerning the subject matter of this document are superseded by this document and are of no effect. No party is liable to any other party in respect of those matters.

(c) No oral explanation or information provided by any party to another:

(i) affects the meaning or interpretation of this document; or

(ii) constitutes any collateral agreement, warranty or understanding between any of the parties.

### 41.6 Further steps

Each party must promptly do whatever any other party reasonably requires of it to give effect to this document (including voting their Securities in favour of any resolution).

### 41.7 Attorneys

Each of the attorneys executing this document declares that the attorney has no notice of the revocation of the power of attorney under which the attorney executes this document.

### 41.8 Inconsistency with Memorandum and Articles of Association

(a) If there is any inconsistency between this document and the Memorandum and Articles of Association, this document prevails as between the Shareholders only to the extent of that inconsistency.

(b) At the written request of any party, all parties must take all necessary steps, including voting in favour of any resolution, to amend the Memorandum and Articles of Association to remove that inconsistency.

### 41.9 Relationship of parties

This document is not intended to create a partnership, joint venture, fiduciary or agency relationship between the parties.

### 41.10 Rights cumulative

Except as otherwise expressly stated in this document, the rights of a party under this document are cumulative and are in addition to any other rights of that party.

**41.11 Survival of obligations after termination**

**Clauses 1** (Interpretation),**3.2** (MCE Directors), **3.3** (Minority Directors), **3.7** (Vacation of office), **3.8** (Removal of Directors), **3.9** (Alternate directors), **3.10** (Director duties), **3.11** (Fees and expenses of Directors), **3.12** (D&O Policy), **3.13** (Indemnity deed), **11.4** (Post IPO), **12** (Shared Vendor Contract), **14.1** (Casino operation), **14.3** (Gaming tables), **15.4** (Other administrative matters), **30.3** (Gaming), **31** (Confidentiality and disclosure), **37** (Dispute), **38** (Termination), **39** (Notices), **40** (Duties, costs and expenses), and **41** (General) of this document will remain in full force and effect and survive the expiry or termination of this document.

**41.12 Waiver and exercise of rights**

(a) A single or partial exercise or waiver by a party of a right relating to this document does not prevent any other exercise of that right or the exercise of any other right.

(b) A party is not liable for any loss, cost or expense of any other party caused or contributed to by the waiver, exercise, attempted exercise, failure to exercise or delay in the exercise of a right.

(c) A right relating to this document may only be waived in writing signed by the party or parties waiving the right.

**41.13 Consent**

Unless this document expressly provides otherwise, a party may give conditionally or unconditionally or withhold its approval or consent in its absolute discretion.

**41.14 Equitable relief**

The parties acknowledge that:

(a) the Securities cannot be readily purchased or sold in an open market and that damages or an account of profits may be an inadequate remedy to compensate a Shareholder for a breach of this document; and

(b) a Shareholder is entitled to specific performance or injunctive relief (as appropriate) as a remedy for any breach or threatened breach by a party of this document, in addition to any other remedies available to them at law or in equity.

**41.15 Governing law and jurisdiction**

This document is governed by and is to be construed in accordance with the laws applicable in Hong Kong.

**41.16 Ownership thresholds**

(a) In determining the number of Securities held by a Shareholder for purposes of any threshold in this document or in the Policy on Related Party Transactions, Securities held by an Affiliate of a Shareholder shall be deemed to be held by that Shareholder.

(b) In determining the number of Upstream Securities held by a person in an entity for the purposes of any threshold in this document or in the Policy on Related Party Transactions, Upstream Securities held by an Affiliate of that person in that same entity shall be deemed to be held by that person.

(c) In determining the percentage of Securities held by a Shareholder for purposes of any threshold in this document or in the Policy on Related Party Transactions, such percentage shall not be reduced by the issue of Securities subsequent to the date hereof or in the IPO, except where such issue occurs under **clause 17** or **18**.

**Executed** as an agreement )

**SIGNED** by

/s/ Lawrence Ho )

for and on behalf of

**MCE COTAI INVESTMENTS LIMITED** )

as its authorised representative )

with authority from the board )

in the presence of: )

/s/ Lawrence Ho

Authorised Representative

/s/ Pamela Yeung

Name of witness: Pamela Yeung

Title of witness: Executive Assistant

**SIGNED** by )

/s/ Lawrence Ho )

for and on behalf of

**MELCO CROWN ENTERTAINMENT LIMITED** )

as its authorised representative )

with authority from the board )

in the presence of: )

/s/ Lawrence Ho

Authorised Representative

/s/ Pamela Yeung

Name of witness: Pamela Yeung

Title of witness: Executive Assistant

**SIGNED** by )
)
/s/ Thomas R. Banks
for and on behalf of )
**NEW COTAI, LLC** )
as its authorised representative )
with authority from the board )
in the presence of:

/s/ Thomas R. Banks
Authorised Representative

/s/ Karla Beauregard
Name of witness: Karla Beauregard
Title of witness: Administrative Assistant

*Signature Pages of the Shareholders' Agreement*

*[The rest of this page has been intentionally left blank]*

**SIGNED** by )
)

/s/ Geoffry Davis
for and on behalf of )
**CYBER ONE AGENTS LIMITED** )
as its authorised representative )
with authority from the board )
in the presence of:

/s/ Geoffry Davis
Authorised Representative

/s/ Angie Ng
Name of witness: Angie Ng
Title of witness: Administrator, Finance

*Signature Pages of the Shareholders' Agreement*

Schedule 1

Financial Interest

| Shareholder | Financial Interest |
| --- | --- |
| New Cotai | 40 |
| MCE Cotai | 60 |

Schedule 2

Warranties

Part A - Warranties

**A. Capacity and authority**

1 It is a corporation, partnership, limited liability company, or other organization, as applicable, duly incorporated, formed, or organized, as applicable, and validly existing under the laws of the country of its registration, formation, or organization, as applicable

2 It has full power and authority to enter into this document and has taken all necessary action to authorise the execution, delivery and performance of this document in accordance with its terms.

3 This document constitutes the legally valid and binding obligations of the party enforceable in accordance with its terms.

4 The execution, delivery and performance of this document by it will not violate any provision of:

(a) any law or regulation or any order or decree of any Governmental Agency of Macau or Hong Kong or any state or territory or relevant jurisdiction in which it is incorporated;

(b) its constitution or equivalent constituent documents; or

(c) any Encumbrance or other document which is binding on it and does not and will not result in the creation or imposition of any Encumbrance or restriction of any nature over any of its assets or the acceleration of the date of payment of any obligation existing under any Encumbrance or other document which is binding on it.

5 The execution, delivery and performance of this document by it will not require any Authorisation.

**B. Solvency**

1 No order has been made, application filed, resolution passed or notice of intention given to pass a resolution for the winding up or deregistration of the party.

2 No liquidator, provisional liquidator, receiver, receiver and manager, controller, trustee, administrator or similar official has been appointed over, or has possession or control of, all or any part of the assets or undertaking of the party nor has it entered into any arrangement or composition or compromise with all or any class of its creditors.

3 It is able to pay its debts as and when they fall due.

Schedule 3

Despite any provision of this document to the contrary, these Reserved Matters will not apply to any transaction solely between two or more Group Companies.

Part A - Tier 1 Reserved Matters

1 Enter into any sale, assignment, exchange, transfer, mortgage, pledge, encumbrance, lease, or other disposition of properties or assets of any Group Company or purchase or acquire any amount of stock or assets of any other person or entity where the value of such properties or assets is US$30,000,000 or more (or in the case of a non-cash transaction, or transaction involving a currency other than US$, the US$ equivalent).

2 Adopt, or make any material change to, or material deviation from, the Development Plan, the Project Budget, the Business Plan or the Financing and Funding Schedule.

3 Approve or amend in any material respect the Group's employee equity incentive plan.

4 Approve or amend in any material respect the credit policies of the casino to be operated within the MSC Property.

5 Approve or amend any contract, transaction or arrangement with eSun or any of its Affiliates.

Part B - Tier 2 Reserved Matters

1 Amend this document or amend the constituent documents of the Company or make any material amendment to the constituent documents of any Company Subsidiary (other than amendments to the constituent documents of any Company Subsidiary that do not adversely affect the rights of any of the Minority Shareholders).

2 Declare or pay non-pro rata dividends or distributions on Securities or repurchase or redeem any Securities (other than repurchases of Securities from employees of any Group Company pursuant to the terms of repurchase or other agreements in effect from time to time).

3 Modify any of the rights attaching to any Securities or any securities of any Company Subsidiary or issue or Transfer any securities in any Company Subsidiary other than to the Company or a wholly owned Company Subsidiary.

4 Cease the gaming business of the MSC Property.

5 Take or refuse to take any action that could reasonably be expected to adversely impact the ability of the MCE Subconcessionaire to perform its obligations under the Casino Management Agreement to conduct gaming operations at the MSC Property.

6 File any petition by or on behalf of the Company or any material Company Subsidiary seeking relief, or consenting to the institution of any proceeding against the Company or any material Company Subsidiary seeking to adjudicate it as bankrupt or insolvent, under any law relating to bankruptcy, insolvency or reorganization or relief of debtors.

7 Liquidate, dissolve, reorganise, or recapitalise the Company or any Company Subsidiary other than any Company Subsidiary that is dormant or has no assets or liabilities or merge or consolidate the Company or any Company Subsidiary (other than any Company Subsidiary that is dormant or has no assets or liabilities) with any other person other than a wholly owned Company Subsidiary.

8 Approve or amend in any material respect any transaction, Contract, understanding, loan, arrangement, advance or guarantee, with respect to any Group Company, whether in a single transaction or series of related transactions, having:

(a) a value of, or gross revenues or lifetime cost or otherwise involving amounts of, not less than US$30 million (or in the case of a non-cash transaction, or transaction involving a currency other than US$, the US$ equivalent); or

(b) a term of at least 5 years and a value of, or gross revenues or cost or otherwise involving amounts of not less than US$6 million per year (or in the case of a non-cash transaction, or transaction involving a currency other than US$, the US$ equivalent),

provided, however, that the payment of any fee or premium to the Macau government in connection with the amendment to the Land Grant will not require approval under this matter or otherwise.

Part C - Tier 3 Reserved Matter

1 Issue any Securities, directly or indirectly, to any person or entity that could (on the facts then known) reasonably be expected to adversely impact the suitability or entitlement of any Shareholder holding 20% or more of the Securities on issue (or any holder of Upstream Securities in any such Shareholder, or any of their respective Affiliates) to maintain any Gaming Authorisation; provided, that such determination is based on either:

(a) written advice of outside legal counsel to such Shareholder (a copy of which shall be provided to MCE); or

(b) an objection received from a Gaming Regulator.

Part D - Tier 4 Reserved Matter

1 Amend **clause 36**.

Schedule 4

Valuation Expert list

- Deloitte & Touche
- PricewaterhouseCoopers
- Ernst & Young
- KPMG
- UBS
- Credit Suisse
- Morgan Stanley
- Deutsche Bank
- JP Morgan Chase
- Bank of America Merrill Lynch
- Jones Lang LaSalle
- Houlihan Lokey
- Alvarez & Marsal
- American Appraisal
- Union Gaming Group

**Annexure A**

**Amended and Restated Memorandum and Articles of Association**

BC NO: 399970

**TERRITORY OF THE BRITISH VIRGIN ISLANDS**

**BVI BUSINESS COMPANIES ACT, 2004**

# Memorandum of Association

**and**

# Articles of Association

**of**

# CYBER ONE AGENTS LIMITED

**Incorporated on 2 August 2000**

TERRITORY OF THE BRITISH VIRGIN ISLANDS

THE BVI BUSINESS COMPANIES ACT 2004

MEMORANDUM OF ASSOCIATION

OF

CYBER ONE AGENTS LIMITED

A COMPANY LIMITED BY SHARES

1. **DEFINITIONS AND INTERPRETATION**

1.1. In this Memorandum of Association and the attached Articles of Association, if not inconsistent with the subject or context:

"**Act**" means the BVI Business Companies Act (No. 16 of 2004) and includes the regulations made under the Act;

"**Articles**" means the attached Articles of Association of the Company;

"**Chairman of the Board**" has the meaning specified in Regulation 13;

"**Distribution**" in relation to a distribution by the Company means the direct or indirect transfer of an asset, other than Shares, to or for the benefit of the Shareholder in relation to Shares held by a Shareholder, and whether by means of a purchase of an asset, the redemption or other acquisition of Shares, a distribution of indebtedness or otherwise, and includes a dividend;

"**Eligible Person**" means individuals, corporations, trusts, the estates of deceased individuals, partnerships and unincorporated associations of persons;

"**Memorandum**" means this Memorandum of Association of the Company;

"**Resolution of Directors**" means either:

(a) a resolution approved at a duly convened and constituted meeting of directors of the Company or of a committee of directors of the Company by the affirmative vote of a majority of the directors present at the meeting who voted except that where a director is given more than one vote, he shall be counted by the number of votes he casts for the purpose of establishing a majority; or

(b) a resolution consented to in writing by all directors or by all members of a committee of directors of the Company, as the case may be;

“**Resolution of Shareholders**” means either:

(a) a resolution approved at a duly convened and constituted meeting of the Shareholders of the Company by the affirmative vote of a majority of the votes of the Shares entitled to vote thereon which were present at the meeting and were voted; or

(b) a resolution consented to in writing by a majority of the votes of Shares entitled to vote thereon;

“**Seal**” means any seal which has been duly adopted as the common seal of the Company;

“**Share**” means a share issued or to be issued by the Company;

“**Shareholder**” means an Eligible Person whose name is entered in the register of members of the Company as the holder of one or more Shares or fractional Shares;

“**Shareholders Agreement**” means the shareholders agreement attached as Schedule 1, dated on or around [14 June 2011] between MCE Cotai Investments Limited, New Cotai, LLC, Melco Crown Entertainment Limited and the Company, as amended from time to time in accordance with the terms thereof;

“**Treasury Share**” means a Share that was previously issued but was repurchased, redeemed or otherwise acquired by the Company and not cancelled; and

“**written**” or any term of like import includes information generated, sent, received or stored by electronic, electrical, digital, magnetic, optical, electromagnetic, biometric or photonic means, including electronic data interchange, electronic mail, telegram, telex or telecopy, and “**in writing**” shall be construed accordingly.

1.2. In the Memorandum and the Articles, unless the context otherwise requires a reference to:

(a) a “**Regulation**” is a reference to a regulation of the Articles;

(b) a “**Clause** “ is a reference to a clause of the Memorandum;

(c) voting by Shareholders is a reference to the casting of the votes attached to the Shares held by the Shareholder voting;

(d) the Act, the Memorandum or the Articles is a reference to the Act or those documents as amended; and

(e) the singular includes the plural and vice versa.

1.3. Any words or expressions defined in the Act unless the context otherwise requires bear the same meaning in the Memorandum and Articles unless otherwise defined herein.

1.4. Headings are inserted for convenience only and shall be disregarded in interpreting the Memorandum and Articles.

**2. NAME**

The name of the Company is **CYBER ONE AGENTS LIMITED**.

**3. RE-REGISTRATION**

The Company was first incorporated on 2 August 2000 under the International Business Companies Act, 1984 and was automatically re-registered under the Act on 1 January 2007. Immediately before its re-registration under the Act, it was governed by the International Business Companies Act, 1984.

**4. STATUS**

The Company is a company limited by shares.

**5. REGISTERED OFFICE AND REGISTERED AGENT**

5.1. The first registered office of the Company is at Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands, the office of the first registered agent.

5.2. The first registered agent of the Company is Offshore Incorporations Limited of Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands.

5.3. At the date of filing the notice of election to disapply Part IV of Schedule 2 of the Act the registered office of the Company was situated at the office of the registered agent, Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands.

**6. CAPACITY AND POWERS**

6.1. Subject to the Act and any other British Virgin Islands legislation, the Company has, irrespective of corporate benefit:

(a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and

(b) for the purposes of paragraph (a), full rights, powers and privileges.

6.2. For the purposes of section 9(4) of the Act, there are no limitations on the business that the Company may carry on.

**7. NUMBER AND CLASSES OF SHARES**

7.1. The Company is authorised to issue a maximum of 200,000 Shares of par value USD1.00 each.

7.2. The Company may issue fractional Shares and a fractional Share shall have the corresponding fractional rights, obligations and liabilities of a whole share of the same class or series of shares.

7.3. Shares shall be issued in the currency of the United States of America.

**8. DESIGNATIONS, POWERS, PREFERENCES, ETC. OF SHARES**

8.1. Each Share in the Company confers upon the Shareholder:

(a) the right to one vote at a meeting of the Shareholders of the Company or on any Resolution of Shareholders;

(b) the right to an equal share in any dividend paid by the Company; and

(c) the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

8.2. The directors may at their discretion by Resolution of Directors redeem, purchase or otherwise acquire all or any of the Shares in the Company subject to Regulation 3 of the Articles.

**9. VARIATION OF RIGHTS**

The rights attached to Shares as specified in Clause 8 may only, whether or not the Company is being wound up, be varied with the consent in writing of or by a resolution passed at a meeting by the holders of more than 50 per cent of the issued Shares of that class.

**10. RIGHTS NOT VARIED BY THE ISSUE OF SHARES PARI PASSU**

The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking pari passu therewith.

**11. REGISTERED SHARES**

11.1. The Company shall issue registered shares only.

11.2. The Company is not authorised to issue bearer shares, convert registered shares to bearer shares or exchange registered shares for bearer shares.

**12. TRANSFER OF SHARES**

12.1. The Company shall, on receipt of an instrument of transfer complying with Sub- Regulation 7.1 of the Articles, enter the name of the transferee of a Share in the register of members unless the directors resolve to refuse or delay the registration of the transfer for reasons that shall be specified in a Resolution of Directors.

12.2. The directors may not resolve to refuse or delay the transfer of a Share unless the Shareholder has failed to pay an amount due in respect of the Share.

**13. AMENDMENT OF MEMORANDUM AND ARTICLES**

Subject to Clause 9, the Company may amend its Memorandum or Articles by a Resolution of Shareholders or by a Resolution of Directors, save that no amendment may be made by a Resolution of Directors:

(a) to restrict the rights or powers of the Shareholders to amend the Memorandum or Articles;

(b) to change the percentage of Shareholders required to pass a Resolution of Shareholders to amend the Memorandum or Articles;

(c) in circumstances where the Memorandum or Articles cannot be amended by the Shareholders; or

(d) to Clauses 8, 9 or 10 or this Clause 13.

Notwithstanding the foregoing no amendment may be made to the Memorandum or Articles without the approval of each Minority Shareholder (as defined in the Shareholders Agreement) holding 20% or more of the Shares on issue.

**14. PARAMOUNT EFFECT OF SHAREHOLDERS AGREEMENT**

14.1. To the extent not prohibited by the Act the provisions of the Shareholders Agreement are hereby incorporated into the Memorandum, and for the avoidance of doubt and without limiting the generality of this clause 14.1:

(a) notwithstanding anything contained in the Memorandum, if the Shareholders Agreement prohibits an act being done, the act shall not be done; and

(b) nothing contained in the Memorandum prevents an act being done that the Shareholders Agreement requires to be done.

14.2. To the extent not prohibited by the Act if any provision of the Memorandum is or becomes inconsistent with the Shareholders Agreement, the Shareholders Agreement shall prevail.

We, Offshore Incorporations Limited of Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands hereby sign this Memorandum of Association the 3rd day of July 2007 .

Incorporator:

Offshore Incorporations Limited

Sgd: Richard Parsons

Authorised Signatory

TERRITORY OF THE BRITISH VIRGIN ISLANDS

THE BVI BUSINESS COMPANIES ACT 2004

ARTICLES OF ASSOCIATION

OF

CYBER ONE AGENTS LIMITED

A COMPANY LIMITED BY SHARES

**1.** PARAMOUNT EFFECT OF SHAREHOLDERS AGREEMENT

1.1. To the extent not prohibited by the Act the provisions of the Shareholders Agreement are hereby incorporated into the Articles and, for the avoidance of doubt and without limiting the generality of this Regulation 1:

(a) notwithstanding anything contained in these Articles, if the Shareholders Agreement prohibits an act being done, the act shall not be done; and

(b) nothing contained in these Articles prevents an act being done that the Shareholders Agreement requires to be done.

1.2. To the extent not prohibited by the Act if any provision of these Articles is or becomes inconsistent with the Shareholders Agreement, the Shareholders Agreement shall prevail.

**2.** REGISTERED SHARES

2.1. Every Shareholder is entitled to a certificate signed by a director of the Company or under the Seal specifying the number of Shares held by him and the signature of the director and the Seal may be facsimiles.

2.2. Any Shareholder receiving a certificate shall indemnify and hold the Company and its directors and officers harmless from any loss or liability which it or they may incur by reason of any wrongful or fraudulent use or representation made by any person by virtue of the possession thereof. If a certificate for Shares is worn out or lost it may be renewed on production of the worn out certificate or on satisfactory proof of its loss together with such indemnity as may be required by a Resolution of Directors.

2.3. If several Eligible Persons are registered as joint holders of any Shares, any one of such Eligible Persons may give an effectual receipt for any Distribution.

**3.** SHARES

3.1. Shares may be issued at such times, to such Eligible Persons, for such consideration and on such terms as the directors may by Resolution of Directors determine.

3.2. Section 46 of the Act (Pre-emptive rights) does not apply to the Company.

3.3. A Share may be issued for consideration in any form, including money, a promissory note, real property, personal property (including goodwill and know-how) or a contract for future services.

3.4. No Shares may be issued for a consideration other than money, unless a Resolution of Directors has been passed stating:

(a) the amount to be credited for the issue of the Shares;

(b) their determination of the reasonable present cash value of the non-money consideration for the issue; and

(c) that, in their opinion, the present cash value of the non-money consideration for the issue is not less than the amount to be credited for the issue of the Shares.

3.5. The Company shall keep a register (the "register of members") containing:

(a) the names and addresses of the Eligible Persons who hold Shares;

(b) the number of each class and series of Shares held by each Shareholder;

(c) the date on which the name of each Shareholder was entered in the register of members; and

(d) the date on which any Eligible Person ceased to be a Shareholder.

3.6. The register of members may be in any such form as the directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until the directors otherwise determine, the magnetic, electronic or other data storage form shall be the original register of members.

3.7. A Share is deemed to be issued when the name of the Shareholder is entered in the register of members.

**4.** REDEMPTION OF SHARES AND TREASURY SHARES

4.1. The Company may purchase, redeem or otherwise acquire and hold its own Shares save that the Company may not purchase, redeem or otherwise acquire its own Shares without the consent of Shareholders whose Shares are to be purchased, redeemed or otherwise acquired unless the Company is permitted by the Act or any other provision in the Memorandum or Articles to purchase, redeem or otherwise acquire the Shares without their consent.

4.2. The Company may only offer to acquire Shares if at the relevant time the directors determine by Resolution of Directors that immediately after the acquisition the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

4.3. Sections 60 (Process for acquisition of own shares), 61 (Offer to one or more shareholders) and 62 (Shares redeemed otherwise than at the option of company) of the Act shall not apply to the Company.

4.4. Shares that the Company purchases, redeems or otherwise acquires pursuant to this Regulation may be cancelled or held as Treasury Shares except to the extent that such Shares are in excess of 50 percent of the issued Shares in which case they shall be cancelled but they shall be available for reissue.

4.5. All rights and obligations attaching to a Treasury Share are suspended and shall not be exercised by the Company while it holds the Share as a Treasury Share.

4.6. Treasury Shares may be disposed of by the Company on such terms and conditions (not otherwise inconsistent with the Memorandum and Articles) as the Company may by Resolution of Directors determine.

4.7. Where Shares are held by another body corporate of which the Company holds, directly or indirectly, shares having more than 50 per cent of the votes in the election of directors of the other body corporate, all rights and obligations attaching to the Shares held by the other body corporate are suspended and shall not be exercised by the other body corporate.

**5.** MORTGAGES AND CHARGES OF SHARES

5.1. Shareholders may mortgage or charge their Shares.

5.2. There shall be entered in the register of members at the written request of the Shareholder:

(a) a statement that the Shares held by him are mortgaged or charged;

(b) the name of the mortgagee or chargee; and

(c) the date on which the particulars specified in subparagraphs (a) and (b) are entered in the register of members.

5.3. Where particulars of a mortgage or charge are entered in the register of members, such particulars may be cancelled:

(a) with the written consent of the named mortgagee or chargee or anyone authorised to act on his behalf; or

(b) upon evidence satisfactory to the directors of the discharge of the liability secured by the mortgage or charge and the issue of such indemnities as the directors shall consider necessary or desirable.

5.4. Whilst particulars of a mortgage or charge over Shares are entered in the register of members pursuant to this Regulation:

(a) no transfer of any Share the subject of those particulars shall be effected;

(b) the Company may not purchase, redeem or otherwise acquire any such Share; and

(c) no replacement certificate shall be issued in respect of such Shares,

without the written consent of the named mortgagee or chargee.

**6.** FORFEITURE

6.1. Shares that are not fully paid on issue are subject to the forfeiture provisions set forth in this Regulation and for this purpose Shares issued for a promissory note or a contract for future services are deemed to be not fully paid.

6.2. A written notice of call specifying the date for payment to be made shall be served on the Shareholder who defaults in making payment in respect of the Shares.

6.3. The written notice of call referred to in Sub-Regulation 6.2 shall name a further date not earlier than the expiration of 14 days from the date of service of the notice on or before which the payment required by the notice is to be made and shall contain a statement that in the event of non-payment at or before the time named in the notice the Shares, or any of them, in respect of which payment is not made will be liable to be forfeited.

6.4. Where a written notice of call has been issued pursuant to Sub-Regulation 6.3 and the requirements of the notice have not been complied with, the directors may, at any time before tender of payment, forfeit and cancel the Shares to which the notice relates.

6.5. The Company is under no obligation to refund any moneys to the Shareholder whose Shares have been cancelled pursuant to Sub-Regulation 6.4 and that Shareholder shall be discharged from any further obligation to the Company.

**7.** TRANSFER OF SHARES

7.1. Shares may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee, which shall be sent to the Company at the office of its registered agent for registration.

7.2. The transfer of a Share is effective when the name of the transferee is entered on the register of members.

7.3. If the directors of the Company are satisfied that an instrument of transfer relating to Shares has been signed but that the instrument has been lost or destroyed, they may resolve by Resolution of Directors:

(a) to accept such evidence of the transfer of Shares as they consider appropriate; and

(b) that the transferee's name should be entered in the register of members notwithstanding the absence of the instrument of transfer.

7.4. Subject to the Memorandum, the personal representative of a deceased Shareholder may transfer a Share even though the personal representative is not a Shareholder at the time of the transfer.

**8.** MEETINGS AND CONSENTS OF SHAREHOLDERS

8.1. Any director of the Company may convene meetings of the Shareholders at such times and in such manner and places within or outside the British Virgin Islands as the director considers necessary or desirable.

8.2. Upon the written request of Shareholders entitled to exercise 30 per cent or more of the voting rights in respect of the matter for which the meeting is requested the directors shall convene a meeting of Shareholders.

8.3. The director convening a meeting shall give not less than seven days' notice of a meeting of Shareholders to:

(a) those Shareholders whose names on the date the notice is given appear as Shareholders in the register of members of the Company and are entitled to vote at the meeting; and

(b) the other directors.

8.4. The director convening a meeting of Shareholders may fix as the record date for determining those Shareholders that are entitled to vote at the meeting the date notice is given of the meeting, or such other date as may be specified in the notice, being a date not earlier than the date of the notice.

8.5. A meeting of Shareholders held in contravention of the requirement to give notice is valid if Shareholders holding at least 90 per cent of the total voting rights on all the matters to be considered at the meeting have waived notice of the meeting and, for this purpose, the presence of a Shareholder at the meeting shall constitute waiver in relation to all the Shares which that Shareholder holds.

8.6. The inadvertent failure of a director who convenes a meeting to give notice of a meeting to a Shareholder or another director, or the fact that a Shareholder or another director has not received notice, does not invalidate the meeting.

8.7. A Shareholder may be represented at a meeting of Shareholders by a proxy who may speak and vote on behalf of the Shareholder.

8.8. The instrument appointing a proxy shall be produced at the place designated for the meeting before the time for holding the meeting at which the person named in such instrument proposes to vote. The notice of the meeting may specify an alternative or additional place or time at which the proxy shall be presented.

8.9. The instrument appointing a proxy shall be in substantially the following form or such other form as the chairman of the meeting shall accept as properly evidencing the wishes of the Shareholder appointing the proxy.

[ Name of Company ]

I/We being a Shareholder of the above Company HEREBY APPOINT of or failing him of to be my/our proxy to vote for me/us at the meeting of Shareholders to be held on the day of , 20 and at any adjournment thereof.

(Any restrictions on voting to be inserted here.)

Signed this day of , 20

Shareholder

8.10. The following applies where Shares are jointly owned:

(a) if two or more persons hold Shares jointly each of them may be present in person or by proxy at a meeting of Shareholders and may speak as a Shareholder;

(b) if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners; and

(c) if two or more of the joint owners are present in person or by proxy they must vote as one.

8.11. A Shareholder shall be deemed to be present at a meeting of Shareholders if he participates by telephone or other electronic means and all Shareholders participating in the meeting are able to hear each other.

8.12. A meeting of Shareholders is duly constituted if, at the commencement of the meeting, there are present in person or by proxy not less than 50 per cent of the votes of the Shares or class or series of Shares entitled to vote on Resolutions of Shareholders to be considered at the meeting. A quorum may comprise a single Shareholder or proxy and then such person may pass a Resolution of Shareholders and a certificate signed by such person accompanied where such person be a proxy by a copy of the proxy instrument shall constitute a valid Resolution of Shareholders

8.13. If within two hours from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Shareholders, shall be dissolved; in any other case it shall stand adjourned to the next business day in the jurisdiction in which the meeting was to have been held at the same time and place or to such other time and place as the directors may determine, and if at the adjourned meeting there are present within one hour from the time appointed for the meeting in person or by proxy not less than one third of the votes of the Shares or each class or series of Shares entitled to vote on the matters to be considered by the meeting, those present shall constitute a quorum but otherwise the meeting shall be dissolved.

8.14. At every meeting of Shareholders, the Chairman of the Board shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present at the meeting, the Shareholders present shall choose one of their number to be the chairman. If the Shareholders are unable to choose a chairman for any reason, then the person representing the greatest number of voting Shares present in person or by proxy at the meeting shall preside as chairman failing which the oldest individual Shareholder or representative of a Shareholder present shall take the chair.

8.15. The chairman may, with the consent of the meeting, adjourn any meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

8.16. At any meeting of the Shareholders the chairman is responsible for deciding in such manner as he considers appropriate whether any resolution proposed has been carried or not and the result of his decision shall be announced to the meeting and recorded in the minutes of the meeting. If the chairman has any doubt as to the outcome of the vote on a proposed resolution, he shall cause a poll to be taken of all votes cast upon such resolution. If the chairman fails to take a poll then any Shareholder present in person or by proxy who disputes the announcement by the chairman of the result of any vote may immediately following such announcement demand that a poll be taken and the chairman shall cause a poll to be taken. If a poll is taken at any meeting, the result shall be announced to the meeting and recorded in the minutes of the meeting.

8.17. Any Eligible Person other than an individual which is a Shareholder may by resolution of its directors or other governing body authorise such individual as it thinks fit to act as its representative at any meeting of Shareholders or of any class of Shareholders, and the individual so authorised shall be entitled to exercise the same rights on behalf of the Eligible Person which he represents as that Eligible Person could exercise if it were an individual.

8.18. The chairman of any meeting at which a vote is cast by proxy or on behalf of any Eligible Person other than an individual may call for a notarially certified copy of such proxy or authority which shall be produced within seven days of being so requested or the votes cast by such proxy or on behalf of such Eligible Person shall be disregarded.

8.19. Directors of the Company may attend and speak at any meeting of Shareholders and at any separate meeting of the holders of any class or series of Shares.

8.20. An action that may be taken by the Shareholders at a meeting may also be taken by a Resolution of Shareholders consented to in writing, without the need for any notice, but if any Resolution of Shareholders is adopted otherwise than by the unanimous written consent of all Shareholders, a copy of such resolution shall forthwith be sent to all Shareholders not consenting to such resolution. The consent may be in the form of counterparts, each counterpart being signed by one or more Shareholders. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the earliest date upon which Eligible Persons holding a sufficient number of votes of Shares to constitute a Resolution of Shareholders have consented to the resolution by signed counterparts.

**9.** DIRECTORS

9.1. The first directors of the Company shall be appointed by the first registered agent within six months of the date of incorporation of the Company; and thereafter, the directors shall be elected by Resolution of Shareholders or by Resolution of Directors for such term as the Shareholders or directors determine.

9.2. No person shall be appointed as a director of the Company unless he has consented in writing to act as a director.

9.3. The minimum number of directors shall be one and the maximum number shall be five.

9.4. Each director holds office for the term, if any, fixed by the Resolution of Shareholders or Resolution of Directors appointing him, or until his earlier death, resignation or removal. If no term is fixed on the appointment of a director, the director serves indefinitely until his earlier death, resignation or removal.

9.5. A director may be removed from office only in accordance with the Shareholders Agreement.

9.6. A director may resign his office by giving written notice of his resignation to the Company and the resignation has effect from the date the notice is received by the Company at the office of its registered agent or from such later date as may be specified in the notice. A director shall resign forth with as a director if he is, or becomes, disqualified from acting as a director under the Act.

9.7. The directors may at any time appoint any person to be a director either to fill a vacancy or as an addition to the existing directors. Where the directors appoint a person as director to fill a vacancy, the term shall not exceed the term that remained when the person who has ceased to be a director ceased to hold office.

9.8. A vacancy in relation to directors occurs if a director dies or otherwise ceases to hold office prior to the expiration of his term of office.

9.9. The Company shall keep a register of directors containing:

(a) the names and addresses of the persons who are directors of the Company;

(b) the date on which each person whose name is entered in the register was appointed as a director of the Company;

(c) the date on which each person named as a director ceased to be a director of the Company; and

(d) such other information as may be prescribed by the Act.

9.10. The register of directors may be kept in any such form as the directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until a Resolution of Directors determining otherwise is passed, the magnetic, electronic or other data storage shall be the original register of directors.

9.11. The directors may, by a Resolution of Directors, fix the emoluments of directors with respect to services to be rendered in any capacity to the Company.

9.12. A director is not required to hold a Share as a qualification to office.

**10.** POWERS OF DIRECTORS

10.1. The business and affairs of the Company shall be managed by, or under the direction or supervision of, the directors of the Company. The directors of the Company have all the powers necessary for managing, and for directing and supervising, the business and affairs of the Company. The directors may pay all expenses incurred preliminary to and in connection with the incorporation of the Company and may exercise all such powers of the Company as are not by the Act or by the Memorandum or the Articles required to be exercised by the Shareholders.

10.2. Each director shall exercise his powers for a proper purpose and shall not act or agree to the Company acting in a manner that contravenes the Memorandum, the Articles or the Act. Each director, in exercising his powers or performing his duties, shall act honestly and in good faith in what the director believes to be the best interests of the Company.

10.3. If the Company is the wholly owned subsidiary of a holding company, a director of the Company may, when exercising powers or performing duties as a director, act in a manner which he believes is in the best interests of the holding company even though it may not be in the best interests of the Company.

10.4. Any director which is a body corporate may appoint any individual as its duly authorised representative for the purpose of representing it at meetings of the directors, with respect to the signing of consents or otherwise.

10.5. The continuing directors may act notwithstanding any vacancy in their body.

10.6. The directors may by Resolution of Directors exercise all the powers of the Company to incur indebtedness, liabilities or obligations and to secure indebtedness, liabilities or obligations whether of the Company or of any third party.

10.7. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as shall from time to time be determined by Resolution of Directors.

10.8. For the purposes of Section 175 (Disposition of assets) of the Act, the directors may by Resolution of Directors determine that any sale, transfer, lease, exchange or other disposition is in the usual or regular course of the business carried on by the Company and such determination is, in the absence of fraud, conclusive.

**11.** PROCEEDINGS OF DIRECTORS

11.1. Any one director of the Company may call a meeting of the directors by sending a written notice to each other director.

11.2. The directors of the Company or any committee thereof may meet at such times and in such manner and places within or outside the British Virgin Islands as the directors may determine to be necessary or desirable.

11.3. A director is deemed to be present at a meeting of directors if he participates by telephone or other electronic means and all directors participating in the meeting are able to hear each other.

11.4. A director shall be given not less than three days' notice of meetings of directors, but a meeting of directors held without three days' notice having been given to all directors shall be valid if all the directors entitled to vote at the meeting who do not attend waive notice of the meeting, and for this purpose the presence of a director at a meeting shall constitute waiver by that director. The inadvertent failure to give notice of a meeting to a director, or the fact that a director has not received the notice, does not invalidate the meeting.

11.5. A director may by a written instrument appoint an alternate who need not be a director and the alternate shall be entitled to attend meetings in the absence of the director who appointed him and to vote or consent in place of the director until the appointment lapses or is terminated.

11.6. A meeting of directors is duly constituted for all purposes if at the commencement of the meeting there are present in person or by alternate not less than one-half of the total number of directors, unless there are only two directors in which case the quorum is two.

11.7. If the Company has only one director the provisions herein contained for meetings of directors do not apply and such sole director has full power to represent and act for the Company in all matters as are not by the Act, the Memorandum or the Articles required to be exercised by the Shareholders. In lieu of minutes of a meeting the sole director shall record in writing and sign a note or memorandum of all matters requiring a Resolution of Directors. Such a note or memorandum constitutes sufficient evidence of such resolution for all purposes.

11.8. At meetings of directors at which the Chairman of the Board is present, he shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present, the directors present shall choose one of their number to be chairman of the meeting.

11.9. An action that may be taken by the directors or a committee of directors at a meeting may also be taken by a Resolution of Directors or a resolution of a committee of directors consented to in writing by all directors or by all members of the committee, as the case may be, without the need for any notice. The consent may be in the form of counterparts each counterpart being signed by one or more directors. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the date upon which the last director has consented to the resolution by signed counterparts.

**12.** COMMITTEES

12.1. The directors may, by Resolution of Directors, designate one or more committees, each consisting of one or more directors, and delegate one or more of their powers, including the power to affix the Seal, to the committee.

12.2. The directors have no power to delegate to a committee of directors any of the following powers:

(a) to amend the Memorandum or the Articles;

(b) to designate committees of directors;

(c) to delegate powers to a committee of directors;

(d) to appoint directors;

(e) to appoint an agent;

(f) to approve a plan of merger, consolidation or arrangement; or

(g) to make a declaration of solvency or to approve a liquidation plan.

12.3. Sub-Regulation 12.2(b) and (c) do not prevent a committee of directors, where authorised by the Resolution of Directors appointing such committee or by a subsequent Resolution of Directors, from appointing a sub-committee and delegating powers exercisable by the committee to the sub-committee.

12.4. The meetings and proceedings of each committee of directors consisting of two or more directors shall be governed mutatis mutandis by the provisions of the Articles regulating the proceedings of directors so far as the same are not superseded by any provisions in the Resolution of Directors establishing the committee.

12.5. Where the directors delegate their powers to a committee of directors they remain responsible for the exercise of that power by the committee, unless they believed on reasonable grounds at all times before the exercise of the power that the committee would exercise the power in conformity with the duties imposed on directors of the Company under the Act.

**13.** OFFICERS AND AGENTS

13.1. The Company may by Resolution of Directors appoint officers of the Company at such times as may be considered necessary or expedient. Such officers may consist of a Chairman of the Board of Directors, a president and one or more vice-presidents, secretaries and treasurers and such other officers as may from time to time be considered necessary or expedient. Any number of offices may be held by the same person.

13.2. The officers shall perform such duties as are prescribed at the time of their appointment subject to any modification in such duties as may be prescribed thereafter by Resolution of Directors. In the absence of any specific prescription of duties it shall be the responsibility of the Chairman of the Board to preside at meetings of directors and Shareholders, the president to manage the day to day affairs of the Company, the vice-presidents to act in order of seniority in the absence of the president but otherwise to perform such duties as may be delegated to them by the president, the secretaries to maintain the register of members, minute books and records (other than financial records) of the Company and to ensure compliance with all procedural requirements imposed on the Company by applicable law, and the treasurer to be responsible for the financial affairs of the Company.

13.3. The emoluments of all officers shall be fixed by Resolution of Directors.

13.4. The officers of the Company shall hold office until their successors are duly appointed, but any officer elected or appointed by the directors may be removed at any time, with or without cause, by Resolution of Directors. Any vacancy occurring in any office of the Company may be filled by Resolution of Directors.

13.5. The directors may, by a Resolution of Directors, appoint any person, including a person who is a director, to be an agent of the Company. An agent of the Company shall have such powers and authority of the directors, including the power and authority to affix the Seal, as are set forth in the Articles or in the Resolution of Directors appointing the agent, except that no agent has any power or authority with respect to the matters specified in Sub-Regulation 12.2. The Resolution of Directors appointing an agent may authorise the agent to appoint one or more substitutes or delegates to exercise some or all of the powers conferred on the agent by the Company. The directors may remove an agent appointed by the Company and may revoke or vary a power conferred on him.

**14.** CONFLICT OF INTERESTS

14.1. A director of the Company shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to all other directors of the Company.

14.2. For the purposes of Sub-Regulation 14.1, a disclosure to all other directors to the effect that a director is a member, director or officer of another named entity or has a fiduciary relationship with respect to the entity or a named individual and is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered into with that entity or individual, is a sufficient disclosure of interest in relation to that transaction.

14.3. Provided that the Board of directors of the Company has given prior authorisation by way of a Resolution of Directors (for which purposes the interested director shall not be able to vote), a director of the Company who is interested in a transaction entered into or to be entered into by the Company may:

(a) vote on a matter relating to the transaction;

(b) attend a meeting of directors at which a matter relating to the transaction arises and be included among the directors present at the meeting for the purposes of a quorum; and

(c) sign a document on behalf of the Company, or do any other thing in his capacity as a director, that relates to the transaction, and, subject to compliance with the Act shall not, by reason of his office be accountable to the Company for any benefit which he derives from such transaction and no such transaction shall be liable to be avoided on the grounds of any such interest or benefit.

## 15. INDEMNIFICATION

15.1. Subject to the limitations hereinafter provided the Company shall indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any person who:

(a) is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director of the Company; or

(b) is or was, at the request of the Company, serving as a director of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise.

15.2. The indemnity in Sub-Regulation 15.1 only applies if the person acted honestly and in good faith with a view to the best interests of the Company and, in the case of criminal proceedings, the person had no reasonable cause to believe that their conduct was unlawful.

15.3. The decision of the directors as to whether the person acted honestly and in good faith and with a view to the best interests of the Company and as to whether the person had no reasonable cause to believe that his conduct was unlawful is, in the absence of fraud, sufficient for the purposes of the Articles, unless a question of law is involved.

15.4. The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a *nolle prosequi* does not, by itself, create a presumption that the person did not act honestly and in good faith and with a view to the best interests of the Company or that the person had reasonable cause to believe that his conduct was unlawful.

15.5. The Company may purchase and maintain insurance in relation to any person who is or was a director, officer or liquidator of the Company, or who at the request of the Company is or was serving as a director, officer or liquidator of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability as provided in the Articles.

## 16. RECORDS

16.1. The Company shall keep the following documents at the office of its registered agent:

(a) the Memorandum and the Articles;

(b) the register of members, or a copy of the register of members;

(c) the register of directors, or a copy of the register of directors; and

(d) copies of all notices and other documents filed by the Company with the Registrar of Corporate Affairs in the previous 10 years.

16.2. If the Company maintains only a copy of the register of members or a copy of the register of directors at the office of its registered agent, it shall:

(a) within 15 days of any change in either register, notify the registered agent in writing of the change; and

(b) provide the registered agent with a written record of the physical address of the place or places at which the original register of members or the original register of directors is kept.

16.3. The Company shall keep the following records at the office of its registered agent or at such other place or places, within or outside the British Virgin Islands, as the directors may determine:

(a) minutes of meetings and Resolutions of Shareholders and classes of Shareholders;

(b) minutes of meetings and Resolutions of Directors and committees of directors; and

(c) an impression of the Seal, if any.

16.4. Where any original records referred to in this Regulation are maintained other than at the office of the registered agent of the Company, and the place at which the original records is changed, the Company shall provide the registered agent with the physical address of the new location of the records of the Company within 14 days of the change of location.

16.5. The records kept by the Company under this Regulation shall be in written form or either wholly or partly as electronic records complying with the requirements of the Electronic Transactions Act (No. 5 of 2001).

**17.** REGISTERS OF CHARGES

The Company shall maintain at the office of its registered agent a register of charges in which there shall be entered the following particulars regarding each mortgage, charge and other encumbrance created by the Company:

(a) the date of creation of the charge;

(b) a short description of the liability secured by the charge;

(c) a short description of the property charged;

(d) the name and address of the trustee for the security or, if there is no such trustee, the name and address of the chargee;

(e) unless the charge is a security to bearer, the name and address of the holder of the charge; and

(f) details of any prohibition or restriction contained in the instrument creating the charge on the power of the Company to create any future charge ranking in priority to or equally with the charge.

**18. SEAL**

The Company may have more than one Seal and references herein to the Seal shall be references to every Seal which shall have been duly adopted by Resolution of Directors. The directors shall provide for the safe custody of the Seal and for an imprint thereof to be kept at the registered office. Except as otherwise expressly provided herein the Seal when affixed to any written instrument shall be witnessed and attested to by the signature of any one director or other person so authorised from time to time by Resolution of Directors. Such authorisation may be before or after the Seal is affixed, may be general or specific and may refer to any number of sealings. The directors may provide for a facsimile of the Seal and of the signature of any director or authorised person which may be reproduced by printing or other means on any instrument and it shall have the same force and validity as if the Seal had been affixed to such instrument and the same had been attested to as hereinbefore described.

**19. DISTRIBUTIONS BY WAY OF DIVIDEND**

19.1. The directors of the Company may, by Resolution of Directors, authorise a distribution by way of dividend at a time and of an amount they think fit if they are satisfied, on reasonable grounds, that, immediately after the distribution, the value of the Company’s assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

19.2. Dividends may be paid in money, shares, or other property.

19.3. Notice of any dividend that may have been declared shall be given to each Shareholder as specified in Sub-Regulation 21.1 and all dividends unclaimed for 3 years after having been declared may be forfeited by Resolution of Directors for the benefit of the Company.

19.4. No dividend shall bear interest as against the Company and no dividend shall be paid on Treasury Shares.

## 20. ACCOUNTS AND AUDIT

20.1. The Company shall keep records that are sufficient to show and explain the Company's transactions and that will, at any time, enable the financial position of the Company to be determined with reasonable accuracy.

20.2. The Company may by Resolution of Shareholders call for the directors to prepare periodically and make available a profit and loss account and a balance sheet. The profit and loss account and balance sheet shall be drawn up so as to give respectively a true and fair view of the profit and loss of the Company for a financial period and a true and fair view of the assets and liabilities of the Company as at the end of a financial period.

20.3. The Company may by Resolution of Shareholders call for the accounts to be examined by auditors.

20.4. The first auditors shall be appointed by Resolution of Directors; subsequent auditors shall be appointed by a Resolution of Shareholders.

20.5. The auditors may be Shareholders, but no director or other officer shall be eligible to be an auditor of the Company during their continuance in office.

20.6. The remuneration of the auditors of the Company:

(a) in the case of auditors appointed by the directors, may be fixed by Resolution of Directors; and

(b) subject to the foregoing, shall be fixed by Resolution of Shareholders or in such manner as the Company may by Resolution of Shareholders determine.

20.7. The auditors shall examine each profit and loss account and balance sheet required to be laid before a meeting of the Shareholders or otherwise given to Shareholders and shall state in a written report whether or not:

(a) in their opinion the profit and loss account and balance sheet give a true and fair view respectively of the profit and loss for the period covered by the accounts, and of the assets and liabilities of the Company at the end of that period; and

(b) all the information and explanations required by the auditors have been obtained.

20.8. The report of the auditors shall be annexed to the accounts and shall be read at the meeting of Shareholders at which the accounts are laid before the Company or shall be otherwise given to the Shareholders.

20.9. Every auditor of the Company shall have a right of access at all times to the books of account and vouchers of the Company, and shall be entitled to require from the directors and officers of the Company such information and explanations as he thinks necessary for the performance of the duties of the auditors.

20.10. The auditors of the Company shall be entitled to receive notice of, and to attend any meetings of Shareholders at which the Company's profit and loss account and balance sheet are to be presented.

**21.** NOTICES

21.1. Any notice, information or written statement to be given by the Company to Shareholders may be given by personal service or by mail addressed to each Shareholder at the address shown in the register of members.

21.2. Any summons, notice, order, document, process, information or written statement to be served on the Company may be served by leaving it, or by sending it by registered mail addressed to the Company, at its registered office, or by leaving it with, or by sending it by registered mail to, the registered agent of the Company.

21.3. Service of any summons, notice, order, document, process, information or written statement to be served on the Company may be proved by showing that the summons, notice, order, document, process, information or written statement was delivered to the registered office or the registered agent of the Company or that it was mailed in such time as to admit to its being delivered to the registered office or the registered agent of the Company in the normal course of delivery within the period prescribed for service and was correctly addressed and the postage was prepaid.

**22.** VOLUNTARY WINDING UP AND DISSOLUTION

The Company may by a Resolution of Shareholders or by a Resolution of Directors appoint a voluntary liquidator.

**23.** CONTINUATION

The Company may by Resolution of Shareholders or by a resolution passed unanimously by all directors of the Company continue as a company incorporated under the laws of a jurisdiction outside the British Virgin Islands in the manner provided under those laws.

We, Offshore Incorporations Limited of Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands hereby sign these Articles of Association the 3rd day of July 2007.

Incorporator:

Offshore Incorporations Limited

Sgd: Richard Parsons

Authorised Signatory

**Annexure B**

**Deed of Accession**

Deed poll dated

By

**[ ]**
of **[ ]** (**Acceding Party**)

Background

A This document is supplemental to a Shareholders Agreement dated [****] between [****] and [****] (**Agreement**).

Declarations

1 Acceding party to be bound

The Acceding Party covenants with all parties to the Agreement from time to time (whether original or by accession) (**Parties**) to observe, perform and be bound by all the terms of the Agreement in so far as they remain to be observed and performed, as if the Acceding Party had been an original party to the Agreement as [**Shareholder**].

2 Financial Interest

The Financial Interest of the Acceding Party is [**insert**].

3 Copy of the Deed

The Acceding Party confirms that it has been supplied with a copy of the Agreement.

4 Representations and warranties

The Acceding Party represents and warrants to the Parties that:

(a) (**registration**): it is a corporation, partnership, limited liability company, or other organization, as applicable, duly incorporated, formed, or organized, as applicable, and validly existing under the laws of the country of its registration, formation, or organization, as applicable;

(b) (**corporate power**): it has the corporate, partnership, limited liability company, or other organizational, as applicable, power to enter into and perform its obligations under this document and to carry out the transactions contemplated by the Agreement.

(c) (**corporate action**): it has taken all necessary corporate, partnership, limited liability company, or other organizational, as applicable, action to authorise the entry into and performance of this document and to carry out the transactions contemplated by the Agreement;

(d) (**binding obligation**): the obligations in this document are valid and binding obligations of the Acceding Party.

This deed poll is governed by the laws applicable in Hong Kong.

**Executed** as a deed.

**Annexure C**

**Confidentiality Deed**

[Discloser]

[Recipient]

**Confidentiality Deed**

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**Date**

Parties

[●] of [●]; facsimile number: [●]; e-mail address: [●]; attention: [●] (**Discloser**)

[●] of [●]; facsimile number: [●]; e-mail address: [●]; attention: [●] (**Recipient**)

Background

A The Discloser possesses Confidential Information.

B The Discloser proposes to disclose Confidential Information to the Recipient.

C The Recipient agrees to maintain the confidentiality of the Confidential Information that is disclosed to it, on the terms of this document.

Agreed terms

1 Interpretation

**1.1 Definitions**

In this document, the following terms have the following meanings:

**Affiliate** has the meaning given to that term in the Shareholders' Agreement.

**Business Day** means a day which is not a Saturday, Sunday or bank or public holiday in Hong Kong or New York, nor a day on which a tropical cyclone warning No. 8 or above or a "black rainstorm warning signal" is hoisted or remains hoisted in Hong Kong at any time between 9.00am and 5.00pm.

**Company** means Cyber One Agents Limited, a company incorporated in the British Virgin Islands.

**Competitor** has the meaning given to that term in the Shareholders' Agreement.

**Confidential Information** means any confidential, non-public or proprietary information relating to the business, assets or affairs of the Group; provided, however, that Confidential Information shall not include information that:

(a) is or becomes generally available to the public other than as a result of disclosure in violation of this document;

(b) is or becomes available to the receiving person on a non-confidential basis prior to its disclosure to such person;

(c) is or has been independently developed or conceived by the receiving person without use of Confidential Information; or

(d) becomes available to the receiving person on a non-confidential basis from a source other than the Discloser; provided that such source is not known by such person to be bound by a confidentiality agreement with the Discloser.

**Effective Interest in Securities** has the meaning given to that term in the Shareholders' Agreement.

**Financial Supporter** has the meaning given to that term in the Shareholders' Agreement.

**Governmental Agency** means:

(a) a government, whether foreign, federal, state, territorial or local;

(b) a department, office, or minister of a government acting in that capacity; or

(c) a commission, delegate, instrumentality, agency, board or other governmental or semi-governmental, judicial, administrative, monetary, regulatory, fiscal or tax authority, whether statutory or not.

**Group** means the Company and the Company's Subsidiaries from time to time.

**Law** means any law or legal requirement, including at common law, in equity, under any statute, regulation or by-law and any decision, directive, guidance, guideline or requirement of any Governmental Agency.

**MCE** means Melco Crown Entertainment Limited, a company incorporated in the Cayman Islands.

**Permitted Transferee** has the meaning given to that term in the Shareholders' Agreement.

**Project Lender** has the meaning given to that term in the Shareholders' Agreement.

**Security** has the meaning given to that term in the Shareholders' Agreement.

**Shareholders' Agreement** means the agreement between MCE Cotai Investments Limited, New Cotai, LLC, MCE, and the Company dated [●] 2011, as amended from time to time.

**Subsidiary** has the meaning given to that term in the Companies Ordinance of Hong Kong (Cap 32 of the Laws of Hong Kong).

**Unsuitable Person** has the meaning given to that term in the Shareholders' Agreement.

**Upstream Securities** has the meaning given to that term in the Shareholders' Agreement.

### 1.2 Construction

Unless expressed to the contrary, in this document:

(a) words in the singular include the plural and vice versa;

(b) any gender includes the other genders;

(c) if a word or phrase is defined its other grammatical forms have corresponding meanings;

(d) a party may give or withhold any consent to be given under this document in its absolute discretion and may impose any conditions on that consent;

(e) “includes” means includes without limitation;

(f) no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause;

(g) a reference to:

  (i) a person includes a partnership, individual, limited liability company, trust, joint venture, unincorporated association, corporation and a Governmental Agency;

  (ii) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced;

  (iii) an obligation includes a warranty or representation and a reference to a failure to comply with an obligation includes a breach of warranty or representation;

  (iv) a right includes a benefit, remedy, discretion or power;

  (v) this or any other document includes the document as novated, varied or replaced in accordance with the terms of this document or the other document and despite any change in the identity of the parties;

  (vi) a clause, schedule or annexure is a reference to a clause, schedule or annexure, as the case may be, of this document;

  (vii) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes fax transmissions; and

  (viii) this document includes all schedules and annexures to it;

  (ix) if the number of Securities the Effective Interest in Securities represents is required to be calculated, if the number is not a whole number, that number will be rounded up or down, as appropriate, with .5 or greater rounded up;

(h) if the date on or by which any act must be done under this document is not a Business Day, the act must be done on or by the next Business Day; and

(i) where time is to be calculated by reference to a day or event, that day or the day of that event is excluded.

2 Confidential Information

**2.1 Duty of confidentiality**

(a) The Recipient must keep the Confidential Information disclosed by the Discloser to the Recipient confidential and must not disclose any Confidential Information except:

(i) in the case where the Recipient is a holder of Upstream Securities, where permitted under **clause 2.2**, **2.3**, or **2.4**; or

(ii) in any other case, where permitted under **clause 2.3** or **2.4**.

(b) The Recipient must not knowingly disclose any information to any Competitor or an Unsuitable Person, or any of their respective directors, officers, or employees.

**2.2 Disclosure by holders of Upstream Securities**

If the Recipient is a holder of Upstream Securities, the Recipient may disclose any Confidential Information:

(a) received by the Shareholder applicable to such holder of Upstream Securities under clause 30.1 or 31.1(a)(i) of the Shareholders' Agreement and disclosed to the Recipient in compliance with the Shareholders' Agreement to any other holder of Upstream Securities that has an Effective Interest in Securities of 1% or more;

(b) received by the Shareholder applicable to such holder of Upstream Securities under clauses 30.2, 30.4 or 31.1(a)(ii) of the Shareholders' Agreement and disclosed to the Recipient in compliance with the Shareholders' Agreement to any other holder of Upstream Securities that has an Effective Interest in Securities of 15% or more;

(c) to Oaktree Capital Management, L.P., or any investment fund or account or entity managed by Oaktree Capital Management, L.P. that is a holder of Upstream Securities, so long as those persons own Effective Interests in Securities of at least 4% in aggregate; or

(d) to any officer, manager, employee, representative, director (or equivalent) or financial, legal or accounting adviser of or lender to the Recipient or any of the other persons specified in the applicable paragraphs of this **clause 2.2**.

**2.3 Disclosure generally**

The Recipient may disclose any Confidential Information received by it:

(a) if the Recipient is an investment fund, to any partner in that fund;

(b) to any officer, manager, employee, director (or equivalent) or financial, legal, valuation or accounting adviser of or lender to the Recipient or any of the other persons specified in this **clause 2.3**;

(c) to any Project Lender; and

(d) to any Financial Supporter.

### 2.4 Exceptions

(a) Despite any other provision of this clause to the contrary, but subject to **clause 2.4(b)**, the Recipient may disclose Confidential Information to:

(i) any person to whom it is required to disclose the information by Law;

(ii) any person to the extent necessary in connection with the exercise of any remedy hereunder;

(iii) any Governmental Agency where required by that agency; or

(iv) any stock exchange on which its securities, or the securities of any of its Affiliates, are listed if required by the listing or exchange rules of such stock exchange.

(b) If the Recipient is required to disclose information under **clause 2.4(a)**, the Recipient must use commercially reasonable endeavours to, and to the maximum extent permitted by Law to, limit the form and content of that disclosure.

### 2.5 Copies and extracts of Confidential Information

(a) The Recipient may only copy or extract any Confidential Information to the extent reasonably required by the Recipient.

(b) Where the Recipient copies or extracts Confidential Information, the Recipient must comply with **clause 3** in respect of any copy or extract.

## 3 Return or destruction of Confidential Information

### 3.1 Return or destruction

Subject to **clause 3.2** and except as required by Law, the Recipient must within three Business Days of [**the Discloser requesting in writing[1]/the Recipient ceasing to be a holder of Upstream Securities[2]**] return to the Discloser (or if the Discloser requests, destroy) all material containing any Confidential Information that is in the possession or control of the Recipient (including any Confidential Information disclosed by that person under **clause 2.2** or **2.3**, as applicable) unless such Confidential Information is in electronic form, in which case the Recipient must use all reasonable endeavours to destroy such Confidential Information.

[1] This will apply in the case where the Recipient is a Prospective Purchaser.

[2] This will apply in all cases other than where the Recipient is a Prospective Purchaser.

### 3.2 Retained papers

The Recipient may retain board papers, board presentations, board minutes, and any reports containing Confidential Information but must ensure that such information is kept confidential and used only to the extent required by the Recipient.

### 3.3 Obligations to continue after materials returned

The obligations of the Recipient under this document will, from the date of this document, continue and be enforceable at any time by the Discloser and its Affiliates (under clause (a) of that definition, but not clause (b) or (c) thereof), even if the materials containing the Confidential Information are returned to the Discloser or destroyed, pursuant to **clause 3.1**.

### 3.4 The Recipient must certify destruction of materials

If the Discloser requests the Recipient to destroy any materials containing Confidential Information pursuant to **clause 3.1** :

(a) without limiting **clause 3.1**, all electronic or computer data or programs containing Confidential Information must be permanently deleted from the magnetic or other storage media on which it is stored so that it cannot be recovered or reconstructed in any way; and

(b) the Recipient must certify in writing to the Discloser within five Business Days that the Confidential Information has been permanently and irretrievably deleted.

4 Indemnity

### 4.1 Indemnity

(a) The Recipient must indemnify and keep indemnified the Discloser from and against:

  (i) any cost, expense, loss, liability or damage; and

  (ii) any liability whatsoever in respect of any action, claim or proceeding brought or threatened to be brought (including all costs and expenses which the Discloser may suffer or incur in disputing any such action, claim or proceeding),

in respect of or in connection with any breach of this document.

(b) This indemnity survives termination of this document.

## 5 Liability

### 5.1 Discloser does not warrant Confidential Information is accurate

The Recipient acknowledges that:

(a) the Discloser does not represent that the Confidential Information is accurate or complete; and

(b) the Confidential Information may:

- (i) have been prepared without any particular standard of care;
- (ii) be speculative;
- (iii) be forward looking and relatively uncertain;
- (iv) be based on assumptions (stated or unstated) which may not be realised; and
- (v) contain material which has not been audited or verified.

### 5.2 Liability

Subject to any written agreement between the parties to the contrary, the Discloser is not liable to the Recipient or any other person in relation to the use of the Confidential Information by the Recipient or any other person.

### 5.3 Release

Subject to any written agreement between the parties to the contrary, the Recipient releases the Discloser to the fullest extent permitted by law from any claim regarding any person's reliance on the Confidential Information.

## 6 Injunctive relief

The Recipient acknowledges that:

(a) because of the nature of the Confidential Information, damages or an account of profit may be an inadequate remedy for the Discloser in the event of an unauthorised use or disclosure of the Confidential Information; and

(b) the Discloser is entitled to seek an ex parte interlocutory or final injunction to restrain any actual or threatened unauthorised use or disclosure of the Confidential Information by the Recipient.

## 7 [**Termination**

(a) **The Discloser may terminate this document at any time by giving written notice to the Recipient.**

(b) **Any notice given to terminate this document will be taken to be a request to return or destroy all material containing any Confidential Information in accordance with clause 3.1.]** [3]

8 General

**8.1 Severance**

(a) Subject to **clause 8.1(b)**, if a provision of this document is illegal or unenforceable in any relevant jurisdiction, it may be severed for the purposes of that jurisdiction without affecting the enforceability of the other provisions of this document.

(b) **Clause 8.1(a)** does not apply if severing the provision:

(i) materially alters:

(A) the scope and nature of this document; or

(B) the relative commercial or financial positions of the parties; or

(ii) would be contrary to public policy.

**8.2 Amendment**

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

**8.3 Waiver and exercise of rights**

(a) A single or partial exercise or waiver of a right relating to this document does not prevent any other exercise of that right or the exercise of any other right.

(b) A party is not liable for any loss, cost or expense of any other party caused or contributed to by the waiver, exercise, attempted exercise, failure to exercise or delay in the exercise of a right.

**8.4 Governing law and jurisdiction**

This document is governed by and is to be construed in accordance with the laws applicable in Hong Kong.

**8.5 Assignment**

Neither party may assign any right or obligation under this document without the other party's prior written consent. Any dealing in breach of this clause is of no effect.

**8.6 Entire understanding**

This document and the Shareholders' Agreement (if applicable) contain the entire understanding between the parties as to the subject matter of this document.

[3] This will apply where the Recipient is a Prospective Purchaser only.

**8.7 Legal costs**

Except as expressly stated otherwise in this document, each party must pay its own legal and other costs and expenses of negotiating, preparing, executing and performing its obligations under this document.

**8.8 Rights cumulative**

Except as expressly stated otherwise in this document, the rights of a party under this document are cumulative and are in addition to any other rights of that party.

**8.9 Further steps**

Each party must promptly do whatever any other party reasonably requires of it to give effect to this document and to perform its obligations under it.

**8.10 Counterparts and facsimile copies**

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

(b) This document may be entered into and becomes binding on the parties upon one party (**Sender**) signing the document and sending a facsimile copy of the signed document to the other party (**Receiver**) and the Receiver either:

(i) signing the document received by it and sending it by facsimile transmission to the Sender; or

(ii) signing a counterpart of the document received by it and sending it by facsimile transmission to the Sender.

**8.11 Relationship of parties**

This document is not intended to create a partnership, joint venture or agency relationship between the parties.

**8.12 Ownership thresholds**

In determining the number of Upstream Securities held by a person in an entity for the purposes of any threshold in this document, Upstream Securities held by an Affiliate of that person in that same entity shall be deemed to be held by that person.

**8.13 Agreement to Compulsory Transfer**

(a) If the Recipient is a holder of Upstream Securities having an Effective Interest in Securities greater than 1%, the Recipient:

(i) acknowledges and agrees that it has been provided with a copy of clause 27 of the Shareholders Agreement; and

(ii) agrees to comply with clause 27 of the Shareholders' Agreement with regard to the requirements of a holder of Upstream Securities to transfer interests in Upstream Securities in the circumstances set out in clause 27 of the Shareholders' Agreement, and the Recipient agrees to be bound by the applicable provisions of such clause as if it was set out in full in this document.

(b) Despite **clause 8.13(a)**, if the Recipient is a holder of Upstream Securities as of the date of the Shareholders' Agreement and either:

(i) the Recipient or any Permitted Transferee to whom those Upstream Securities are transferred in accordance with the Shareholders' Agreement becomes a Competitor or an Unsuitable Person; or

(ii) the Recipient is the subject of any notice from a Governmental Agency under clause 27.2(b)(ii) of the Shareholders' Agreement,

MCE and the Recipient will meet to agree on a process for resolving the issue.

(c) The parties acknowledge and agree that the covenants in **clauses 8.13(a)** and **8.13(b)** are given for the benefit of each of the parties to the Shareholders' Agreement and each of the parties to that agreement may enforce those covenants despite not being a party to this document.

## 9 Notices

### 9.1 General

A notice, demand, certification, process or other communication relating to this document must be in writing in English and may be given by an agent of the sender.

### 9.2 How to give a communication

A communication must be given by being:

(a) personally delivered;

(b) left at the party's current delivery address for notices;

(c) sent to the party's current postal address for notices by reputable international delivery service for delivery within three days; or

(d) sent by fax to the party's current fax number for notices,

provided that any communication hereunder may also be sent by e-mail (which shall not constitute notice).

### 9.3 Particulars for delivery of notices

(a) The particulars for delivery of notices for each party, including such party's (i) delivery address for notices, (ii) postal address for notices (if different than delivery address), (iii) facsimile number for notices, (iv) e- mail address for notices, and (v) the person or office to whom notices are to be addressed, are initially as set out opposite such party's name at the commencement of this document.

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

### 9.4 Communications by post

Subject to **clause 9.6**, a communication is deemed given five days after being sent under **clause 9.2(c)**.

### 9.5 Communications by fax

Subject to **clause 9.6**, a communication is deemed given if sent by fax, when the sender's fax machine produces a report that the fax was sent in full to the addressee. That report is conclusive evidence that the addressee received the fax in full at the time indicated on that report.

### 9.6 After hours communications

If a communication is given:

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

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

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

### 9.7 Receipt of notice

A notice, demand, certification, process or other communication relating to this document shall be deemed received when it is deemed given hereunder.

**Executed** as a deed.

**Signed, Sealed and Delivered** )
as a deed in the name of )
[**Discloser**] acting by )

______________________________ )
its duly authorised representative )
with authority of the board ) ______________________________
in the presence of: ) Authorised Representative

______________________________
Name of witness:
Title of witness:

**Signed, Sealed and Delivered** )
as a deed in the name of )
[**Recipient**] acting by )

______________________________ )
its duly authorised representative )
with authority of the board ) ______________________________
in the presence of: ) Authorised Representative

______________________________
Name of witness:
Title of witness:

**Annexure D**

**Shareholder Loan Agreement**

[Lender]

Cyber One Agents Limited

**Shareholder Loan Agreement**

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**Date**

**Parties**

**Cyber One Agents Limited** a company incorporated in the British Virgin Islands, with its registered office at Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands; facsimile number [●]; e-mail address: [●]; attention: [●] (**Borrower**)

[●] of [●]; facsimile number [●]; e-mail address: [●]; attention: [●] (**Lender**)

---

Agreed terms

**1 Interpretation**

**1.1 Definitions**

Any terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Shareholders' Agreement. In this document:

**Advance** means the amount of [US$[●]/HK$[●]] advanced by the Lender to the Borrower under this document.

**Business Day** means a day which is not a Saturday, Sunday or bank or public holiday in Hong Kong or New York, nor a day on which a tropical cyclone warning No. 8 or above or a "black rainstorm warning signal" is hoisted or remains hoisted in Hong Kong at any time between 9.00 am and 5.00 pm.

**[HIBOR** means, with respect to the Interest Period, the rate designated as "FIXING@11:00" (or any other designation which may from time to time replace that designation or, if no such designation appears, the arithmetic average (rounded upwards, to four decimal places) of the displayed rates for the relevant period) appearing under the heading "HONG KONG INTERBANK OFFERED RATES (HK DOLLAR)" on the Reuters Screen HIBOR1=R Page. If such rate does not appear on Reuters Screen HIBOR Page as of 11:00 a.m., Hong Kong time, on the applicable Quotation Date, the Lender shall request the principal Hong Kong office of any four prime banks in the Hong Kong interbank market selected by Lender to provide such banks' quotations of the rates at which deposits in HK$ are offered by such banks at approximately 11:00 a.m., Hong Kong time, to prime banks in the Hong Kong interbank market for a three month period commencing on the first day of the related Interest Period and in a principal amount that is representative for a single transaction in the relevant market at the relevant time. If at least two such offered quotations are so provided, HIBOR will be the arithmetic mean of such quotations (expressed as a percentage and rounded upwards, if necessary, to the nearest one one thousandth (1/1000) of 1.00%).]

**Insolvency Event** means any of the following:

(a) an application or order is made for the winding up or dissolution or a resolution is passed or any steps are taken to pass a resolution for the winding up or dissolution of a corporation;

(b) an administrator, provisional liquidator, liquidator or person having a similar or analogous function under the laws of any relevant jurisdiction is appointed in respect of a corporation or any action is taken to appoint any such person and the action is not stayed, withdrawn or dismissed within 90 days;

(c) a person enters into or takes any action to enter into an arrangement (including a scheme of arrangement or deed of company arrangement), composition or compromise with, or assignment for the benefit of, all or any class of the person's creditors or members or a moratorium involving any of them;

(d) a petition for the making of a sequestration order against the estate of a person is presented and the petition is not stayed, withdrawn or dismissed within 90 days or a person presents a petition against himself or herself;

(e) a person presents a declaration of intention for bankruptcy; or

(f) anything analogous to or of a similar effect to anything described above under the law of any relevant jurisdiction occurs in respect of a person.

**Interest Payment Date** means the last day of each Interest Period.

**Interest Period** means each period determined in accordance with **clause 3.1**.

**Interest Rate** means, in relation to each Interest Period until the Advance becomes due and payable, an interest rate equal to the sum of [LIBOR/HIBOR] and the Margin.

[**LIBOR** means, with respect to any Interest Period, the rate (expressed as a percentage per annum rounded upwards, if necessary, to the nearest one one thousandth (1/1000) of 1.00%) for deposits in US$ for a three month period that appears on Reuters Screen LIBOR01 Page as of 11:00 a.m., London time, on the applicable Quotation Date). If such rate does not appear on Reuters Screen LIBO Page as of 11:00 a.m., London time, on the applicable Quotation Date, the Lender shall request the principal London office of any four prime banks in the London interbank market selected by Lender to provide such banks' quotations of the rates at which deposits in U.S. Dollars are offered by such banks at approximately 11:00 a.m., London time, to prime banks in the London interbank market for a three month period commencing on the first day of the related Interest Period and in a principal amount that is representative for a single transaction in the relevant market at the relevant time. If at least two such offered quotations are so provided, LIBOR will be the arithmetic mean of such quotations (expressed as a percentage and rounded upwards, if necessary, to the nearest one one thousandth (1/1000) of 1.00%).]

**Margin** means 7% per annum.

**Outstanding Principal** means the aggregate of the unrepaid Advance.

**Quotation Date** means, in relation to any period for which an interest rate is to be determined, two [London/Hong Kong] Business Days before the first day of that period (or, for the first Interest Period, the first day of that period).

**Repayment Date** means the date which is the 7th anniversary of the date hereof.

**Shareholders' Agreement** means the agreement between MCE Cotai Investments Limited, New Cotai, LLC and others dated [●] 2011, as amended to date.

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

### 1.2 Construction

Unless expressed to the contrary, in this document:

(a) words in the singular include the plural and vice versa;

(b) any gender includes the other genders;

(c) if a word or phrase is defined its other grammatical forms have corresponding meanings;

(d) a party may give or withhold any consent to be given under this document in its absolute discretion and may impose any conditions on that consent;

(e) "includes" means includes without limitation;

(f) no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause;

(g) a reference to:

  (i) a person includes a partnership, individual, limited liability company, trust, joint venture, unincorporated association, corporation and a government or statutory body or authority;

  (ii) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced;

  (iii) an obligation includes a warranty or representation and a reference to a failure to comply with an obligation includes a breach of warranty or representation;

  (iv) a right includes a benefit, remedy, discretion or power;

  (v) this or any other document includes the document as novated, varied or replaced in accordance with the terms of this document or the other document and despite any change in the identity of the parties;

(vi) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes fax transmissions; and

(vii) this document includes all schedules and annexures to it;

(viii) time is to local time in Hong Kong; and

(ix) [“US$” is a reference to the currency of United States of America/“HK$” is a reference to the currency of Hong Kong SAR];

(h) if the date on or by which any act must be done under this document is not a Business Day, the act must be done on or by the next Business Day; and

(i) where time is to be calculated by reference to a day or event, that day or the day of that event is excluded.

2 Loan

**2.1 Loan**

On the date of this document the Lender makes the Advance in [US$/HK$] to the Borrower.

**2.2 Purpose**

The Borrower may use the Advance for such purposes as it determines.

3 Interest

**3.1 Interest Periods**

(a) Subject to **clause 3.1(c)**:

(i) each Interest Period must be a period of 90 days; and

(ii) the first Interest Period for the Advance begins on the date of this document and has the duration described in **clause 3.1(a)(i)**.

(b) Each subsequent Interest Period for the Advance:

(i) begins when the preceding Interest Period for the Advance ends; and

(ii) has the same duration as the preceding Interest Period.

(c) An Interest Period which would otherwise end on a day which is not a Business Day ends on the next Business Day and an Interest Period which would otherwise end after the Repayment Date ends on the Repayment Date.

### 3.2 Payment and rate

Subject to **clauses 3.4** and **4**, interest is payable at the Interest Rate and due on each Interest Payment Date.

### 3.3 Computation

Interest will:

(a) accrue from day to day;

(b) be computed from and including the day when the money on which interest is payable becomes owing to the Lender by the Borrower until but excluding the day of payment of that money; and

(c) be calculated on the actual number of days elapsed on the basis of a [360/365] day year.

### 3.4 Capitalisation

To the extent Borrower is prohibited from making regular payments of interest pursuant to the terms of any debt financing advanced, from time to time, by Project Lenders, the Lender shall capitalise on each Interest Payment Date the interest due and payable by the Borrower on that date but which remains unpaid (and the amount so capitalised shall, from that date, be added to and form part of the Loan).

### 3.5 Merger

If the liability of the Borrower to pay to the Lender any money payable under this document becomes merged in any deed, judgment, order or other thing, the Borrower must pay interest on the amount owing from time to time under that deed, judgment, order or other thing at the rate payable under this document.

## 4 Repayment and prepayment

### 4.1 Repayment

The Borrower must, subject to the terms of the Shareholders Agreement, repay the Outstanding Principal together with all interest accrued thereon to the Lender on the Repayment Date.

### 4.2 Prepayment on Demand

Subject to the terms of the Shareholders’ Agreement, the Lender may at any time request that the Borrower prepays all or part of the Outstanding Principal and/or any interest accrued thereon to the Lender and the Borrower must comply with such request within 5 Business Days.

### 4.3 Voluntary Prepayment

(a) The Borrower may prepay the Advance together with all interest accrued thereon or any part of it at any time without penalty or premium.

(b) Any money prepaid may not be re-borrowed.

## 5 Payments

### 5.1 Place, manner and time of payment

The Borrower must make payments to the Lender under this document:

(a) in accordance with the wiring instructions provided by the Lender;

(b) by 11.00 am Hong Kong time; and

(c) in immediately available funds and without set-off, counter claim, condition or, unless required by law, deduction or withholding.

## 6 Events of Default

### 6.1 Nature

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

(a) **non-payment:** the Borrower does not pay any money due for payment by it under **clauses 4.1** or **4.2**;

(b) **void document:** this document is void, voidable or otherwise unenforceable by the Lender or is claimed to be so by the Borrower; and

(c) **Insolvency Event:** an Insolvency Event occurs in relation to the Borrower.

### 6.2 Acceleration

(a) If an Event of Default subsists, the Lender may at any time by notice to the Borrower do either or both of the following:

  (i) cancel the Loan or any part of it specified in the notice; and

  (ii) make the Outstanding Principal and any unpaid accrued interest or fees either:

    (A) payable on demand; or

    (B) immediately due for payment.

(b) On receipt of a notice under **clause 6.2(a)(ii)(B)**, the Borrower must immediately pay in full the amounts referred to in that notice.

## 7 Costs and expenses

### 7.1 Reimbursement of costs and expenses

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

(a) the Lender’s costs and expenses (including reasonable legal costs and expenses on a full indemnity basis) in relation to:

  (i) the preparation, execution and stamping of this document and any variation, replacement or discharge of this document; and

(ii) the exercise or attempted exercise or the preservation of any rights of the Lender under this document; and

(b) any Taxes and registration or other fees (including fines and penalties relating to the Taxes and fees) which are payable in relation to this document or any transaction contemplated hereby.

8 General

**8.1 Lender’s determination and certificate**

A certificate by the Lender relating to this document is, in the absence of manifest error, conclusive evidence against the Borrower of the matters certified.

**8.2 Supervening legislation**

Any present or future legislation which operates to lessen or vary in favour of the Borrower any of its obligations in connection with this document or to postpone, stay, suspend or curtail any rights of the Lender under this document is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

**8.3 Business Days**

If the day on which anything, including a payment, is to be done by the Borrower under this document is not a Business Day, that thing must be done on the preceding Business Day.

**8.4 Amendment**

This document may only be varied or replaced by a document executed by the parties and approved by a Majority of the Minority Shareholders; provided, that any variation or replacement does not materially prejudice any of the Shareholders in a manner disproportionate to its ownership of Securities.

**8.5 Waiver and exercise of rights**

(a) A right in favour of the Lender under this document, a breach of an obligation of the Borrower under this document or the occurrence of an Event of Default can only be waived by an instrument duly executed by the Lender. No other act, omission or delay of the Lender will constitute a waiver, binding, or estoppel against, the Lender.

(b) A single or partial exercise or waiver by the Lender of a right relating to this document will not prevent any other exercise of that right or the exercise of any other right.

### 8.6 Approval and consent

The Lender may conditionally or unconditionally give or withhold any consent to be given under this document and is not obliged to give its reasons for doing so.

### 8.7 Assignment

Other than the granting of security by Lender to an external financier, a party must not assign or otherwise dispose of any right under this document without the written consent of the other.

### 8.8 Governing law and jurisdiction

This document is governed by and is to be construed in accordance with the laws applicable in Hong Kong. Each of the parties hereby submits to the exclusive jurisdiction of the courts of Hong Kong.

### 8.9 Counterparts and facsimile copies

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

(b) This document may be entered into and becomes binding on the parties upon one party (**Sender**) signing the document and sending a facsimile copy of the signed document to the other party (**Receiver**) and the Receiver either:

  (i) signing the document received by it and sending it by facsimile transmission to the Sender; or

  (ii) signing a counterpart of the document received by it and sending it by facsimile transmission to the Sender.

## 9 Notices

### 9.1 General

A notice, demand, certification, process or other communication relating to this document must be in writing in English and may be given by an agent of the sender.

### 9.2 How to give a communication

A communication must be given by being:

(a) personally delivered;

(b) left at the party’s current delivery address for notices;

(c) sent to the party’s current postal address for notices by reputable international delivery service for delivery within five days; or

(d) sent by fax to the party’s current fax number for notices,

provided that any communication hereunder must also be sent by e-mail (which shall not constitute notice).

**9.3 Particulars for delivery of notices**

(a) The particulars for delivery of notices are as for each party, including such party's (i) delivery address for notices, (ii) postal address for notices (if different to the delivery address), (iii) facsimile number for notices, (iv) e-mail address for notice, and (v) the person or office to whom notices are to be addressed, are initially as set out opposite such party's name at the commencement of this document. A copy of any notice provided to Borrower hereunder shall also be provided to New Cotai and MCE.

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

**9.4 Communications by post**

Subject to **clause 9.6**, a communication is deemed given five days after being sent under **clause 9.2(c)**.

**9.5 Communications by fax**

Subject to **clause 9.6**, a communication is deemed given if sent by fax, when the sender's fax machine produces a report that the fax was sent in full to the addressee. That report is conclusive evidence that the addressee received the fax in full at the time indicated on that report.

**9.6 After hours communications**

If a communication is given:

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

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

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

**9.7 Receipt of notice**

A notice, demand, certification, process or other communication relating to this document shall be deemed received when it is deemed given hereunder.

**Executed** as an agreement

**SIGNED** by )
)
______________________________ )
for and on behalf of )
**CYBER ONE AGENTS LIMITED** )
as its authorised representative )
with authority from the board )
in the presence of:

______________________________
Authorised Representative

______________________________
Name of witness:
Title of witness:

**SIGNED** by )
)
______________________________ )
for and on behalf of )
**[Insert name of Lender]** )
as its authorised representative )
with authority from the board )
in the presence of:

______________________________
Authorised Representative

______________________________
Name of witness:
Title of witness:

**Annexure E**

**Registration Rights Agreement**

[omitted]

**Annexure F-1**

**MCE Commitment Letter**

**EXECUTION VERSION**

Melco Crown Entertainment Limited
6/F, The Centrium
60 Wyndham Street
Central
Hong Kong;
Attention: Chief Legal Officer
Telecopy No.: +852-2537-3618

[●], 2011

Cyber One Agents Limited
c/o Offshore Incorporations Centre
P.O. Box 957, Road Town
Tortola, British Virgin Islands
Attention: [●]
Fax No.: [●]

Ladies and Gentlemen:

This commitment agreement (this "Agreement") is dated [●], 2011 and is entered into by and between Melco Crown Entertainment Limited ("MCE") and Cyber One Agents Limited (the "Company"). Capitalized terms used herein but not defined shall have the meanings given to such terms in the Shareholders' Agreement by and among the Company, New Cotai, LLC, MCE Cotai Investments Limited ("MCE Cotai") and MCE (as acceded to, and amended, from time to time, the "Shareholders' Agreement").

1. Commitment. MCE hereby agrees upon the terms and subject to the conditions set forth herein, (x) to provide or cause to be provided to MCE Cotai, directly or through one or more other entities, funds to meet any and all Capital Calls made on MCE Cotai by the Company, from time to time pursuant to and in accordance with clause 17 of the Shareholders' Agreement, (y) if Financial Support is required by the Project Lenders and requested by the Board, to provide to the Company Financial Support on behalf of MCE Cotai, from time to time pursuant to and in accordance with clause 20 of the Shareholders' Agreement, and (z) to exercise all of its rights as a direct or indirect equity holder to cause MCE Cotai to meet, and in any event to not take any affirmative action as a direct or indirect equity holder, or refrain from taking any affirmative action as a direct or indirect equity holder, to prevent MCE Cotai from meeting, such Capital Call in accordance with clause 17 of the Shareholders' Agreement, in the case of each of clause (x) and (y), if and only to the extent that MCE Cotai does not otherwise have sufficient funds to meet those Capital Calls or provide such Financial Support; provided, however, that in no event shall MCE be required to provide such funds and/or such Financial Support in an amount exceeding MCE's Maximum Obligations (such commitment, the "Commitment"). The Commitment shall be subject to all defenses available to MCE Cotai under the Shareholders' Agreement with respect to any Capital Call or obligation to provide Financial Support, each of which defenses may be asserted directly by or on behalf of MCE. For the purposes of clause (z), the obligation of MCE to take action under that clause shall include an obligation on MCE to exercise all of its rights (i) under the constituent documents of MCE Cotai to approve or authorize (as the case may be) the Capital Call to be met, (ii) to instruct its board member appointees of MCE Cotai to approve and authorize the Capital Call to be met, and (iii) to vote any of the securities held by it in MCE Cotai to approve or authorize the Capital Call to be met. Nothing in this Agreement is intended to limit in any respect MCE Cotai's right to exercise all defenses available to it under the Shareholders' Agreement with respect to any Capital Call or obligation to provide Financial Support, or require MCE to in any way attempt to limit such exercise.

For purposes hereof, (a) "Maximum Obligations" in respect of any Capital Call and/or any requirement to provide Financial Support from time to time means an amount equal to the lesser of (i) the amount of such Capital Call made on MCE Cotai or Financial Support required to be provided by MCE Cotai, as the case may be, and (ii) the Aggregate Remaining MCE Cotai Capital Commitment, and (b) "Aggregate Remaining MCE Cotai Capital Commitment" means, as of any date of any Capital Call or request to provide Financial Support (as the case may be), an amount equal to $480 million less the aggregate amounts subscribed for or advanced to the Company by or on behalf of MCE Cotai (including through draws by the Company on this Commitment) as of such date under clauses 17 and 18 of the Shareholders' Agreement, less the aggregate amount of Financial Support provided on behalf of MCE Cotai (including through draws by the Company on this Commitment) as of such date under clause 20 of the Shareholders' Agreement, less the amount by which MCE Cotai's obligation to make Capital Calls is reduced either in connection with a Transfer of Financial Interests held by MCE Cotai as provided in clause 22.5 of the Shareholders' Agreement or pursuant to an amendment to the Shareholders' Agreement to reduce the maximum amount payable in respect of all Capital Calls under clause 17.5 of the Shareholders' Agreement.

2. No Recourse. Notwithstanding anything that may be expressed or implied in this Agreement or any document or instrument delivered in connection herewith, by its acceptance of the benefits of this Agreement, the Company covenants, agrees and acknowledges that no person or entity other than MCE has any obligation hereunder, and no personal liability shall attach to, the former, current or future equity holders, controlling persons, directors, officers, employees, agents, affiliates, members, managers, general or limited partners or assignees of MCE or any former, current or future stockholder, controlling person, director, officer, employee, general or limited partner, member, manager, affiliate (other than, in the case of MCE Cotai, under the Shareholders' Agreement), agent or assignee of any of the foregoing, whether by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute, regulation or applicable law, or otherwise.

3. Termination. Upon the earliest of (x) the full satisfaction of the maximum amount payable by MCE Cotai in respect of all Capital Calls pursuant to clause 17.5 of the Shareholders' Agreement, (y) the expiration of the period for the making of Capital Calls under clause 17.10 of the Shareholders' Agreement and (z) the termination of the Shareholders' Agreement in accordance with its terms, this Agreement shall terminate and be of no further force and effect. Upon termination of this Agreement, MCE shall not have any liability to any person in connection with this Agreement except, in the case of clause (y) and (z), any breach of this Agreement occurring on or before the relevant date.

4. Representations and Warranties. MCE hereby represents and warrants to the Company that (i) MCE is duly organized, validly existing and in good standing under the laws of the state or country of its formation or organization, and has all necessary power and authority to enter into and perform this letter agreement, (ii) this letter agreement has been duly executed and delivered by MCE and constitutes a legal, valid and binding obligation of MCE, enforceable against MCE in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, (iii) MCE has and will have sufficient financial resources available to meet its obligations hereunder from time to time in an amount not less than the Aggregate Remaining MCE Cotai Capital Commitment, and (iv) no other approval is required for MCE to fulfill its obligations hereunder.

5. Amendments. This Agreement may be amended, modified, or waived with the written consent of MCE and the Company.

6. Assignment; Successors and Assigns. No assignment or transfer by any party of its rights and obligations under this Agreement will be made except with the prior written consent of (i) the Company (in the case of any assignment or transfer by MCE) or (ii) MCE (in the case of any assignment or transfer by the Company); provided, that (x) the Company may assign its rights pursuant to this Agreement to any Project Lender as collateral security without the prior written consent of MCE and (y) in connection with a Transfer or issuance of Upstream Securities in respect of MCE Cotai, MCE may assign all or any portion of its Commitment to the transferee or purchaser (as applicable) of such Upstream Securities, provided that (A) immediately following such assignment, the portion of the Commitment held by MCE relative to the portion of the Commitment held by such transferee or purchaser (as applicable) is substantially equivalent to the Effective Interest held by MCE relative to the Effective Interest held by such transferee or purchaser at such time, (B) the transferee or purchaser (as applicable) agrees to provide its portion of the Commitment on terms that are not in the aggregate materially less beneficial to the Company than the terms hereof and (C) the transferee or purchaser (as applicable) proves to the reasonable satisfaction of the Company that it has sufficient financial resources to meet the portion of the Commitment to be assigned to it under clause (A). All the covenants and agreements contained in this Agreement shall bind and inure to the benefit of any such assignee.

7. Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

8. Counterparts; Binding Agreement. This Agreement may be executed simultaneously in two or more separate counterparts (including by means of facsimile), any one of which need not contain the signatures of more than one party, but each of which will be an original and all of which together shall constitute one and the same agreement binding on all the parties hereto.

9. Confidentiality. This Agreement shall be treated as strictly confidential and is being provided to the Company solely in connection with the Shareholders' Agreement and the transactions contemplated thereby. This Agreement may not be used, circulated, quoted or otherwise referred to in any document, except with the written consent of each of the Company and MCE. Notwithstanding the foregoing, this Agreement may be (a) provided by the Company and MCE to their respective officers, managers, employees, directors (or equivalent) or financial, legal or accounting advisors or lenders who have been directed to treat this Agreement as confidential, (b) provided by MCE to its direct and indirect equity holders and their respective affiliates who have been directed to treat this Agreement as confidential and (c) disclosed to any person or entity if required by law or the rules of any stock exchange or regulatory authority (including a self-regulatory organization).

10. Specific Performance. MCE acknowledges and agrees that (a) irreparable damage would occur in the event that any of the provisions of this Agreement are not performed in accordance with their specific terms or are otherwise breached, and (b) remedies at law would not be adequate to compensate the non-breaching party. Accordingly, MCE agrees that the Company shall have the right, in addition to any other rights and remedies existing in its favor, to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce its rights and obligations hereunder not only by an action or actions for damages but also by an action or actions for specific performance, injunctive and/or other equitable relief. The right to equitable relief, including specific performance or injunctive relief, shall exist notwithstanding, and shall not be limited by, any other provision of this Agreement. MCE hereby waives any defense that a remedy at law is adequate and any requirement to post bond or other security in connection with actions instituted for injunctive relief, specific performance or other equitable remedies.

11. Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. The use of the word "including" in this Agreement shall be by way of example rather than by limitation. Unless otherwise noted, reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof. The use of the words "or," "either" and "any" shall not be exclusive. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Wherever a conflict exists between this Agreement and any other agreement, this Agreement shall control but solely to the extent of such conflict.

12. Applicable Law; Venue. This Agreement is governed by and is to be construed in accordance with the laws applicable in Hong Kong. Except as otherwise expressly provided in this Agreement, any dispute relating hereto shall be heard exclusively in the courts of Hong Kong, and the parties agree to jurisdiction and venue therein.

13. Addresses and Notices. All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be given or delivered, as applicable, as provided in clause 39 of the Shareholders' Agreement as if such provisions applied herein *mutatis mutandis*.

14. No Third Party Beneficiaries. None of the provisions of this Agreement shall be for the benefit of or enforceable by any person or entity other than the Company, including without limitation, any shareholder or creditor of the Company or any of their respective affiliates, and no creditor who makes a loan to the Company or any of its affiliates may have or acquire (except pursuant to the terms of a separate agreement executed by the Company in favor of such creditor) at any time as a result of making the loan any direct or indirect interest in the Commitment other than as a secured creditor of the Company.

15. Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

16. Further Action. The parties agree to execute and deliver all documents, provide all information and take or refrain from taking such actions as may be necessary or appropriate to achieve the purposes of this Agreement.

17. Entire Agreement. This Agreement, those documents expressly referred to herein and other documents dated as of even date herewith embody the complete agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

18. Delivery by Facsimile. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall reexecute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

* * * * * * *

Sincerely,

MELCO CROWN ENTERTAINMENT LIMITED

By: ____________________________
Name:
Title:

Acknowledged and agreed as of the date first written above by:

CYBER ONE AGENTS LIMITED

By: ______________________________________
Name:
Title:

**Annexure F-2**

**Silver Point Funds Commitment Letter**

**EXECUTION VERSION**

Silver Point Capital Fund, L.P.
Silver Point Capital Offshore Master Fund, L.P.
c/o Silver Point Capital, L.P.
Two Greenwich Plaza
Greenwich, CT 06830
Fax No.: + 1 (203) 542-4128

[●], 2011

Cyber One Agents Limited
c/o Offshore Incorporations Centre
P.O. Box 957, Road Town
Tortola, British Virgin Islands
Attention: [●]
Fax No.: [●]

Ladies and Gentlemen:

This commitment agreement (this "Agreement") is dated [●], 2011 and is entered into by and among Silver Point Capital Fund, L.P. ("SPCF"), Silver Point Capital Offshore Master Fund, L.P. ("SPCOMF" and, together with SPCF, the "Silver Point Funds"), and Cyber One Agents Limited (the "Company"). Capitalized terms used herein but not defined shall have the meanings given to such terms in the Shareholders' Agreement by and among the Company, New Cotai, LLC ("New Cotai"), MCE Cotai Investments Limited and Melco Crown Entertainment Limited (as acceded to, and amended, from time to time, the "Shareholders' Agreement").

1. Commitment. Each of the Silver Point Funds hereby agrees, on a several but not joint basis, upon the terms and subject to the conditions set forth herein, (x) to provide or cause to be provided to New Cotai, directly or through one or more other entities, funds to meet any and all Capital Calls made on New Cotai by the Company, from time to time pursuant to and in accordance with clause 17 of the Shareholders' Agreement, (y) if Financial Support is required by the Project Lenders and requested by the Board, to provide to the Company Financial Support on behalf of New Cotai, from time to time pursuant to and in accordance with clause 20 of the Shareholders' Agreement, and (z) to exercise all of its rights as a direct or indirect equity holder to cause New Cotai to meet, and in any event to not take any affirmative action as a direct or indirect equity holder, or refrain from taking any affirmative action as a direct or indirect equity holder, to prevent New Cotai from meeting, such Capital Call in accordance with clause 17 of the Shareholders' Agreement, in the case of each of clause (x) and (y), if and only to the extent that New Cotai does not otherwise have sufficient funds to meet those Capital Calls or provide such Financial Support; provided, however, that in no event shall the Silver Point Funds be required to provide such funds and/or such Financial Support in an amount exceeding such Silver Point Funds' Maximum Obligations (such commitment, the "Commitment"). The Commitment shall be subject to all defenses available to New Cotai under the Shareholders' Agreement with respect to any Capital Call or obligation to provide Financial Support, each of which defenses may be asserted directly by or on behalf of the Silver Point Funds. For the purposes of clause (z), the obligation of each of the Silver Point Funds to take action under that clause shall include an obligation on each of the Silver Point Funds to exercise all of their rights (i) under the constituent documents of New Cotai to approve or authorize (as the case may be) the Capital Call to be met, (ii) to instruct its board member appointees of New Cotai to approve and authorize the Capital Call to be met, and (iii) to vote any of the securities held by it in New Cotai to approve or authorize the Capital Call to be met. Nothing in this Agreement is intended to limit in any respect New Cotai's right to exercise all defenses available to it under the Shareholders' Agreement with respect to any Capital Call or obligation to provide Financial Support, or require the Silver Point Funds to in any way attempt to limit such exercise.

For purposes hereof, (a) "Maximum Obligations" in respect of any Capital Call and/or any requirement to provide Financial Support from time to time means (i) with respect to SPCF, an amount equal to the lesser of (A) SPCF's Pro Rata Share of the amount of such Capital Call made on New Cotai or Financial Support required to be provided by New Cotai, as the case may be, and (B) SPCF's Pro Rata Share of the Aggregate Remaining New Cotai Capital Commitment, and (ii) with respect to SPCOMF, an amount equal to the lesser of (x) SPCOMF's Pro Rata Share of the amount of such Capital Call made on New Cotai or Financial Support required to be provided by New Cotai, as the case may be, and (y) SPCOMF's Pro Rata Share of the Aggregate Remaining New Cotai Capital Commitment, (b) "Pro Rata Share"[1] means (I) with respect to SPCF, [•]% and (II) with respect to SPCOMF, [•]% and (c) "Aggregate Remaining New Cotai Capital Commitment" means, as of any date of any Capital Call or request to provide Financial Support (as the case may be), an amount equal to $320 million less the aggregate amounts subscribed for or advanced to the Company by or on behalf of New Cotai (including through draws by the Company on this Commitment) as of such date under clauses 17 and 18 of the Shareholders' Agreement, less the aggregate amount of Financial Support provided on behalf of New Cotai (including through draws by the Company on this Commitment) as of such date under clause 20 of the Shareholders' Agreement, less the amount by which New Cotai's obligation to make Capital Calls is reduced either in connection with a Transfer of Financial Interests held by New Cotai as provided in clause 22.5 of the Shareholders' Agreement or pursuant to an amendment to the Shareholders' Agreement to reduce the maximum amount payable in respect of all Capital Calls under clause 17.5 of the Shareholders' Agreement.

2. No Recourse. Notwithstanding anything that may be expressed or implied in this Agreement or any document or instrument delivered in connection herewith, by its acceptance of the benefits of this Agreement, the Company covenants, agrees and acknowledges that no person or entity other than the Silver Point Funds has any obligation hereunder, and no personal liability shall attach to, the former, current or future equity holders, controlling persons, directors, officers, employees, agents, affiliates, members, managers, general or limited partners or assignees of the Silver Point Funds or any former, current or future stockholder, controlling person, director, officer, employee, general or limited partner, member, manager, affiliate (other than, in the case of New Cotai, under the Shareholders' Agreement), agent or assignee of any of the foregoing, whether by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute, regulation or applicable law, or otherwise.

[1] NTD: Pro Rata Share of the Silver Point Funds to equal 78% in aggregate; break down to be filled in at the Effective Time.

3. Termination. Upon the earliest of (x) the full satisfaction of the maximum amount payable by New Cotai in respect of all Capital Calls pursuant to clause 17.5 of the Shareholders' Agreement, (y) the expiration of the period for the making of Capital Calls under clause 17.10 of the Shareholders' Agreement and (z) the termination of the Shareholders' Agreement in accordance with its terms, this Agreement shall terminate and be of no further force and effect. Upon termination of this Agreement, none of the Silver Point Funds shall have any liability to any person in connection with this Agreement except, in the case of clause (y) and (z), any breach of this Agreement occurring on or before the relevant date.

4. Representations and Warranties. Each of the Silver Point Funds hereby represents and warrants to the Company that (i) such Silver Point Fund is duly organized, validly existing and in good standing under the laws of the state or country of its formation or organization, and has all necessary power and authority to enter into and perform this letter agreement, (ii) this letter agreement has been duly executed and delivered by such Silver Point Fund and constitutes a legal, valid and binding obligation of such Silver Point Fund, enforceable against such Silver Point Fund in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, (iii) such Silver Point Fund has and will maintain available capital in an amount not less than such Silver Point Fund's Pro Rata Share of the Aggregate Remaining New Cotai Capital Commitment, and (iv) no other approval is required for such Silver Point Fund to fulfill its obligations hereunder.

5. Amendments. This Agreement may be amended, modified, or waived with the written consent of each of the Silver Point Funds and the Company.

6. Assignment; Successors and Assigns. No assignment or transfer by any party of its rights and obligations under this Agreement will be made except with the prior written consent of (i) the Company (in the case of any assignment or transfer by the Silver Point Funds) or (ii) each of the Silver Point Funds (in the case of any assignment or transfer by the Company); provided, that (x) the Company may assign its rights pursuant to this Agreement to any Project Lender as collateral security without the prior written consent of the Silver Point Funds and (y) in connection with a Transfer or issuance of Upstream Securities in respect of New Cotai, each Silver Point Fund may assign all or any portion of its Commitment to the transferee or purchaser (as applicable) of such Upstream Securities, provided that (A) immediately following such assignment, the portion of the Commitment held by such Silver Point Fund relative to the portion of the Commitment held by such transferee or purchaser (as applicable) is substantially equivalent to the Effective Interest held by such Silver Point Fund relative to the Effective Interest held by such transferee or purchaser at such time, (B) the transferee or purchaser (as applicable) agrees to provide its portion of the Commitment on terms that are not in the aggregate materially less beneficial to the Company than the terms hereof and (C) the transferee or purchaser (as applicable) proves to the reasonable satisfaction of the Company that it has sufficient financial resources to meet the portion of the Commitment to be assigned to it under clause (A). All the covenants and agreements contained in this Agreement shall bind and inure to the benefit of any such assignee.

7. Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

8. Counterparts; Binding Agreement. This Agreement may be executed simultaneously in two or more separate counterparts (including by means of facsimile), any one of which need not contain the signatures of more than one party, but each of which will be an original and all of which together shall constitute one and the same agreement binding on all the parties hereto.

9. Confidentiality. This Agreement shall be treated as strictly confidential and is being provided to the Company solely in connection with the Shareholders' Agreement and the transactions contemplated thereby. This Agreement may not be used, circulated, quoted or otherwise referred to in any document, except with the written consent of each of the Company and each of the Silver Point Funds. Notwithstanding the foregoing, this Agreement may be (a) provided by the Company and the Silver Point Funds to their respective officers, managers, employees, directors (or equivalent) or financial, legal or accounting advisors or lenders who have been directed to treat this Agreement as confidential, (b) provided by the Silver Point Funds to their direct and indirect equity holders and their respective affiliates who have been directed to treat this Agreement as confidential and (c) disclosed to any person or entity if required by law or the rules of any stock exchange or regulatory authority (including a self-regulatory organization).

10. Specific Performance. Each Silver Point Fund acknowledges and agrees that (a) irreparable damage would occur in the event that any of the provisions of this Agreement are not performed in accordance with their specific terms or are otherwise breached, and (b) remedies at law would not be adequate to compensate the non-breaching party. Accordingly, each Silver Point Fund agrees that the Company shall have the right, in addition to any other rights and remedies existing in its favor, to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce its rights and obligations hereunder not only by an action or actions for damages but also by an action or actions for specific performance, injunctive and/or other equitable relief. The right to equitable relief, including specific performance or injunctive relief, shall exist notwithstanding, and shall not be limited by, any other provision of this Agreement. Each Silver Point Fund hereby waives any defense that a remedy at law is adequate and any requirement to post bond or other security in connection with actions instituted for injunctive relief, specific performance or other equitable remedies.

11. Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. The use of the word "including" in this Agreement shall be by way of example rather than by limitation. Unless otherwise noted, reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof. The use of the words "or," "either" and "any" shall not be exclusive. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Wherever a conflict exists between this Agreement and any other agreement, this Agreement shall control but solely to the extent of such conflict.

12. Applicable Law; Venue. This Agreement is governed by and is to be construed in accordance with the laws applicable in Hong Kong. Except as otherwise expressly provided in this Agreement, any dispute relating hereto shall be heard exclusively in the courts of Hong Kong, and the parties agree to jurisdiction and venue therein.

13. Addresses and Notices. All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be given or delivered, as applicable, as provided in clause 39 of the Shareholders' Agreement as if such provisions applied herein *mutatis mutandis*.

14. No Third Party Beneficiaries. None of the provisions of this Agreement shall be for the benefit of or enforceable by any person or entity other than the Company, including without limitation, any shareholder or creditor of the Company or any of their respective affiliates, and no creditor who makes a loan to the Company or any of its affiliates may have or acquire (except pursuant to the terms of a separate agreement executed by the Company in favor of such creditor) at any time as a result of making the loan any direct or indirect interest in the Commitment other than as a secured creditor of the Company.

15. Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

16. Further Action. The parties agree to execute and deliver all documents, provide all information and take or refrain from taking such actions as may be necessary or appropriate to achieve the purposes of this Agreement.

17. Entire Agreement. This Agreement, those documents expressly referred to herein and other documents dated as of even date herewith embody the complete agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

18. Delivery by Facsimile. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall reexecute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

* * * * * * *

Sincerely,

SILVER POINT CAPITAL FUND, L.P.

By: Silver Point Capital General Partner, LLC,
its general partner

By: Silver Point Partners, LLC,
its managing member

By: Silver Point Capital Holdings, LLC,
its managing member

By: ______________________________
Name:
Title: Authorized Signatory

SILVER POINT CAPITAL OFFSHORE MASTER FUND, L.P.

By: Silver Point Capital, L.P.
its investment manager

By: ______________________________
Name:
Title: Authorized Signatory

Acknowledged and agreed as of the date first written above by:

CYBER ONE AGENTS LIMITED

By: ________________________________________
Name:
Title:

**Annexure F-3**

**Oaktree Funds Commitment Letter**

**EXECUTION VERSION**

OCM Opportunities Fund V, L.P.
OCM Asia Principal Opportunities Fund, L.P.
OCM Opportunities Fund VI, L.P.
333 South Grand Avenue
Los Angeles, CA 90071
Attention: General Counsel
Telecopy No.: + 1 (213) 830-8545

[●], 2011

Cyber One Agents Limited
c/o Offshore Incorporations Centre
P.O. Box 957, Road Town
Tortola, British Virgin Islands
Attention: [●]
Fax No.: [●]

Ladies and Gentlemen:

This commitment agreement (this "Agreement") is dated [●], 2011 and is entered into by and among OCM Opportunities Fund V, L.P. ("OCM V"), OCM Asia Principal Opportunities Fund, L.P. ("OCM Asia"), and OCM Opportunities Fund VI, L.P. ("OCM VI" and, together with OCM V and OCM Asia, the "Oaktree Funds"), and Cyber One Agents Limited (the "Company"). Capitalized terms used herein but not defined shall have the meanings given to such terms in the Shareholders' Agreement by and among the Company, New Cotai, LLC ("New Cotai"), MCE Cotai Investments Limited and Melco Crown Entertainment Limited (as acceded to, and amended, from time to time, the "Shareholders' Agreement").

1. Commitment. Each of the Oaktree Funds hereby agrees, on a several but not joint basis, upon the terms and subject to the conditions set forth herein, (x) to provide or cause to be provided to New Cotai, directly or through one or more other entities, funds to meet any and all Capital Calls made on New Cotai by the Company, from time to time pursuant to and in accordance with clause 17 of the Shareholders' Agreement, (y) if Financial Support is required by the Project Lenders and requested by the Board, to provide to the Company Financial Support on behalf of New Cotai, from time to time pursuant to and in accordance with clause 20 of the Shareholders' Agreement, and (z) to exercise all of its rights as a direct or indirect equity holder to cause New Cotai to meet, and in any event to not take any affirmative action as a direct or indirect equity holder, or refrain from taking any affirmative action as a direct or indirect equity holder, to prevent New Cotai from meeting, such Capital Call in accordance with clause 17 of the Shareholders' Agreement, in the case of each of clause (x) and (y), if and only to the extent that New Cotai does not otherwise have sufficient funds to meet those Capital Calls or provide such Financial Support; provided, however, that in no event shall the Oaktree Funds be required to provide such funds and/or such Financial Support in an amount exceeding such Oaktree Funds' Maximum Obligations (such commitment, the "Commitment"). The Commitment shall be subject to all defenses available to New Cotai under the Shareholders' Agreement with respect to any Capital Call or obligation to provide Financial Support, each of which defenses may be asserted directly by or on behalf of the Oaktree Funds. For the purposes of clause (z), the obligation of each of the Oaktree Funds to take action under that clause shall include an obligation on each of the Oaktree Funds to exercise all of their rights (i) under the constituent documents of New Cotai to approve or authorize (as the case may be) the Capital Call to be met, (ii) to instruct its board member appointees of New Cotai to approve and authorize the Capital Call to be met, and (iii) to vote any of the securities held by it in New Cotai to approve or authorize the Capital Call to be met. Nothing in this Agreement is intended to limit in any respect New Cotai's right to exercise all defenses available to it under the Shareholders' Agreement with respect to any Capital Call or obligation to provide Financial Support, or require the Oaktree Funds to in any way attempt to limit such exercise.

For purposes hereof, (a) "Maximum Obligations" in respect of any Capital Call and/or any requirement to provide Financial Support from time to time means (i) with respect to OCM V, an amount equal to the lesser of (A) OCM V's Pro Rata Share of the amount of such Capital Call made on New Cotai or Financial Support required to be provided by New Cotai, as the case may be, and (B) OCM V's Pro Rata Share of the Aggregate Remaining New Cotai Capital Commitment, (ii) with respect to OCM Asia, an amount equal to the lesser of (x) OCM Asia's Pro Rata Share of the amount of such Capital Call made on New Cotai or Financial Support required to be provided by New Cotai, as the case may be, and (y) OCM Asia's Pro Rata Share of the Aggregate Remaining New Cotai Capital Commitment, and (iii) with respect to OCM VI, an amount equal to the lesser of (A) OCM VI's Pro Rata Share of the amount of such Capital Call made on New Cotai or Financial Support required to be provided by New Cotai, as the case may be, and (B) OCM VI's Pro Rata Share of the Aggregate Remaining New Cotai Capital Commitment, (b) "Pro Rata Share"[1] means (I) with respect to OCM V, [●]%, (II) with respect to OCM Asia, [●]%, and (III) with respect to OCM VI, [●]%, and (c) "Aggregate Remaining New Cotai Capital Commitment" means, as of any date of any Capital Call or request to provide Financial Support (as the case may be), an amount equal to $320 million less the aggregate amounts subscribed for or advanced to the Company by or on behalf of New Cotai (including through draws by the Company on this Commitment) as of such date under clauses 17 and 18 of the Shareholders' Agreement, less the aggregate amount of Financial Support provided on behalf of New Cotai (including through draws by the Company on this Commitment) as of such date under clause 20 of the Shareholders' Agreement, less the amount by which New Cotai's obligation to make Capital Calls is reduced either in connection with a Transfer of Financial Interests held by New Cotai as provided in clause 22.5 of the Shareholders' Agreement or pursuant to an amendment to the Shareholders' Agreement to reduce the maximum amount payable in respect of all Capital Calls under clause 17.5 of the Shareholders' Agreement.

[1] NTD: Pro Rata Share of the Oaktree Funds to equal 22% in aggregate; break down to be filled in at the Effective Time.

2. No Recourse. Notwithstanding anything that may be expressed or implied in this Agreement or any document or instrument delivered in connection herewith, by its acceptance of the benefits of this Agreement, the Company covenants, agrees and acknowledges that no person or entity other than the Oaktree Funds has any obligation hereunder, and no personal liability shall attach to, the former, current or future equity holders, controlling persons, directors, officers, employees, agents, affiliates, members, managers, general or limited partners or assignees of the Oaktree Funds or any former, current or future stockholder, controlling person, director, officer, employee, general or limited partner, member, manager, affiliate (other than, in the case of New Cotai, under the Shareholders' Agreement), agent or assignee of any of the foregoing, whether by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute, regulation or applicable law, or otherwise.

3. Termination. Upon the earliest of (x) the full satisfaction of the maximum amount payable by New Cotai in respect of all Capital Calls pursuant to clause 17.5 of the Shareholders' Agreement, (y) the expiration of the period for the making of Capital Calls under clause 17.10 of the Shareholders' Agreement and (z) the termination of the Shareholders' Agreement in accordance with its terms, this Agreement shall terminate and be of no further force and effect. Upon termination of this Agreement, none of the Oaktree Funds shall have any liability to any person in connection with this Agreement except, in the case of clause (y) and (z), any breach of this Agreement occurring on or before the relevant date.

4. Representations and Warranties. Each of the Oaktree Funds hereby represents and warrants to the Company that (i) such Oaktree Fund is duly organized, validly existing and in good standing under the laws of the state or country of its formation or organization, and has all necessary power and authority to enter into and perform this letter agreement, (ii) this letter agreement has been duly executed and delivered by such Oaktree Fund and constitutes a legal, valid and binding obligation of such Oaktree Fund, enforceable against such Oaktree Fund in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, (iii) such Oaktree Fund has and will maintain available capital in an amount not less than such Oaktree Fund's Pro Rata Share of the Aggregate Remaining New Cotai Capital Commitment, and (iv) no other approval is required for such Oaktree Fund to fulfill its obligations hereunder.

5. Amendments. This Agreement may be amended, modified, or waived with the written consent of each of the Oaktree Funds and the Company.

6. Assignment; Successors and Assigns. No assignment or transfer by any party of its rights and obligations under this Agreement will be made except with the prior written consent of (i) the Company (in the case of any assignment or transfer by the Oaktree Funds) or (ii) each of the Oaktree Funds (in the case of any assignment or transfer by the Company); provided, that (x) the Company may assign its rights pursuant to this Agreement to any Project Lender as collateral security without the prior written consent of the Oaktree Funds and (y) in connection with a Transfer or issuance of Upstream Securities in respect of New Cotai, each Oaktree Fund may assign all or any portion of its Commitment to the transferee or purchaser (as applicable) of such Upstream Securities, provided that (A) immediately following such assignment, the portion of the Commitment held by such Oaktree Fund relative to the portion of the Commitment held by such transferee or purchaser (as applicable) is substantially equivalent to the Effective Interest held by such Oaktree Fund relative to the Effective Interest held by such transferee or purchaser at such time, (B) the transferee or purchaser (as applicable) agrees to provide its portion of the Commitment on terms that are not in the aggregate materially less beneficial to the Company than the terms hereof and (C) the transferee or purchaser (as applicable) proves to the reasonable satisfaction of the Company that it has sufficient financial resources to meet the portion of the Commitment to be assigned to it under clause (A). All the covenants and agreements contained in this Agreement shall bind and inure to the benefit of any such assignee.

7. Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

8. Counterparts; Binding Agreement. This Agreement may be executed simultaneously in two or more separate counterparts (including by means of facsimile), any one of which need not contain the signatures of more than one party, but each of which will be an original and all of which together shall constitute one and the same agreement binding on all the parties hereto.

9. Confidentiality. This Agreement shall be treated as strictly confidential and is being provided to the Company solely in connection with the Shareholders' Agreement and the transactions contemplated thereby. This Agreement may not be used, circulated, quoted or otherwise referred to in any document, except with the written consent of each of the Company and each of the Oaktree Funds. Notwithstanding the foregoing, this Agreement may be (a) provided by the Company and the Oaktree Funds to their respective officers, managers, employees, directors (or equivalent) or financial, legal or accounting advisors or lenders who have been directed to treat this Agreement as confidential, (b) provided by the Oaktree Funds to their direct and indirect equity holders and their respective affiliates who have been directed to treat this Agreement as confidential and (c) disclosed to any person or entity if required by law or the rules of any stock exchange or regulatory authority (including a self-regulatory organization).

10. Specific Performance. Each Oaktree Fund acknowledges and agrees that (a) irreparable damage would occur in the event that any of the provisions of this Agreement are not performed in accordance with their specific terms or are otherwise breached, and (b) remedies at law would not be adequate to compensate the non-breaching party. Accordingly, each Oaktree Fund agrees that the Company shall have the right, in addition to any other rights and remedies existing in its favor, to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce its rights and obligations hereunder not only by an action or actions for damages but also by an action or actions for specific performance, injunctive and/or other equitable relief. The right to equitable relief, including specific performance or injunctive relief, shall exist notwithstanding, and shall not be limited by, any other provision of this Agreement. Each Oaktree Fund hereby waives any defense that a remedy at law is adequate and any requirement to post bond or other security in connection with actions instituted for injunctive relief, specific performance or other equitable remedies.

11. Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. The use of the word "including" in this Agreement shall be by way of example rather than by limitation. Unless otherwise noted, reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof. The use of the words "or," "either" and "any" shall not be exclusive. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Wherever a conflict exists between this Agreement and any other agreement, this Agreement shall control but solely to the extent of such conflict.

12. Applicable Law; Venue. This Agreement is governed by and is to be construed in accordance with the laws applicable in Hong Kong. Except as otherwise expressly provided in this Agreement, any dispute relating hereto shall be heard exclusively in the courts of Hong Kong, and the parties agree to jurisdiction and venue therein.

13. Addresses and Notices. All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be given or delivered, as applicable, as provided in clause 39 of the Shareholders' Agreement as if such provisions applied herein *mutatis mutandis*.

14. No Third Party Beneficiaries. None of the provisions of this Agreement shall be for the benefit of or enforceable by any person or entity other than the Company, including without limitation, any shareholder or creditor of the Company or any of their respective affiliates, and no creditor who makes a loan to the Company or any of its affiliates may have or acquire (except pursuant to the terms of a separate agreement executed by the Company in favor of such creditor) at any time as a result of making the loan any direct or indirect interest in the Commitment other than as a secured creditor of the Company.

15. Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

16. Further Action. The parties agree to execute and deliver all documents, provide all information and take or refrain from taking such actions as may be necessary or appropriate to achieve the purposes of this Agreement.

17. Entire Agreement. This Agreement, those documents expressly referred to herein and other documents dated as of even date herewith embody the complete agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

18. Delivery by Facsimile. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall reexecute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

* * * * * * *

Sincerely,

OCM OPPORTUNITIES FUND V, L.P.

By: OCM Opportunities Fund V GP, LLC
Its: General Partner

By: Oaktree Capital Management, L.P.
Its: Managing Member

By: ____________________
Name:
Title:

By: ____________________
Name:
Title:

OCM ASIA PRINCIPAL OPPORTUNITIES FUND, L.P.

By: OCM Asia Principal Opportunities Fund GP, L.P.
Its: General Partner

By: OCM Asia Principal Opportunities Fund GP LTD.
Its: General Partner

By. Oaktree Capital Management, L.P.
Its: Director

By: ____________________
Name:
Title:

By: ____________________
Name:
Title:

OCM OPPORTUNITIES FUND VI, L.P.

By. OCM Opportunities Fund VI GP, LLC
its General Partner

By: Oaktree Capital Management, L.P.
its Managing Member

By: ____________________
Name:
Title:

By: ____________________
Name:
Title:

Acknowledged and agreed as of the date first written above by:

CYBER ONE AGENTS LIMITED

By: ________________________________________
Name:
Title:

## Annexure G

## Other administrative matters

1 Definitions

For the purposes of this **annexure G**, Facility Operations Agreement and Facility Operation Revenue and Specified Affliate have the meaning given to those terms in the Implementation Agreement.

2 Acknowledgment

The parties acknowledge the operations referred to in **clause 14.1(b)** and **14.2(b)** will take into account the alternative arrangements in this **annexure G**.

3 Fees

(a) In the event the Facility Operations Agreement is not able to be amended or the other arrangements referenced in annexure G of the Implementation Agreement are not implemented, or in the event those agreements or arrangements are subsequently invalidated, terminated or breached or modified in a manner materially adverse to the Company (any such circumstance, a **Failure to Amend**), the parties nevertheless acknowledge that the Specified Affiliate must not retain any portion of the Facility Operation Revenue or otherwise be paid any fees in respect thereof, or if those amounts or fees are required to be retained by any third party, the parties agree to work together to agree and implement an arrangement reasonably satisfactory to the Majority of the Minority Shareholders to provide for the reimbursement to the Company of those fees.

(b) The parties agree that if a Failure to Amend occurs and the parties are unable to reach a satisfactory arrangement on or before the date 120 days prior to the proposed Opening (or, in the case of a Failure to Amend that occurs after such date, within 60 days following the occurrence thereof) to provide for reimbursement to the Company of the fees referred to in **paragraph 3(a)**, the relevant Group Company will be entitled to set-off any such amounts against any amounts payable to MCE or any of its Affiliates by any Group Company in respect of any services provided by MCE or its Affiliates to that Group Company. Any agreement as to the payment or reimbursement for the services to be provided by MCE or any of its Affiliates shall provide for such right of set-off and reimbursement of any fees remaining outstanding under this paragraph.

(c) The parties further agree that if a Failure to Amend occurs, MCE must implement changes to its, the Company's and/or the Specified Affiliate's operations and flows of funds, and make such other accommodations as are necessary, in each case to ensure that the Company is no worse from an economic and credit risk perspective as if the amendments and other arrangements in annexure G of the Implementation Agreement had been implemented, as reasonably agreed by the Majority of the Minority Shareholders.

(d) The parties further agree that under no circumstance will the Specified Affiliate be entitled to the payment of the fee upon the termination of the Facility Operations Agreement and MCE will procure the Specified Affiliate waives any right to such payment.

**Annexure H**

**Additional administrative matters**

1 Definitions

For the purposes of this **annexure H**, Facility Operation Fee, Facility Operations Agreement, Facility Items and Specified Affiliate have the meaning given to those terms in the Implementation Agreement.

2 Facility Operation Fees

(a) The parties agree that if for any reason after the date of this document any of the Facility Operation Fees payable by the Specified Affiliate under the Facility Operations Agreement are increased, or new Facility Operation Fees are charged, in each case at any time on or following expiry of the Facility Operations Agreement in 2022 or 2032 (as applicable), MCE or the Specified Affiliate may by notice to the Company, charge to the Company, and the Company must pay prior to any amount owed by MCE or the Specified Affiliate becoming delinquent, the amount of increase of the Facility Operation Fees, or if new Facility Operation Fees are charged the amount of those additional Facility Operation Fees, in each case attributable to the period commencing 2033 (together, the **Additional Facility Operation Fees**) determined under **paragraph 2(b)**.

(b) The amount of Additional Facility Operation Fees payable by the Company equals the product of (i) the Additional Facility Operation Fees multiplied by (ii) a fraction (**MSC Allocation**), the numerator of which is the number of Facility Items at the MSC Property at the time payment is required to be made by the Company, and the denominator of which is the aggregate number of Facility Items allocated to the Specified Affiliate by the Macau government at that time. If, at any time during the term of the Facility Operations Agreement following the extension or renewal thereof in 2032, the MSC Allocation changes (for example, due to the opening of a new MCE Casino), there shall be an appropriate re-allocation of the Additional Facility Operation Fees (based on the proportion that the number of Facility Items at the MSC Property bears to the aggregate number of Facility Items allocated to the Specified Affiliate by the Macau government immediately following such change) and, to the extent required by such re-allocation, a reimbursement to the Company by the Specified Affiliate of Additional Facility Operation Fees actually paid by the Company pursuant to the preceding sentence.

(c) The amounts payable or reimbursable under **paragraph 2(b)** must be paid or reimbursed, as the case may be, within twenty Business Days following request for payment by the party entitled to any such amounts.

# AMENDMENT NO. 1
# TO
# SHAREHOLDERS' AGREEMENT

This AMENDMENT NO. 1 TO SHAREHOLDERS' AGREEMENT (**Amendment**), dated as of September 25, 2012, is entered into by and among MCE Cotai Investments Limited, a company incorporated in the Cayman Islands (**MCE Cotai**), New Cotai, LLC, a Delaware limited liability company (**New Cotai**), Melco Crown Entertainment Limited, a company incorporated in the Cayman Islands (**MCE**), and Studio City International Holdings Limited (formerly known as Cyber One Agents Limited), a company incorporated in the British Virgin Islands (**Company**).

## BACKGROUND

A. MCE Cotai, New Cotai, MCE and the Company entered into a Shareholders' Agreement, dated July 27, 2011 (**Shareholders' Agreement** ), which governs their relationship in connection with, and the conduct and operations of, the Company and its Subsidiaries;

B. Pursuant to clause 17 of the Shareholders' Agreement, MCE Cotai and New Cotai agreed to invest equity capital in the Company up to an aggregate amount of US$800 million (**Original Capital Commitments**), of which US$150 million has been funded by the Shareholders prior to the date of this Amendment;

C. On 25 July, 2012, an amendment to the Land Grant was published in the Macau Official Gazette which provides, amongst other things, that the MSC Property must have a total gross floor area of at least 707,078 square meters (**Minimum GFA Requirement**) and be completed no later than the seventy-two month anniversary of the gazetting of the amended Land Grant;

D. To facilitate the continued development, construction and funding of the MSC Property, the Shareholders have agreed, on the terms set forth herein, to commit to invest an additional US$350 million of equity capital in the Company;

E. MCE and MCE Cotai have agreed to commit to invest the additional US$350 million equity capital, subject to the New Cotai Equity Option described herein, on the terms set out in this Amendment;

F. MCE agrees, and will procure that the Group Companies agree, to provide certain information to New Cotai on request, and MCE must procure that the Group Company personnel cooperate and assist New Cotai, with any New Cotai Financing, on, and subject to, the terms of this Amendment; and

G. This Amendment is being executed and delivered by the parties in accordance with clause 41.1 of the Shareholders' Agreement.

## AGREED TERMS

1. **Definitions**

In this document:

(a) **New Cotai Financing** means the issuance or sale of equity interests in New Cotai and/or one or more of its Affiliates and/or the arranging of loans or other borrowings by New Cotai or such Affiliates for the purposes of, or in connection with, raising funds to enable New Cotai to exercise the New Cotai Equity Option.

(b) **Option Period** means the period commencing on the Project Financing Closing Date and ending on the six month anniversary thereof.

(c) **Project Financing Closing Date** means the first date on which both the following are satisfied:

(i) the Company has received, on a cumulative basis, signed commitment letters executed by the lead arrangers; and

(ii) the proceeds from a high yield debt financing to be undertaken by the Company have been received into the high yield financing escrow account,

in each case for the financing of the development and construction of the MSC Property in an aggregate amount at least equal to US$2,200 million (such amount being prior to the payment of any underwriters' fees and any other expenses or costs incurred by the Company in connection with such financing).

(d) **Specified Project Value** means the sum of (x) US$1,560 million, plus (y) the aggregate amount funded from time to time pursuant to the MCE Follow On Commitment (whether funded by MCE Cotai or New Cotai).

All other capitalized terms used herein without definition shall have the respective meanings given to such terms in the Shareholders' Agreement.

2. **MCE Follow On Commitment**

(a) MCE Cotai hereby agrees to purchase additional Securities up to a maximum aggregate amount equal to US$350 million (**MCE Follow On Commitment**). The Company must issue such Securities under clause 17 of the Shareholders' Agreement pursuant to a valid Capital Call made in accordance with such clause, except:

(i) such Capital Call may only be made and such Securities may only be issued by the Company after the remaining portion of the Original Capital Commitments have been funded by the Shareholders in full or otherwise exhausted pursuant to clause 20.2(a) of the Shareholders' Agreement;

(ii) such Capital Call must be made only on the Shareholders that from time to time hold a Financial Interest in the MCE Follow On Commitment; and

(iii) despite clause 17.2(e) of the Shareholders' Agreement, the per share issue price for such Securities shall be determined based on an aggregate equity value equal to the Specified Project Value (computed by MCE in good faith and in accordance herewith immediately prior to the issuance of such Securities), which per share issue price shall be binding upon the parties absent manifest error.

(b) Schedule 1 of the Shareholders' Agreement is hereby supplemented to reflect the MCE Follow On Commitment and the Financial Interests held by each Shareholder therein. As of the date hereof, such Financial Interests are held 100% by MCE Cotai and 0% by New Cotai. From and after the date hereof, references to "Financial Interests" in the Shareholders' Agreement shall mean, as the context requires, (i) the Financial Interests held by the Shareholders from time to time in the Original Capital Commitments, and (ii) the Financial Interests held by the Shareholders from time to time in the MCE Follow On Commitment.

(c) Clause 17.5 of the Shareholders' Agreement is hereby amended to increase the maximum amount payable on all Capital Calls under clause 17 of the Shareholders' Agreement by the amount of the MCE Follow On Commitment.

(d) Concurrent herewith, MCE will execute and deliver to the Company a commitment letter in the form set out in **annexure A** to this Amendment.

(e) For the avoidance of any doubt, any Securities issued pursuant to this Amendment shall be taken into account in determining the percentage of Securities held by a Shareholder for the purposes of any threshold in the Shareholders' Agreement or the policy on Related Party Transactions.

3. **New Cotai Equity Option**

(a) At any time during the Option Period, subject to the terms set out in this **clause 3**, New Cotai shall have the option, exercisable in its sole discretion, to acquire from MCE Cotai a Financial Interest in the MCE Follow On Commitment in an amount up to but not exceeding 40% (**New Cotai Equity Option**). For the avoidance of doubt, the New Cotai Equity Option may only be exercised once.

(b) If New Cotai wishes to exercise the New Cotai Equity Option it must serve a notice on MCE Cotai and the Company (Exercise Notice) specifying:

(i) that it is exercising the New Cotai Equity Option;

(ii) the Financial Interest in the MCE Follow On Commitment that it is acquiring from MCE Cotai (which, for the avoidance of doubt, may be any amount greater than zero and up to but not exceeding 40%); and

(iii) the date and time for the closing of the New Cotai Equity Option, which date shall be no later than 30 days after the New Cotai Equity Option is exercised in accordance with **clause 3(c)** below and shall coincide with the execution and delivery of the commitment letters referred to in **clause 3(d)** below and, to the extent applicable, the Transfer of Subject Securities as set out in **clause 3(e)** below.

(c) The New Cotai Equity Option shall be taken to have been exercised on the date the Exercise Notice is deemed given in accordance with clause 39 of the Shareholders' Agreement.

(d) At the closing of the exercise of the New Cotai Equity Option:

(i) Schedule 1 of the Shareholders' Agreement shall be amended to reflect the change in the Financial Interests held by the Shareholders in the MCE Follow On Commitment as a result of the closing of the New Cotai Equity Option;

(ii) New Cotai shall procure that the Silver Point Funds and the Oaktree Funds, or other parties reasonably acceptable to MCE, execute and deliver to the Company commitment letters with a maximum aggregate commitment equal to (A) the product of (x) the Financial Interest in the MCE Follow On Commitment being acquired by New Cotai, multiplied by (y) US$350 million less (B) any amounts payable by New Cotai to MCE Cotai pursuant to **clause 3(e)** below. Such commitment letters shall be in substantially the same form as the MCE commitment letter referred to in **clause 2(d)** above and be provided on a several and not joint basis;

(iii) the MCE commitment letter referred to in **clause 2(d)** above shall be amended to reduce the maximum commitment thereunder by an amount corresponding to the amount computed in **clause 3(d)(ii)** above; and

(iv) unless **clause 3(e)** below applies, no monies or other consideration of any kind must be paid by New Cotai to MCE, MCE Cotai, the Company or any other Person on account of the exercise by New Cotai of the New Cotai Equity Option or the closing thereof.

(e) If, at the closing of the exercise of the New Cotai Equity Option, there are Securities outstanding that were issued to MCE Cotai in respect of the MCE Follow On Commitment (**Subject Securities**), then at such closing:

(i) New Cotai shall purchase and acquire from MCE Cotai, and MCE Cotai shall Transfer to New Cotai, a number of Subject Securities equal to the product of (x) the total number of Subject Securities then held by MCE Cotai, multiplied by (y) the Financial Interest in the MCE Follow On Commitment being acquired by New Cotai at the closing of the New Cotai Equity Option;

(ii) such Subject Securities shall be Transferred to New Cotai free of any Encumbrances (except any Encumbrances in favor of any Project Lender that were granted in accordance with the Shareholders' Agreement and which are common to all Securities);

(iii) the purchase price for such Subject Securities shall be the same as the issue price for such Subject Securities; and

(iv) the Company shall update the share register to reflect the Transfer of such Subject Securities from MCE Cotai to New Cotai.

If at the time of the purchase of the Subject Securities by New Cotai, those Subject Securities are not the subject of an existing Encumbrance granted by New Cotai to any Project Lender, New Cotai agrees that, if requested by any Project Lender, it will grant such Encumbrances over the Subject Securities as may be purchased by New Cotai under this clause on such terms as any Project Lender may reasonably request and as are common to all Securities.

(f) All amounts in **clause 3(e)** above must be paid by New Cotai in immediately available funds by wire transfer to an account that has been notified by MCE to New Cotai at least three Business Days prior to the payment date. If required, New Cotai must also pay to MCE Cotai on demand and upon presentation of reasonable supporting documentation any documentary, sales, use, registration, transfer, stamp, recording, or similar tax (for the avoidance of doubt and without limitation, not including income, gains, profits, or any similar Taxes or any withholding or deduction with respect thereto) suffered or incurred by MCE Cotai arising solely as a result of the Transfer of any Subject Securities under this **clause 3**. The parties shall use commercially reasonable endeavors to effect the Transfer of Subject Securities in a manner that minimizes any such documentary, sales, use, registration, transfer, stamp, recording, or similar tax.

(g) Any rights attaching to Subject Securities transferred under this **clause 3** will be transferred with effect from the date of transfer to New Cotai.

(h) Any provisions contained in the Shareholders' Agreement that purport to restrict the Transfer of Securities by an MCE Shareholder shall not apply to the Transfer of Securities contemplated by **clause 3(e)** above.

(i) If New Cotai fails to subscribe for any Securities required to be subscribed by it under clause 17 of the Shareholders' Agreement on or before the date specified in the relevant Call Notice then, and without limiting any rights that MCE Cotai and MCE may have under the Shareholders' Agreement, a portion of the New Cotai Equity Option equal to the percentage of such Securities New Cotai fails to subscribe for will be immediately cancelled and New Cotai will cease to have any rights under this **clause 3** with respect to such portion of the New Cotai Equity Option so cancelled. By way of example, if New Cotai fails to subscribe for 50% of the Securities required to be subscribed by it under clause 17 of the Shareholders' Agreement on or before the date specified in the relevant Call Notice, then 50% of the New Cotai Equity Option will be cancelled such that New Cotai will only be entitled to acquire from MCE Cotai a Financial Interest in the MCE Follow On Commitment in an amount up to but not exceeding 20%.

4. **Financing Cooperation**

(a) If New Cotai requires any information (including financial information) relating to a Group Company in connection with the New Cotai Financing, New Cotai may request MCE for that information and MCE shall use its commercially reasonable endeavors to provide such information, or procure the provision of such information by a Group Company, to such persons and subject to such conditions that are reasonable under the circumstances having regard to the information requested, the purpose of the information requested and its intended use and subject to **clause 4(c)** below. Such conditions may include the entry into a confidentiality agreement by the recipient on reasonable and customary terms (and in any event on terms no more onerous to them than the terms of the Confidentiality Deed).

(b) If New Cotai requires any cooperation or assistance from Group Company personnel in connection with the New Cotai Financing, including but not limited to, making senior management reasonably available for management meetings with prospective investors or lenders in Hong Kong and cooperating with prospective investors or lenders in performing their due diligence, New Cotai may request the Group Company for that cooperation and assistance (with notice to MCE) and MCE shall use its commercially reasonable endeavors to procure such cooperation and assistance, subject to such conditions that are reasonable under the circumstances having regard to the cooperation or assistance required, the purpose of such cooperation and assistance and subject to **clause 4(c)** below.

(c) Despite **clauses 4(a)** and **4(b)** above, MCE shall not be required to provide information, cooperation or assistance, or to cause any Group Company to so provide, in connection with the New Cotai Financing, to the extent that:

(i) to do so would violate any applicable law, order, regulation or rule, including the rules of any stock exchange on which MCE's securities are listed at the relevant time; or

(ii) such information, cooperation or assistance is requested during a share trading black out period of MCE or its affiliates, and the cooperation and assistance (including the provision of any information) could reasonably be expected to lead to disclosure of material price sensitive information of MCE or its affiliates, or the cooperation or assistance could reasonably be expected to lead to a request for the provision of, or a query in connection with, any material price sensitive information of MCE or its affiliates.

(d) New Cotai shall, promptly upon request by MCE, reimburse MCE and, to the same extent (if any) as MCE reimburses the Group for similar assistance, each relevant Group Company for all reasonable and documented out-of-pocket costs and expenses incurred by MCE or the relevant Group Company in connection with any information provided for in **clause 4(a)** or any cooperation and assistance provided for in **clause 4(b)** above.

(e) Any cooperation or assistance or information provided by MCE, or procured by MCE on behalf of any Group Company, under this **clause 4** is provided on a no liability basis, and New Cotai agrees to indemnify MCE and any Group Company from any claim or loss suffered or incurred by MCE or any Group Company arising from, or in connection with:

(i) any cooperation or assistance provided by Group Company personnel under this **clause 4**;

(ii) any statements made or information provided by MCE or any Group Company to New Cotai under this **clause 4** (including where any statements or information are relied upon in any document or representations made in connection with the New Cotai Financing);

(iii) any documentation prepared in connection with the New Cotai Financing;

(iv) any breach of this **clause 4** by New Cotai;

(v) any breach of any law, order, regulation or rule, including the rules of any stock exchange that is a direct result of a breach of this **clause 4** by New Cotai; or

(vi) any breach of any securities law by New Cotai in connection with the New Cotai Financing.

(f) Despite **clause 4(e)**, New Cotai will not be liable to MCE or any Group Company, nor will MCE be relieved from liability, in connection with any claim or loss arising from, or in connection with:

(i) the fraud of MCE or any Group Company; or

(ii) any act or omission of MCE or any Group Company that amounts to gross negligence or wilfully misleading or deceptive conduct.

(g) The provisions of this **clause 4** shall apply only to the extent of any cooperation or assistance or information that New Cotai is not already entitled to receive under the Shareholders' Agreement.

5. **General**

(a) Except as expressly modified by this Amendment, all of the terms, covenants, agreements, conditions and other provisions of the Shareholders' Agreement shall remain in full force and effect in accordance with their respective terms. As used in the Shareholders' Agreement, the terms "this Agreement," "herein," "hereinafter," "hereunder," "hereto" and words of similar import shall mean and refer to, from and after the date hereof, unless the context otherwise requires, the Shareholders' Agreement as amended by this Amendment.

(b) This Amendment may be executed in multiple counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which shall together be considered one and the same agreement, and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties. Delivery of an executed counterpart of a signature page to this Amendment by facsimile transmission or by electronic transmission of a .pdf or other electronic file shall be as effective as delivery of a manually signed counterpart of this Amendment.

(c) This Amendment is governed by and is to be construed in accordance with the laws applicable in Hong Kong.

* * * * *

**Executed** as an agreement

| | | |
|---|---|---|
| **SIGNED** by | ) | |
| /s/ Lawrence Yau Lung Ho | ) | |
| for and on behalf of | ) | |
| **MCE COTAI INVESTMENTS LIMITED** | ) | |
| as its authorised representative | ) | |
| with authority from the board | ) | |
| in the presence of: | ) | /s/ Lawrence Yau Lung Ho |
| /s/ Sylvia Sun | | |
| Name of witness: Sylvia Sun<br>Title of witness: | | Authorised Representative |

| | | |
|---|---|---|
| **SIGNED** by | ) | |
| /s/ Lawrence Yau Lung Ho | ) | |
| for and on behalf of | ) | |
| **MELCO CROWN ENTERTAINMENT LIMITED** | ) | |
| as its authorised representative | ) | |
| with authority from the board | ) | |
| in the presence of: | ) | /s/ Lawrence Yau Lung Ho |
| /s/ Sylvia Sun | | |
| Name of witness: Sylvia Sun<br>Title of witness: | | Authorised Representative |

*Signature Page of Amendment No. 1 to the Shareholders' Agreement*

| | | |
|---|---|---|
| **SIGNED** by | ) | |
| /s/ Thomas R. Banks III | ) | |
| for and on behalf of | ) | |
| **NEW COTAI, LLC** | ) | |
| as its authorised representative | ) | |
| with authority from the board | ) | |
| in the presence of: | ) | /s/ Thomas R. Banks III |
| /s/ Candace D. Banks | | |
| Name of witness: Candace D. Banks<br>Title of witness: | | Authorised Representative |

| | | |
|---|---|---|
| **SIGNED** by | ) | |
| /s/ Lawrence Yau Lung Ho | ) | |
| for and on behalf of | ) | |
| **STUDIO CITY INTERNATIONAL HOLDINGS LIMITED** | ) | |
| as its authorised representative | ) | |
| with authority from the board | ) | |
| in the presence of: | ) | /s/ Lawrence Yau Lung Ho |
| /s/ Sylvia Sun | | |
| Name of witness: Sylvia Sun<br>Title of witness: | | Authorised Representative |

*Signature Page of Amendment No. 1 to the Shareholders' Agreement*

**Exhibit 4.19**

# AMENDMENT NO. 2
# TO
# SHAREHOLDERS' AGREEMENT

This AMENDMENT NO.2 TO SHAREHOLDERS AGREEMENT (**Amendment No 2**), dated as of May 17, 2013, is entered into by and among MCE Cotai Investments Limited, a company incorporated in the Cayman Islands (**MCE Cotai**), New Cotai, LLC, a Delaware limited liability company (**New Cotai**), Melco Crown Entertainment Limited, a company incorporated in the Cayman Islands (**MCE**), and Studio City International Holdings Limited (formerly known as Cyber One Agents Limited), a company incorporated in the British Virgin Islands (**Company**).

## Background

A. MCE Cotai, New Cotai, MCE and the Company (**The Parties**) entered into a Shareholders' Agreement dated July 27, 2011 (**Shareholders' Agreement**), which governs their relationship in connection with, and the conduct and operations of, the Company and its Subsidiaries.

B. On September 25, 2012, The Parties entered into an agreement to amend the Shareholders' Agreement (**Amendment No 1**).

C. Under Amendment No 1, New Cotai has the option to acquire from MCE Cotai a Financial Interest in the MCE Follow On Commitment in an amount up to but not exceeding 40%.

D. The New Cotai Equity Option has been exercised by New Cotai on 19 April 2013 and The Parties wish to document this fact and the effect that this has on Schedule 1 of the Shareholders' Agreement at closing of the exercise of the New Cotai Equity Option.

E. This Amendment No 2 is being executed and delivered by The Parties in accordance with clause 41.1 of the Shareholders' Agreement.

## AGREED TERMS

1. **Definitions**

   In this Amendment No 2, all capitalized terms used herein without definition shall have the respective meanings given to such terms in the Shareholders' Agreement and Amendment No 1.

2. **New Cotai Equity Option**

   New Cotai has exercised the New Cotai Equity Option on 19 April 2013. On the date of this Amendment No 2, Schedule 1 of the Shareholders' Agreement will be replaced by Schedule 1 as set forth on Annexure A.

3. **General**

   a) Except as expressly modified by this Amendment No 2, all of the terms, covenants, agreements, conditions and other provisions of the Shareholders' Agreement as amended by Amendment No 1, shall remain in full force and effect in accordance with their respective terms. As used in the Shareholders'

Agreement, as amended by Amendment No 1, the terms “this Agreement,” “herein,” “hereinafter,” “hereunder,” “hereto” and words of similar import shall mean and refer to, from and after the date hereof, unless the context otherwise requires, the Shareholders’ Agreement as amended by Amendment No 1 and further amended by this Amendment No 2.

b) This Amendment No 2 may be executed in multiple counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which shall together be considered one and the same agreement, and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties. Delivery of an executed counterpart of a signature page to this Amendment No 2 by facsimile transmission or by electronic transmission of a .pdf or electronic file shall be as effective as delivery of a manually signed counterpart of this Amendment No 2.

c) This Amendment No 2 is governed by and is to be construed in accordance with laws applicable in Hong Kong.

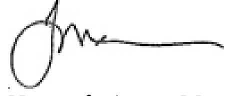
*****

**Executed** as an agreement

**SIGNED** by

HO Lawrence Yau Lung
for and on behalf of
**MCE COTAI INVESTMENTS LIMITED**
as its authorised representative
with authority from the board
in the presence of:

Authorised Representative


Name of witness: Man Ka Ki Judy
Title of witness Solicitor, HKSAR

**SIGNED** by

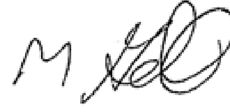
HO Lawrence Yau Lung
for and on behalf of
**MELCO CROWN ENTERTAINMENT LIMITED**
as its authorised representative
with authority from the board
in the presence of:

Authorised Representative

Name of witness: Man Ka Ki Judy
Title of witness Solicitor, HKSAR

**SIGNED** by

Michael Gatto
for and on behalf of
**NEW COTAI, LLC**
as its authorised representative
with authority from the board
in the presence of:



Authorised Representative

Name of witness: BRADFORD ROBIN
Title of witness ASSOCIATE

Michael A. Gatto
Authorised Signatory

**SIGNED** by

HO Lawrence Yau Lung
for and on behalf of
**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**
as its authorised representative
with authority from the board
in the presence of:

Authorised Representative

Name of witness: Man Ka Ki Judy
Title of witness Solicitor, HKSAR

**ANNEXURE A**

Schedule 1

Financial Interest

Original Capital Commitments

| Shareholder | Financial Interest |
|---|---|
| New Cotai | 40 |
| MCE Cotai | 60 |

MCE Follow On Commitment

| Shareholder | Financial Interest |
|---|---|
| New Cotai | 40 |
| MCE Cotai | 60 |

**Exhibit 4.20**

**EXECUTION VERSION**

# AMENDMENT NO. 3
# TO
# SHAREHOLDERS' AGREEMENT

This AMENDMENT NO. 3 TO SHAREHOLDERS' AGREEMENT (**Amendment No. 3**), dated as of 3 June 2014, is entered into by and among MCE Cotai Investments Limited, a company incorporated in the Cayman Islands (**MCE Cotai**), New Cotai, LLC, a Delaware limited liability company (**New Cotai**), Melco Crown Entertainment Limited, a company incorporated in the Cayman Islands (**MCE**), and Studio City International Holdings Limited (formerly known as Cyber One Agents Limited), a company incorporated in the British Virgin Islands (**Company**). Capitalized terms used herein without definition have the meanings given such terms in the Shareholders' Agreement (as defined below).

## BACKGROUND

(A) MCE Cotai, New Cotai, MCE and the Company entered into a Shareholders' Agreement, dated 27 July 2011 (as amended by Amendment No. 1 and Amendment No. 2, each as defined below, the **Shareholders' Agreement)**, which governs their relationship in connection with, and the conduct and operations of, the Company and its Subsidiaries;

(B) Pursuant to clause 17 of the Shareholders' Agreement, MCE Cotai and New Cotai agreed to invest equity capital in the Company up to an aggregate amount of US$800 million **(Original Capital Commitments**);

(C) On 25 September 2012, MCE Cotai, New Cotai, MCE and the Company entered into Amendment No. 1 to the Shareholders' Agreement **(Amendment No. 1**), under which MCE Cotai agreed to commit to invest an additional US$350 million equity capital in the Company **(MCE Follow On Commitment**), subject to an option granted to New Cotai **(New Cotai Equity Option**) to acquire from MCE Cotai a Financial Interest in the MCE Follow On Commitment in an amount up to but not exceeding 40%, and clause 17.5 of the Shareholders' Agreement was amended to increase the maximum amount payable on all Capital Calls under clause 17 of the Shareholders' Agreement by the amount of the MCE Follow On Commitment, from US$800 million to US$1,150 million;

(D) New Cotai exercised the New Cotai Equity Option in full on 19 April 2013, and on 17 May 2013, MCE Cotai, New Cotai, MCE and the Company entered into Amendment No. 2 to the Shareholders' Agreement **(Amendment No. 2)** to document this fact and amend Schedule 1 of the Shareholders' Agreement to reflect the Financial Interests of MCE Cotai and New Cotai in the MCE Follow On Commitment;

(E) As of the date of this Amendment No. 3, the Shareholders have funded in full the Original Capital Commitments of US$800 million and US$250 million of the MCE Follow On Commitment. There is a remaining US$100 million of the MCE Follow On Commitment that may be called on the Shareholders pursuant to clause 17 of the Shareholders' Agreement;

(F) On 26 November 2013, the Company, Studio City Company Limited, an indirect Subsidiary of the Company, Deutsche Bank AG, Hong Kong Branch **(Agent)** and Industrial and Commercial Bank of China (Macau) Limited **(Security Agent)** entered into a completion support agreement **(Completion Support Agreement)**, under which the Company deposited US$225 million **(Completion Support)** in a cash collateral account secured in favor of the Security Agent;

(G) On the date of this Amendment No. 3, the Board increased the budget for the development of the MSC Property by US$300 million **(Budget Increase)**. In order to partially fund the Budget Increase, MCE Cotai and New Cotai have agreed, as more fully set out below, (i) to commit to invest an additional US$100 million equity capital in the Company, (ii) that the Company shall at the discretion of the Chairperson make a Capital Call with respect to the remaining US$100 million of the MCE Follow On Commitment, and (iii) that the Company shall procure Studio City Company Limited to instruct the Agent to instruct the Security Agent to make a call under the Completion Support Agreement in the sum of US$58 million of the Completion Support and to direct the application of such amount to partially fund the Budget Increase; and

(H) This Amendment No. 3 is being executed and delivered by the parties in accordance with clause 41.1 of the Shareholders' Agreement.

## AGREED TERMS

1. **Second Follow On Commitments**

(a) MCE Cotai and New Cotai hereby agree to purchase additional Securities up to a maximum aggregate amount equal to US$100 million (**Second Follow On Commitments** and, together with the remaining US$100 million of the MCE Follow On Commitment, the **Aggregate Remaining Commitments**), in which MCE Cotai has a Financial Interest of 60% and New Cotai has a Financial Interest of 40%.

(b) Clause 17.5 of the Shareholders' Agreement is hereby amended to increase the maximum amount payable on all Capital Calls under clause 17 of the Shareholders' Agreement ("**Clause 17**") by the amount of the Second Follow On Commitments, from US$1,150 million to US$1,250 million.

(c) Schedule 1 of the Shareholders' Agreement is hereby supplemented to reflect the Second Follow On Commitments and the Financial Interests held by each Shareholder therein.

(d) Each of the Project Budget and the Financing and Funding Schedule updated to reflect the Budget Increase, the Original Capital Commitments, the MCE Follow On Commitment and/or the Second Follow On Commitments, as applicable, are attached as annexures A and B, respectively, to this Amendment No. 3.

(e) The Company must issue the Securities in respect of the Aggregate Remaining Commitments under Clause 17 pursuant to a valid Capital Call made in accordance with such clause on or before 30 June 2014, except that the parties hereto agree that, Clause 17.1(a) notwithstanding, the Chairperson may issue such Call Notice in the form of annexure C to this Amendment No. 3 without requiring Board approval. The parties hereto further agree that, Clause 17.6(a) notwithstanding, a portion of the funds subject to such Call Notice issued on or before 30 June 2014 may be used to fund Project Costs in the fourth Quarter of 2014 (it being acknowledged by the Company that it presently intends to use all of the funds subject to such Call Notice in the third Quarter of 2014 consistent with the updated Financing and Funding Schedule attached as annexure B to this Amendment No. 3).

(f) Concurrent herewith, MCE will execute and deliver to the Company a commitment letter in the form set out in annexure D to this Amendment No. 3.

(g) Concurrent herewith, Silver Point Funds will execute and deliver to the Company a commitment letter in the form set out in annexure E to this Amendment No. 3.

(h) Concurrent herewith, Oaktree Funds will execute and deliver to the Company a commitment letter in the form set out in annexure F to this Amendment No. 3.

2. **Access to Completion Support**

Each of the Company, MCE Cotai and New Cotai agrees that:

(i) when the Company expects additional cash funding will be required to be provided to Studio City Company Limited in order to complete the development of the MSC Property, unless both MCE Cotai and New Cotai commit in writing to invest further equity capital or purchase additional Securities in the Company (in addition to any investment or purchase under the Aggregate Remaining Commitments) in order to provide such additional cash funding, the Company shall (and the Company agrees to) procure Studio City Company Limited to (A) instruct the Agent to instruct the Security Agent to make a call under (and in accordance with the terms of) the Completion Support Agreement (subject to the relevant conditions therein for the making of such a call being satisfied) in the sum of US$58 million of the Completion Support and (B) undertake best efforts to ensure satisfaction of the relevant conditions for disbursement of the Completion Support pursuant to clause 4 of the Completion Support Agreement and otherwise to cause such amount of the Completion Support to be disbursed to the Company in accordance with clause 2(ii) below; and

(ii) once the call under the Completion Support Agreement referred to in paragraph (i) above has been made, the Company shall (and the Company agrees to) procure Studio City Company Limited to request the Agent and/or the Security Agent to direct the application of such amount of the Completion Support towards the payment, reimbursement or refinancing of such part of the remaining Project Costs under the Senior Facilities Agreement (each as defined in the Completion Support Agreement) required to be funded in order to complete the development of the MSC Property.

3. **General**

(a) Except as expressly modified by this Amendment No. 3, all of the terms, covenants, agreements, conditions and other provisions of the Shareholders' Agreement shall remain in full force and effect in accordance with their respective terms. As used in the Shareholders' Agreement, the terms "this Agreement," "herein," "hereinafter," "hereunder," "hereto" and words of similar import shall mean and refer to, from and after the date hereof, unless the context otherwise requires, the Shareholders' Agreement as amended by this Amendment No. 3.

(b) This Amendment No. 3 may be executed in multiple counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which shall together be considered one and the same agreement, and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties. Delivery of an executed counterpart of a signature page to this Amendment No. 3 by facsimile transmission or by electronic transmission of a .pdf or other electronic file shall be as effective as delivery of a manually signed counterpart of this Amendment No. 3.

(c) This Amendment No. 3 is governed by and is to be construed in accordance with the laws applicable in Hong Kong.

* * * * *

Executed as an agreement

SIGNED

Lawrence Yau Lung Ho

by for and on behalf of

**MCE COTAI INVESTMENTS LIMITED**

as its authorized representative

/s/ Lawrence Yau Lung Ho
Authorized Representative

SIGNED by

Lawrence Yau Lung Ho

for and on behalf of

**MELCO CROWN ENTERTAINMENT LIMITED**

as its authorized representative

/s/ Lawrence Yau Lung Ho
Authorized Representative

*Signature Page of Amendment No. 3 to the Shareholders' Agreement*

SIGNED by

______________________________________

for and on behalf of

**NEW COTAI, LLC**

as its authorized representative

______________________________________

Authorized Representative

SIGNED by

Lawrence Yau Lung Ho

for and on behalf of

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

as its authorized representative

/s/ Lawrence Yau Lung Ho

Authorized Representative

*Signature Page of Amendment No. 3 to the Shareholders' Agreement*

| | |
|---|---|
| SIGNED BY | ) |
| Michael Gatto | ) |
| for and on behalf of | ) |
| **NEW COTAI, LLC** | ) |
| as its authorized representative | ) |
| with authority from the board | ) |
| in the presence of: | ) |

| | |
|---|---|
| /s/ David Reganato | /s/ Michael Gatto |
| Name of witness: David Reganato<br>Title of witness | Authorized Representative |

| | |
|---|---|
| SIGNED by | ) |
| | ) |
| for an on behalf of | ) |
| **STUDIO CITY INTERNATIONAL** | **)** |
| **HOLDINGS LIMITED** | |
| as its authorized representative | ) |
| with authority from the board | ) |
| in the presence of: | ) |

| | |
|---|---|
| | |
| Name of witness:<br>Title of witness | Authorized Representative |

*[Signature Page to Amendment No. 3 to the SCIH Shareholders' Agreement]*

## ANNEXURE A

## Updated Project Budget

**Studio City**
**Revised budget**

| | US$m |
|---|---|
| Construction | 2,152.9 |
| Operation Capital | 182.4 |
| Total construction cost | 2,335.3 |
| Land cost | 160.4 |
| Pre-opening | 182.6 |
| Working capital | 77.5 |
| Transaction fees | 91.4 |
| Interest and fees | 360.7 |
| Total Project Costs | 3,207.9 |

## ANNEXURE B

## Updated Financing and Funding Schedule

Strictly private and co

| Construction schedule (US$ in millions) | 1Q12A | 2Q12A | 3Q12A | 4Q12A | 1Q13A | 2Q13A | 3Q13A | 4Q13A | 1Q14A | 2Q14E | 3Q14E | 4Q14E | 1Q15E | 2Q15E | 3Q15E | Post-oper | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Development capex | 22 | 14 | 16 | 26 | 78 | 55 | 123 | 289 | 101 | 113 | 185 | 283 | 374 | 354 | 142 | 160 | 2,335 |
| Pre-opening expenses | 4 | 1 | 1 | 2 | 1 | 3 | 2 | 5 | 1 | 4 | 6 | 14 | 40 | 100 | — | — | 183 |
| Working capital | — | — | — | — | — | — | — | — | — | — | — | — | — | — | 78 | — | 78 |
| Land premium payments | — | 35 | — | — | 25 | — | 25 | — | 25 | — | 25 | — | 25 | — | — | — | 160 |
| Pre-funded interest and fees | — | — | — | 28 | 303 | 6 | 6 | 6 | 6 | 6 | 17 | 17 | 17 | 17 | 23 | — | 452 |
| Total uses | 26 | 51 | 17 | 56 | 407 | 64 | 157 | 300 | 133 | 123 | 233 | 313 | 456 | 471 | 242 | 160 | 3,208 |
| Cumulative uses | 26 | 77 | 94 | 149 | 556 | 620 | 777 | 1,077 | 1,210 | 1,333 | 1,566 | 1,879 | 2,335 | 2,806 | 3,048 | 3,208 | 3,208 |
| Sources | | | | | | | | | | | | | | | | | |
| Delayed draw term loan A | — | — | — | — | — | — | — | — | — | — | — | 29 | 456 | 471 | 242 | 102 | 1,300 |
| Senior notes | — | — | — | 13 | 240 | — | — | — | 132 | 123 | 33 | 284 | — | — | — | — | 825 |
| Equity | 26 | 51 | 17 | 42 | 167 | 64 | 157 | 300 | 1 | — | 200 | — | — | — | — | — | 1,025 |
| Completion guarantee | — | — | — | — | | — | — | — | — | — | — | — | — | — | — | 58 | 58 |
| Total sources | 26 | 51 | 17 | 56 | 407 | 64 | 157 | 300 | 133 | 123 | 233 | 313 | 456 | 471 | 242 | 160 | 3,208 |
| Cumulative sources | 26 | 77 | 94 | 149 | 556 | 620 | 777 | 1,077 | 1,210 | 1,333 | 1,566 | 1,879 | 2,336 | 2,806 | 3,048 | 3,208 | 3,208 |
| Capital raised | | | | | | | | | | | | | | | | | |
| Delayed draw term loan A | — | — | — | — | — | — | — | — | — | — | 1,300 | — | — | — | — | — | 1,300 |
| Senior notes | — | — | — | 825 | — | — | — | — | — | — | — | — | — | — | — | — | 825 |
| Completion guarantee | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | 58 | 58 |
| Equity from sponsors | 150 | — | — | 200 | — | 140 | 150 | 185 | — | 200 | — | — | — | — | — | — | 1,025 |
| Total capital raised | 150 | — | — | 1,025 | — | 140 | 150 | 185 | — | 200 | 1,300 | — | — | — | — | 58 | 3,208 |

**ANNEXURE C**

**Form of Call Notice**

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

**(FORMERLY KNOWN AS CYBER ONE AGENTS LIMITED)**

**(the “Company”)**

**Capital Call Notice**

**(the “Call Notice”)**

3 June 2014

| **To:** MCE Cotai Investments Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong | New Cotai LLC<br>c/o New Cotai Holdings<br>Two Greenwich Plaza<br>Greenwich, Connecticut, 06830<br>USA |
|---|---|
| Attn: Geoffrey Davis,<br>Chief Financial Officer,<br>Melco Crown Entertainment | Attn: Frederick Fogel |
| Fax: + 852 2537 3618 | Fax: +1 203 542 4308 |

Reference is made to the Shareholder’s Agreement between MCE Cotai Investments Limited (“**MCE Cotai**”), New Cotai, LLC (“**New Cotai**”), Melco Crown Entertainment Limited and Studio City International Holdings Limited (formerly known as Cyber One Agents Limited) dated 27 July 2011, as amended by the Amendment No.1 to Shareholders’ Agreement dated 25 September, 2012, the Amendment No.2 to Shareholders’ Agreement dated 17 May, 2013 and the Amendment No. 3 to Shareholders’ Agreement (“**Amendment No. 3**”) dated 3 June 2014 (“**Shareholders’ Agreement**”).

Capitalised words and expressions used in this Call Notice shall have the same meaning as contained in the Shareholders’ Agreement, unless otherwise defined herein.

## I Capital Call Details

In accordance with the Shareholders’ Agreement, a Call Notice is hereby served to each of the Shareholders for the following:

(1) a Capital Call is being made pursuant to the Shareholders’ Agreement;

(2) the aggregate amount of the Capital Call is US$200,000,000 (the “**Capital Call Amount**”). The Capital Call Amount represents the entire Aggregate Remaining Commitments;

(3) the number of Securities corresponding to the Capital Call Amount is to be notified by the Company in a supplemental notice as referred to in Section II below;

(4) the amount to be contributed by each Shareholder is as follows:

(i) MCE Cotai - US$120,000,000; and

(ii) New Cotai - US$80,000,000;

(5) each of MCE Cotai and New Cotai is required to make payment of its respective portion of the Capital Call no later than 5:00 p.m. on or before 10 July 2014 Hong Kong Time (the "**Payment Date**"), which is no earlier than 25 Business Days after the date of this Call Notice; and

(6) payment under this Call Notice shall be made to the United States dollar account in United States dollars or Hong Kong dollar account in Hong Kong dollars in an amount equivalent to the Capital Call Amount (at the exchange rate of USD1:HKD7.75) in same day funds:

For HKD

| | |
|---|---|
| Account Name: | Studio City International Holdings Limited |
| Account Number (HK dollar): | 28-11-10-005886 |
| Beneficiary Bank: | Bank Of China Macau Branch |
| Beneficiary Bank Swift Code: | BKCHMOMX |
| Beneficiary Bank Address: | Avenida Doutor Mario Soares Macau |
| Correspondent Bank: | Bank Of China (Hong Kong) Limited |
| Correspondent Bank Swift Code: | BKCHHKHH |

For USD

| | |
|---|---|
| Account Name: | Studio City International Holdings Limited |
| Account Number (US dollar): | 28-88-10-004588 |
| Beneficiary Bank: | Bank Of China Macau Branch |
| Beneficiary Bank Swift Code: | BKCHMOMX |
| Beneficiary Bank Address: | Avenida Doutor Mario Soares Macau |
| Correspondent Bank: | Bank Of China New York Branch |
| Correspondent Bank Swift Code: | BKCHUS33 |

**II Supplemental Notice**

The Company, MCE Cotai and New Cotai acknowledge that:

(1) MCE Cotai and New Cotai has each notified the other and the Company that the institution set out below beside its respective name, is the entity named by it to be instructed by the Company as Valuation Expert under the Shareholders' Agreement:

| Shareholder | Valuation Expert |
| --- | --- |
| MCE Cotai | Deutsche Bank AG, Hong Kong Branch |
| New Cotai | Houlihan Lokey |

(2) the issue price for the Securities will be Fair Market Value, which is the arithmetic mean of the calculations of Fair Market Value set out in the Valuation Expert Reports of the second quarter of 2014; and

(3) the Company intends to remind the Valuation Experts to issue Valuation Expert Reports for the second quarter of 2014, no later than 10 July 2014 (the "**Reporting Date**") as previously instructed pursuant to clause 34.3 of the Shareholders' Agreement, so that the Company may based on the Fair Market Value determined from the Valuation Expert Reports, issue a separate notice setting out the number of Securities corresponding to the Capital Call amount.

This Call Notice is issued as of the date first above written for and on behalf of:

**Studio City International Holdings Limited**

______________________________________

Authorized Signatory
Lawrence Ho – Chairman

## ANNEXURE D

**Form of Commitment Letter of MCE**

MELCO CROWN ENTERTAINMENT LIMITED
36/F, THE CENTRIUM
60 WYNDHAM STREET
CENTRAL
HONG KONG;
ATTENTION: CHIEF LEGAL OFFICER
TELECOPY NO.: +852-2537-3618

3 June, 2014

Studio City International Holdings Limited
c/o Offshore Incorporations Centre
P.O. Box 957, Road Town
Tortola, British Virgin Islands
Attention: Stephanie Cheung, Chief Legal Officer
Fax No.: +852-2537-3618

Ladies and Gentlemen:

This commitment agreement (this "Agreement") is dated 3 June, 2014 and is entered into by and between Melco Crown Entertainment Limited ("MCE") and Studio City International Holdings Limited (the "Company"). Capitalized terms used herein but not defined shall have the meanings given to such terms in the Shareholders' Agreement (as acceded to, and amended, from time to time, the "Shareholders' Agreement"), and Amendment No. 3 to Shareholders' Agreement ("Amendment No. 3"), both by and among the Company, New Cotai, LLC, MCE Cotai Investments Limited ("MCE Cotai") and MCE. This Agreement is being delivered pursuant to clause 1(f) of Amendment No. 3.

1. Commitment. MCE hereby agrees upon the terms and subject to the conditions set forth herein, (x) to provide or cause to be provided to MCE Cotai, directly or through one or more other entities, funds to meet any and all Capital Calls made on MCE Cotai by the Company, from time to time pursuant to and in accordance with clause 1(e) of Amendment No. 3, and (y) to exercise all of its rights as a direct or indirect equity holder to cause MCE Cotai to meet, and in any event to not take any affirmative action as a direct or indirect equity holder, or refrain from taking any affirmative action as a direct or indirect equity holder, to prevent MCE Cotai from meeting, such Capital Call in accordance with clause 1(e) of Amendment No. 3, in the case of clause (x), if and only to the extent that MCE Cotai does not otherwise have sufficient funds to meet those Capital Calls; provided, however, that in no event shall MCE be required to provide such funds in all amount exceeding MCE's Maximum Obligations (such commitment, the "Commitment"). The Commitment shall be subject to all defenses available to MCE Cotai under the Shareholders' Agreement with respect to any Capital Call, each of which defenses may be asserted directly by or on behalf of MCE. For the purposes of clause (y), the obligation of MCE to take action under that clause shall include an obligation on MCE to exercise all of its rights (i) under the constituent documents of MCE Cotai to approve or authorize (as the case may be) the Capital Call to be met, (ii) to instruct its board member appointees of MCE Cotai to approve and authorize the Capital Call to be met, and (iii) to vote any of the securities held by it in MCE Cotai to approve or authorize the Capital Call to be met. Nothing in this Agreement is intended to limit in any respect MCE Cotai's right to exercise all defenses available to it under the Shareholders' Agreement with respect to any Capital Call, or require MCE to in any way attempt to limit such exercise.

For the purposes hereof, (a) "Maximum Obligations" in respect of any Capital Call from time to time means an amount equal to the lesser of (i) the amount of such Capital Call made on MCE Cotai in accordance with clause 1(e) of Amendment No. 3, and (ii) the Aggregate Remaining Second Follow On Commitment, and (h) "Aggregate Remaining Second Follow On Commitment" means, as of any date of any Capital Call, an amount equal to US$60 million less the aggregate amounts (other than the US$60 million out of the remaining US$100 million of the MCE Follow On Commitment) subscribed for or advanced to the Company by or on behalf of MCE Cotai (including through draws by the Company on this Commitment) as of such date in accordance with clause 1(e) of Amendment No. 3, less the amount by which MCE Cotai's obligation to make Capital Calls is reduced in connection with a Transfer of Financial Interests held by MCE Cotai as provided in clause 22.5 of the Shareholders' Agreement.

2. No Recourse. Notwithstanding anything that may be expressed or implied in this Agreement or any document or instrument delivered in connection herewith, by its acceptance of the benefits of this Agreement, the Company covenants, agrees and acknowledges that no person or entity other than MCE has any obligation hereunder, and no personal liability shall attach to, the former, current or future equity holders, controlling persons, directors, officers, employees, agents, affiliates, members, managers, general or limited partners or assignees of MCE or any former, current or future stockholder, controlling person, director, officer, employee, general or limited partner, member, manager, affiliate (other than, in the case of MCE Cotai, under the Shareholders' Agreement or Amendment No. 3), agent or assignee of any of the foregoing, whether by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute, regulation or applicable law, or otherwise.

3. Termination. Upon the earliest of (x) the full satisfaction of the maximum amount payable by MCE Cotai in respect of all Capital Calls pursuant to clause 1(e) of Amendment No. 3, (y) the expiration of the period for the making of Capital Calls under clause 17.10 of the Shareholders' Agreement and (z) the termination of the Shareholders' Agreement in accordance with its terms, this Agreement shall terminate and be of no further force and effect. Upon termination of this Agreement, MCE shall not have any liability to any person in connection with this Agreement except, in the case of clause (y) and (z), any breach of this Agreement occurring on or before the relevant date.

4. Representations and Warranties. MCE hereby represents and warrants to the Company that (i) MCE is duly organized, validly existing and in good standing under the laws of the state or country of its formation or organization, and has all necessary power and authority to enter into and perform this Agreement, (ii) this Agreement has been duly executed and delivered by MCE and constitutes a legal, valid and binding obligation of MCE, enforceable against MCE in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, (iii) MCE has and will maintain available capital in an amount not less than the Aggregate Remaining Second Follow On Commitment, and (iv) no other approval is required for MCE to fulfill its obligations hereunder.

5. Amendments. This Agreement may be amended, modified, or waived with the written consent of MCE and the Company.

6. Assignment; Successors and Assigns. No assignment or transfer by any party of its rights and obligations under this Agreement will be made except with the prior written consent of (i) the Company (in the case of any assignment or transfer by MCE) or (ii) MCE (in the case of any assignment or transfer by the Company); provided, that (x) the Company may assign its rights pursuant to this Agreement to any Project Lender as collateral security without the prior written consent of MCE and (y) in connection with a Transfer or issuance of Upstream Securities in respect of MCE Cotai, MCE may assign all or any portion of its Commitment to the transferee or purchaser (as applicable) of such Upstream Securities, provided that (A) immediately following such assignment, the portion of the Commitment held by MCE relative to the portion of the Commitment held by such transferee or purchaser (as applicable) is substantially equivalent to the Effective Interest in Securities held by MCE relative to the Effective Interest in Securities held by such transferee or purchaser at such time, (B) the transferee or purchaser (as applicable) agrees to provide its portion of the Commitment on terms that are not in the aggregate materially less beneficial to the Company than the terms hereof and (C) the transferee or purchaser (as applicable) proves to the reasonable satisfaction of the Company that it has sufficient financial resources to meet the portion of the Commitment to be assigned to it under clause (A). All the covenants and agreements contained in this Agreement shall bind and inure to the benefit of any such assignee.

7. Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

8. Counterparts; Binding Agreement. This Agreement may be executed simultaneously in two or more separate counterparts (including by means of facsimile or by electronic transmission of a .pdf or other electronic file), any one of which need not contain the signatures of more than one party, but each of which will be an original and all of which together shall constitute one and the same agreement binding on all the parties hereto.

9. Confidentiality. This Agreement shall be treated as strictly confidential and is being provided to the Company solely in connection with the Shareholders' Agreement and Amendment No. 3 and the transactions contemplated thereby. This Agreement may not be used, circulated, quoted or otherwise referred to in any document, except with the written consent of each of the Company and MCE. Notwithstanding the foregoing, this Agreement may be (a) provided by the Company and MCE to their respective officers, managers, employees, directors (or equivalent) or financial, legal or accounting advisors or lenders who have been directed to treat this Agreement as confidential, (b) provided by MCE to its direct and indirect equity holders and their respective affiliates who have been directed to treat this Agreement as confidential and (c) disclosed lo any person or entity if required by law or the rules of any stock exchange or regulatory authority (including a self-regulatory organization).

10. Specific Performance. MCE acknowledges and agrees that (a) irreparable damage would occur in the event that any of the provisions of this Agreement are not performed in accordance with their specific terms or are otherwise breached, and (b) remedies at law would not be adequate to compensate the non-breaching party. Accordingly, MCE agrees that the Company shall have the right, in addition to any other rights and remedies existing in its favor, to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce its rights and obligations hereunder not only by an action or actions for damages but also by an action or actions for specific performance, injunctive and/or other equitable relief. The right to equitable relief, including specific performance or injunctive relief, shall exist notwithstanding, and shall not be limited by, any other provision of this Agreement. MCE hereby waives any defense that a remedy at law is adequate and any requirement to post bond or other security in connection with actions instituted for injunctive relief, specific performance or other equitable remedies.

11. Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. The use of the word “including” in this Agreement shall be by way of example rather than by limitation. Unless otherwise noted, reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof. The use of the words “or,” “either” and “any” shall not be exclusive. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Wherever a conflict exists between this Agreement and any other agreement, this Agreement shall control but solely to the extent of such conflict.

12. Applicable Law; Venue. This Agreement is governed by and is to be construed in accordance with the laws applicable in Hong Kong. Except as otherwise expressly provided in this Agreement, any dispute relating hereto shall be heard exclusively in the courts of Hong Kong, and the parties agree to jurisdiction and venue therein.

13. Addresses and Notices. All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be given or delivered, as applicable, as provided in clause 39 of the Shareholders’ Agreement as if such provisions applied herein mutatis mutandis.

14. No Third Party Beneficiaries. None of the provisions of this Agreement shall be for the benefit of or enforceable by any person or entity other than the Company, including without limitation, any shareholder or creditor of the Company or any of their respective affiliates, and no creditor who makes a loan to the Company or any of its affiliates may have or acquire (except pursuant to the terms of a separate agreement executed by the Company in favor of such creditor) at any time as a result of making the loan any direct or indirect interest in the Commitment other than as a secured creditor of the Company.

15. Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

16. Further Action. The parties agree to execute and deliver all documents, provide all information and take or refrain from taking such actions as may be necessary or appropriate to achieve the purposes of this Agreement.

17. Entire Agreement. This Agreement, those documents expressly referred to herein and other documents dated as of even date herewith embody the complete agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

18. Delivery by Facsimile or by Electronic Transmission. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or by electronic transmission of a .pdf or other electronic file, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall reexecute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine or electronic transmission to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or electronic transmission as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

19. Prior Commitment. This Agreement is in addition to, and not in replacement of, that certain commitment agreement, dated 17 May, 2013, by and between MCE and the Company, which shall remain in full force and effect.

* * * * * * *

Sincerely,

MELCO CROWN ENTERTAINMENT LIMITED

By:
Name:
Title:

Acknowledged and agreed as of the date first written above by:

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

By:
Name:
Title:

**ANNEXURE E**

**Form of Commitment Letter of Silver Point Funds**

Silver Point Capital Fund, L.P.
Silver Point Capital Offshore Master Fund, L.P.
SPCP Group III, LLC
c/o Silver Point Capital, L.P.
Two Greenwich Plaza
Greenwich, CT 06830
Fax No.: +1 (203) 542-4128

3 June, 2014

Studio City International Holdings Limited
c/o Offshore Incorporations Centre
P.O. Box 957, Road Town
Tortola, British Virgin Islands
Attention: Stephanie Cheung, Chief Legal Officer
Fax No.: +852-2537-3618

Ladies and Gentlemen:

This commitment agreement (this "Agreement") is dated 3 June, 2014 and is entered into by and among Silver Point Capital Fund, L.P. ("SPCF"), Silver Point Capital Offshore Master Fund, L.P. ("SPCOMF"), SPCP Group III, LLC ("SPCP" and, together with SPCF and SPCOMF, the "Silver Point Funds") and Studio City International Holdings Limited (the "Company"). Capitalized terms used herein but not defined shall have the meanings given to such terms in the Shareholders' Agreement (as acceded to, and amended, from time to time, the "Shareholders' Agreement"), and Amendment No. 3 to Shareholders' Agreement ("Amendment No. 3"), both by and among the Company, New Cotai, LLC ("New Cotai"), MCE Cotai Investments Limited and Melco Crown Entertainment Limited. This Agreement is being delivered pursuant to clause 1(g) of Amendment No. 3.

1. Commitment. Each of the Silver Point Funds hereby agrees, on a several but not joint basis, upon the terms and subject to the conditions set forth herein, (x) to provide or cause to be provided to New Cotai, directly or through one or more other entities, funds to meet any and all Capital Calls made on New Cotai by the Company, from time to time pursuant to and in accordance with clause 1(e) of Amendment No. 3, and (y) to exercise all of its rights as a direct or indirect equity holder to cause New Cotai to meet, and in any event to not take any affirmative action as a direct or indirect equity holder, or refrain from taking any affirmative action as a direct or indirect equity holder, to prevent New Cotai from meeting, such Capital Call in accordance with clause 1(e) of Amendment No. 3, in the case of clause (x), if and only to the extent that New Cotai does not otherwise have sufficient funds to meet those Capital Calls; provided, however, that in no event shall any of the Silver Point Funds be required to provide such funds in an amount exceeding such Silver Point Fund's Maximum Obligations (such commitment, the "Commitment"). The Commitment shall be subject to all defenses available to New Cotai under the Shareholders' Agreement with respect to any Capital Call, each of which defenses may be asserted directly by or on behalf of the Silver Point Funds. For the purposes of clause (y), the obligation of each of the Silver Point Funds to take action under that clause shall include an obligation on each of the Silver Point Funds to exercise all of their rights (i) under the constituent documents of New Cotai to approve or authorize (as the case may be) the Capital Call to be met, (ii) to instruct its board member appointees of New Cotai to approve and authorize the Capital Call to be met, and (iii) to vote any of the securities held by it in New Cotai to approve or authorize the Capital Call to be met. Nothing in this Agreement is intended to limit in any respect New Cotai's right to exercise all defenses available to it under the Shareholders' Agreement with respect to any Capital Call, or require the Silver Point Funds to in any way attempt to limit such exercise.

For the purposes hereof, (a) "Maximum Obligations" in respect of any Capital Call from time to time means (i) with respect to SPCF, an amount equal to the lesser of (A) SPCF's Pro Rata Share of the amount of such Capital Call made on New Cotai in accordance with clause 1(e) of Amendment No. 3, and (B) SPCF's Pro Rata Share of the Aggregate Remaining Second Follow On Commitment, (ii) with respect to SPCOMF, an amount equal to the lesser of (x) SPCOMF's Pro Rata Share of the amount of such Capital Call made on New Cotai in accordance with clause 1(e) of Amendment No. 3, and (y) SPCOMF's Pro Rata Share of the Aggregate Remaining Second Follow On Commitment, and (iii) with respect to SPCP, an amount equal to the lesser of (A) SPCP's Pro Rata Share of the amount of such Capital Call made on New Cotai in accordance with clause 1(e) of Amendment No. 3, and (B) SPCP's Pro Rata Share of the Aggregate Remaining Second Follow On Commitment, (b) "Pro Rata Share" means (I) with respect to SPCF, 28.67%, (II) with respect to SPCOMF, 42.79%, and (III) with respect to SPCP, 6.54%, and (c) "Aggregate Remaining Second Follow On Commitment" means, as of any date of any Capital Call, an amount equal to US$40 million less the aggregate amounts (other than the US$40 million out of the remaining US$100 million of the MCE Follow On Commitment) subscribed for or advanced to the Company by or on behalf of New Cotai (including through draws by the Company on this Commitment) as of such date in accordance with clause 1(e) of Amendment No. 3, less the amount by which New Cotai's obligation to make Capital Calls is reduced in connection with a Transfer of Financial Interests held by New Cotai as provided in clause 22.5 of the Shareholders' Agreement.

2. No Recourse. Notwithstanding anything that may be expressed or implied in this Agreement or any document or instrument delivered in connection herewith, by its acceptance of the benefits of this Agreement, the Company covenants, agrees and acknowledges that no person or entity other than the Silver Point Funds has any obligation hereunder, and no personal liability shall attach to, the former, current or future equity holders, controlling persons, directors, officers, employees, agents, affiliates, members, managers, general or limited partners or assignees of the Silver Point Funds or any former, current or future stockholder, controlling person, director, officer, employee, general or limited partner, member, manager, affiliate (other than, in the case of New Cotai, under the Shareholders' Agreement or Amendment No. 3), agent or assignee of any of the foregoing, whether by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute, regulation or applicable law, or otherwise.

3. Termination. Upon the earliest of (x) the full satisfaction of the maximum amount payable by New Cotai in respect of all Capital Calls pursuant to clause 1(e) of Amendment No. 3, (y) the expiration of the period for the making of Capital Calls under clause 17.10 of the Shareholders' Agreement and (z) the termination of the Shareholders' Agreement in accordance with its terms, this Agreement shall terminate and be of no further force and effect. Upon termination of this Agreement, none of the Silver Point Funds shall have any liability to any person in connection with this Agreement except, in the case of clause (y) and (z), any breach of this Agreement occurring on or before the relevant date.

4. Representations and Warranties. Each of the Silver Point Funds hereby represents and warrants to the Company that (i) such Silver Point Fund is duly organized, validly existing and in good standing under the laws of the state or country of its formation or organization, and has all necessary power and authority to enter into and perform this Agreement, (ii) this Agreement has been duly executed and delivered by such Silver Point Fund and constitutes a legal, valid and binding obligation of such Silver Point Fund, enforceable against such Silver Point Fund in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, (iii) such Silver Point Fund has and will maintain available capital in an amount not less than such Silver Point Fund's Pro Rata Share of the Aggregate Remaining Second Follow On Commitment, and (iv) no other approval is required for such Silver Point Fund to fulfill its obligations hereunder.

5. Amendments. This Agreement may be amended, modified, or waived with the written consent of each of the Silver Point Funds and the Company.

6. Assignment; Successors and Assigns. No assignment or transfer by any party of its rights and obligations under this Agreement will be made except with the prior written consent of (i) the Company (in the case of any assignment or transfer by the Silver Point Funds) or (ii) each of the Silver Point Funds (in the case of any assignment or transfer by the Company); provided, that (x) the Company may assign its rights pursuant to this Agreement to any Project Lender as collateral security without the prior written consent of the Silver Point Rinds and (y) in connection with a Transfer or issuance of Upstream Securities in respect of New Cotai, each Silver Point Fund may assign all or any portion of its Commitment to the transferee or purchaser (as applicable) of such Upstream Securities, provided that (A) immediately following such assignment, the portion of the Commitment held by such Silver Point Fund relative to the portion of the Commitment held by such transferee or purchaser (as applicable) is substantially equivalent to the Effective Interest in Securities held by such Silver Point Fund relative to the Effective Interest in Securities held by such transferee or purchaser at such time, (B) the transferee or purchaser (as applicable) agrees to provide its portion of the Commitment on terms that are not in the aggregate materially less beneficial to the Company than the terms hereof and (C) the transferee or purchaser (as applicable) proves to the reasonable satisfaction of the Company that it has sufficient financial resources to meet the portion of the Commitment to be assigned to it under clause (A). All the covenants and agreements contained in this Agreement shall bind and inure to the benefit of any such assignee.

7. Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

8. Counterparts; Binding Agreement. This Agreement may be executed simultaneously in two or more separate counterparts (including by means of facsimile or by electronic transmission of a .pdf or other electronic file), any one of which need not contain the signatures of more than one party, but each of which will be an original and all of which together shall constitute one and the same agreement binding on all the parties hereto.

9. Confidentiality. This Agreement shall be treated as strictly confidential and is being provided to the Company solely in connection with the Shareholders' Agreement and Amendment No. 3 and the transactions contemplated thereby. This Agreement may not be used, circulated, quoted or otherwise referred to in any document, except with the written consent of each of the Company and each of the Silver Point Funds. Notwithstanding the foregoing, this Agreement may be (a) provided by the Company and the Silver Point Funds to their respective officers, managers, employees, directors (or equivalent) or financial, legal or accounting advisors or lenders who have been directed to treat this Agreement as confidential, (b) provided by the Silver Point Funds to their direct and indirect equity holders and their respective affiliates who have been directed to treat this Agreement as confidential and (c) disclosed to any person or entity if required by law or the rules of any stock exchange or regulatory authority (including a self-regulatory organization).

10. Specific Performance. Each Silver Point Fund acknowledges and agrees that (a) irreparable damage would occur in the event that any of the provisions of this Agreement are not performed in accordance with their specific terms or are otherwise breached, and (b) remedies at law would not be adequate to compensate the non-breaching party. Accordingly, each Silver Point Fund agrees that the Company shall have the right, in addition to any other rights and remedies existing in its favor, to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce its rights and obligations hereunder not only by an action or actions for damages but also by an action or actions for specific performance, injunctive and/or other equitable relief. The right to equitable relief, including specific performance or injunctive relief, shall exist notwithstanding, and shall not be limited by, any other provision of this Agreement. Each Silver Point Fund hereby waives any defense that a remedy at law is adequate and any requirement to post bond or other security in connection with actions instituted for injunctive relief, specific performance or other equitable remedies.

11. Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. The use of the word "including" in this Agreement shall be by way of example rather than by limitation. Unless otherwise noted, reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof. The use of the words "or," "either" and "any" shall not be exclusive. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Wherever a conflict exists between this Agreement and any other agreement, this Agreement shall control but solely to the extent of such conflict.

12. Applicable Law; Venue. This Agreement is governed by and is to be construed in accordance with the laws applicable in Hong Kong. Except as otherwise expressly provided in this Agreement, any dispute relating hereto shall be heard exclusively in the courts of Hong Kong, and the parties agree to jurisdiction and venue therein.

13. Addresses and Notices. All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be given or delivered, as applicable, as provided in clause 39 of the Shareholders' Agreement as if such provisions applied herein mutatis mutandis.

14. No Third Party Beneficiaries. None of the provisions of this Agreement shall be for the benefit of or enforceable by any person or entity other than the Company, including without limitation, any shareholder or creditor of the Company or any of their respective affiliates, and no creditor who makes a loan to the Company or any of its affiliates may have or acquire (except pursuant to the terms of a separate agreement executed by the Company in favor of such creditor) at any time as a result of making the loan any direct or indirect interest in the Commitment other than as a secured creditor of the Company.

15. Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

16. Further Action. The parties agree to execute and deliver all documents, provide all information and take or refrain from taking such actions as may be necessary or appropriate to achieve the purposes of this Agreement.

17. Entire Agreement. This Agreement, those documents expressly referred to herein and other documents dated as of even date herewith embody the complete agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

18. Delivery by Facsimile or by Electronic Transmission. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or by electronic transmission of a .pdf or other electronic file, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall reexecute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine or electronic transmission to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or electronic transmission as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

19. Prior Commitment. This Agreement is in addition to, and not in replacement of, that certain commitment agreement, dated 17 May, 2013, by and between the Silver Point Funds and the Company, which shall remain in full force and effect.

* * * * * * *

Sincerely,

SILVER POINT CAPITAL FUND, L.P.

By: Silver Point Capital, L.P.
its investment manager

By: ______________________________
Name:
Title:

SILVER POINT CAPITAL OFFSHORE MASTER FUND, L.P.

By: Silver Point Capital, L.P.
its investment manager

By: ______________________________
Name:
Title:

SPCP GROUP III, LLC

By: ______________________________
Name:
Title:

Signature Page to Additional Equity Commitment Letter
to Studio City from Silver Point

Acknowledged and agreed as of the date first written above by:

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

By: ________________________________________
Name:
Title:

Signature Page to Additional Equity Commitment Letter
to Studio City from Silver Point

**ANNEXURE F**

**Form of Commitment Letter of Oaktree Funds**

OCM Opportunities Fund V, L.P.
OCM Asia Principal Opportunities Fund, L.P.
OCM Opportunities Fund VI, L.P.
333 South Grand Avenue
Los Angeles, CA 90071
Attention: General Counsel
Telecopy No.: +1 (213) 830-8545

3 June, 2014

Studio City International Holdings Limited
c/o Offshore Incorporations Centre
P.O. Box 957, Road Town
Tortola, British Virgin Islands
Attention: Stephanie Cheung, Chief Legal Officer
Fax No.: +852-2537-3618

Ladies and Gentlemen:

This commitment agreement (this "Agreement") is dated 3 June, 2014 and is entered into by and among OCM Opportunities Fund V, L.P. ("OCM V"), OCM Asia Principal Opportunities Fund, L.P. ("OCM Asia"), OCM Opportunities Fund VI, L.P. ("OCM VI" and, together with OCM V and OCM Asia, the "Oaktree Funds") and Studio City International Holdings Limited (the "Company"). Capitalized terms used herein but not defined shall have the meanings given to such terms in the Shareholders' Agreement (as acceded to, and amended, from time to time, the "Shareholders' Agreement"), and Amendment No. 3 to Shareholders' Agreement ("Amendment No. 3"), both by and among the Company, New Cotai, LLC ("New Cotai"), MCE Cotai Investments Limited and Melco Crown Entertainment Limited. This Agreement is being delivered pursuant to clause 1(h) of Amendment No. 3.

1. Commitment. Each of the Oaktree Funds hereby agrees, on a several but not joint basis, upon the terms and subject to the conditions set forth herein, (x) to provide or cause to be provided to New Cotai, directly or through one or more other entities, funds to meet any and all Capital Calls made on New Cotai by the Company, from time to time pursuant to and in accordance with clause 1(e) of Amendment No. 3, and (y) to exercise all of its rights as a direct or indirect equity holder to cause New Cotai to meet, and in any event to not take any affirmative action as a direct or indirect equity holder, or refrain from taking any affirmative action as a direct or indirect equity holder, to prevent New Cotai from meeting, such Capital Call in accordance with clause 1(e) of Amendment No. 3, in the case of clause (x), if and only to the extent that New Cotai does not otherwise have sufficient funds to meet those Capital Calls; provided, however, that in no event shall any of the Oaktree Funds be required to provide such funds in an amount exceeding such Oaktree Fund's Maximum Obligations (such commitment, the "Commitment"). The Commitment shall be subject to all defenses available to New Cotai under the Shareholders' Agreement with respect to any Capital Call, each of which defenses may be asserted directly by or on behalf of the Oaktree Funds. For the purposes of clause (y), the obligation of each of the Oaktree Funds to take action under that clause shall include an obligation on each of the Oaktree Funds to exercise all of their rights (i) under the constituent documents of New Cotai to approve or authorize (as the case may be) the Capital Call to be met, (ii) to instruct its board member appointees of New Cotai to approve and authorize the Capital Call to be met, and (iii) to vote any of the securities held by it in New Cotai to approve or authorize the Capital Call to be met. Nothing in this Agreement is intended to limit in any respect New Cotai's right to exercise all defenses available to it under the Shareholders' Agreement with respect to any Capital Call, or require the Oaktree Funds to in any way attempt to limit such exercise.

For the purposes hereof, (a) "Maximum Obligations" in respect of any Capital Call from time to time means (i) with respect to OCM V, an amount equal to the lesser of (A) OCM V's Pro Rata Share of the amount of such Capital Call made on New Cotai in accordance with clause 1(e) of Amendment No. 3, and (B) OCM V's Pro Rata Share of the Aggregate Remaining Second Follow On Commitment, (ii) with respect to OCM Asia, an amount equal to the lesser of (x) OCM Asia's Pro Rata Share of the amount of such Capital Call made on New Cotai in accordance with clause 1(e) of Amendment No. 3, and (y) OCM Asia's Pro Rata Share of the Aggregate Remaining Second Follow On Commitment, and (iii) with respect to OCM VI, an amount equal to the lesser of (A) OCM VI's Pro Rata Share of the amount of such Capital Call made on New Cotai in accordance with clause 1(e) of Amendment No. 3, and (B) OCM VI's Pro Rata Share of the Aggregate Remaining Second Follow On Commitment, (b) "Pro Rata Share" means (I) with respect to OCM V, Seven and One-Third percent (7-1/3%), (II) with respect to OCM Asia, Seven and One-Third percent (7-1/3%), and (III) with respect to OCM VI, Seven and One-Third percent (7-1/3%), and (c) "Aggregate Remaining Second Follow On Commitment" means, as of any date of any Capital Call, an amount equal to US$40 million less the aggregate amounts (other than the US$40 million out of the remaining US$100 million of the MCE Follow On Commitment) subscribed for or advanced to the Company by or on behalf of New Cotai (including through draws by the Company on this Commitment) as of such date in accordance with clause 1(e) of Amendment No. 3, less the amount by which New Cotai's obligation to make Capital Calls is reduced in connection with a Transfer of Financial Interests held by New Cotai as provided in clause 22.5 of the Shareholders' Agreement.

2. No Recourse. Notwithstanding anything that may be expressed or implied in this Agreement or any document or instrument delivered in connection herewith, by its acceptance of the benefits of this Agreement, the Company covenants, agrees and acknowledges that no person or entity other than the Oaktree Funds has any obligation hereunder, and no personal liability shall attach to, the former, current or future equity holders, controlling persons, directors, officers, employees, agents, affiliates, members, managers, general or limited partners or assignees of the Oaktree Funds or any former, current or future stockholder, controlling person, director, officer, employee, general or limited partner, member, manager, affiliate (other than, in the case of New Cotai, under the Shareholders' Agreement or Amendment No. 3), agent or assignee of any of the foregoing, whether by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute, regulation or applicable law, or otherwise.

3. Termination. Upon the earliest of (x) the full satisfaction of the maximum amount payable by New Cotai in respect of all Capital Calls pursuant to clause 1(e) of Amendment No. 3, (y) the expiration of the period for the making of Capital Calls under clause 17.10 of the Shareholders' Agreement and (z) the termination of the Shareholders' Agreement in accordance with its terms, this Agreement shall terminate and be of no further force and effect. Upon termination of this Agreement, none of the Oaktree Funds shall have any liability to any person in connection with this Agreement except, in the case of clause (y) and (z), any breach of this Agreement occurring on or before the relevant date.

4. Representations and Warranties. Each of the Oaktree Funds hereby represents and warrants to the Company that (i) such Oaktree Fund is duly organized, validly existing and in good standing under the laws of the state or country of its formation or organization, and has all necessary power and authority to enter into and perform this Agreement, (ii) this Agreement has been duly executed and delivered by such Oaktree Fund and constitutes a legal, valid and binding obligation of such Oaktree Fund, enforceable against such Oaktree Fund in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, (iii) such Oaktree Fund has and will maintain available capital in an amount not less than such Oaktree Fund's Pro Rata Share of the Aggregate Remaining Second Follow On Commitment, and (iv) no other approval is required for such Oaktree Fund to fulfill its obligations hereunder.

5. Amendments. This Agreement may be amended, modified, or waived with the written consent of each of the Oaktree Funds and the Company.

6. Assignment; Successors and Assigns. No assignment or transfer by any party of its rights and obligations under this Agreement will be made except with the prior written consent of (i) the Company (in the case of any assignment or transfer by the Oaktree Funds) or (ii) each of the Oaktree Funds (in the case of any assignment or transfer by the Company); provided, that (x) the Company may assign its rights pursuant to this Agreement to any Project Lender as collateral security without the prior written consent of the Oaktree Funds and (y) in connection with a Transfer or issuance of Upstream Securities in respect of New Cotai, each Oaktree Fund may assign all or any portion of its Commitment to the transferee or purchaser (as applicable) of such Upstream Securities, provided that (A) immediately following such assignment, the portion of the Commitment held by such Oaktree Fund relative to the portion of the Commitment held by such transferee or purchaser (as applicable) is substantially equivalent to the Effective Interest in Securities held by such Oaktree Fund relative to the Effective Interest in Securities held by such transferee or purchaser at such time, (B) the transferee or purchaser (as applicable) agrees to provide its portion of the Commitment on terms that are not in the aggregate materially less beneficial to the Company than the terms hereof and (C) the transferee or purchaser (as applicable) proves to the reasonable satisfaction of the Company that it has sufficient financial resources to meet the portion of the Commitment to be assigned to it under clause (A). All the covenants and agreements contained in this Agreement shall bind and inure to the benefit of any such assignee.

7. Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

8. Counterparts; Binding Agreement. This Agreement may be executed simultaneously in two or more separate counterparts (including by means of facsimile or by electronic transmission of a .pdf or other electronic file), any one of which need not contain the signatures of more than one party, but each of which will be an original and all of which together shall constitute one and the same agreement binding on all the parties hereto.

9. Confidentiality. This Agreement shall be treated as strictly confidential and is being provided to the Company solely in connection with the Shareholders' Agreement and Amendment No. 3 and the transactions contemplated thereby. This Agreement may not be used, circulated, quoted or otherwise referred to in any document, except with the written consent of each of the Company and each of the Oaktree Funds. Notwithstanding the foregoing, this Agreement may be (a) provided by the Company and the Oaktree Funds to their respective officers, managers, employees, directors (or equivalent) or financial, legal or accounting advisors or lenders who have been directed to treat this Agreement as confidential, (b) provided by the Oaktree Funds to their direct and indirect equity holders and their respective affiliates who have been directed to treat this Agreement as confidential and (c) disclosed to any person or entity if required by law or the rules of any stock exchange or regulatory authority (including a self-regulatory organization).

10. Specific Performance. Each Oaktree Fund acknowledges and agrees that (a) irreparable damage would occur in the event that any of the provisions of this Agreement are not performed in accordance with their specific terms or are otherwise breached, and (b) remedies at law would not be adequate to compensate the non-breaching party. Accordingly, each Oaktree Fund agrees that the Company shall have the right, in addition to any other rights and remedies existing in its favor, to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce its rights and obligations hereunder not only by an action or actions for damages but also by an action or actions for specific performance, injunctive and/or other equitable relief. The right to equitable relief, including specific performance or injunctive relief, shall exist notwithstanding, and shall not be limited by, any other provision of this Agreement. Each Oaktree Fund hereby waives any defense that a remedy at law is adequate and any requirement to post bond or other security in connection with actions instituted for injunctive relief, specific performance or other equitable remedies.

11. Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. The use of the word "including" in this Agreement shall be by way of example rather than by limitation. Unless otherwise noted, reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof. The use of the words "or," "either" and "any" shall not be exclusive. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Wherever a conflict exists between this Agreement and any other agreement, this Agreement shall control but solely to the extent of such conflict.

12. Applicable Law; Venue. This Agreement is governed by and is to be construed in accordance with the laws applicable in Hong Kong. Except as otherwise expressly provided in this Agreement, any dispute relating hereto shall be heard exclusively in the courts of Hong Kong, and the parties agree to jurisdiction and venue therein.

13. Addresses and Notices. All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be given or delivered, as applicable, as provided in clause 39 of the Shareholders' Agreement as if such provisions applied herein *mutatis mutandis*.

14. No Third Party Beneficiaries. None of the provisions of this Agreement shall be for the benefit of or enforceable by any person or entity other than the Company, including without limitation, any shareholder or creditor of the Company or any of their respective affiliates, and no creditor who makes a loan to the Company or any of its affiliates may have or acquire (except pursuant to the terms of a separate agreement executed by the Company in favor of such creditor) at any time as a result of making the loan any direct or indirect interest in the Commitment other than as a secured creditor of the Company.

15. Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

16. Further Action. The parties agree to execute and deliver all documents, provide all information and take or refrain from taking such actions as may be necessary or appropriate to achieve the purposes of this Agreement.

17. Entire Agreement. This Agreement, those documents expressly referred to herein and other documents dated as of even date herewith embody the complete agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

18. Delivery by Facsimile or by Electronic Transmission. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or by electronic transmission of a .pdf or other electronic file, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall reexecute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine or electronic transmission to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or electronic transmission as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

19. Prior Commitment. This Agreement is in addition to, and not in replacement of, that certain commitment agreement, dated 17 May, 2013, by and between the Oaktree Funds and the Company, which shall remain in full force and effect.

* * * * * * *

Sincerely,

OCM OPPORTUNITIES FUND V, L.P.

By: OCM Opportunities Fund V GP, L.P.
Its: General Partner

By: Oaktree Fund GP I, L.P.
Its: General Partner

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

OCM ASIA PRINCIPAL OPPORTUNITIES FUND, L.P.

By: OCM Asia Principal Opportunities Fund GP, L.P.
Its: General Partner

By: OCM Asia Principal Opportunities Fund GP LTD.
Its: General Partner

By: Oaktree Capital Management, L.P.
Its: Director

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

OCM OPPORTUNITIES FUND VI, L.P.

By: OCM Opportunities Fund VI GP, L.P.
Its: General Partner

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

Acknowledged and agreed as of the date first written above by:

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

By: ________________________________________
Name:
Title:

# AMENDMENT NO. 4
# TO
# SHAREHOLDERS' AGREEMENT

This AMENDMENT NO. 4 TO SHAREHOLDERS' AGREEMENT (**Amendment No. 4**), dated as of 21 July 2014, is entered into by and among MCE Cotai Investments Limited, a company incorporated in the Cayman Islands (**MCE Cotai**), New Cotai, LLC, a Delaware limited liability company (**New Cotai**), Melco Crown Entertainment Limited, a company incorporated in the Cayman Islands (**MCE**), and Studio City International Holdings Limited (formerly known as Cyber One Agents Limited), a company incorporated in the British Virgin Islands (**Company**). Capitalized terms used herein without definition have the meanings given such terms in the Shareholders' Agreement (as defined below).

## BACKGROUND

(A) MCE Cotai, New Cotai, MCE and the Company entered into a Shareholders' Agreement, dated 27 July 2011 (as amended by Amendment No. 1, Amendment No. 2 and Amendment No. 3, each as defined below, the **Shareholders' Agreement**), which governs their relationship in connection with, and the conduct and operations of, the Company and its Subsidiaries;

(B) Pursuant to clause 17 of the Shareholders' Agreement, MCE Cotai and New Cotai agreed to invest equity capital in the Company up to an aggregate amount of US$1,250 million (**Phase I Capital Commitments**);

(C) On the date of this Amendment No. 4, the Board approved a budget of US$30 million for the preliminary development and initial concept design work of Phase II of the MSC Property (**Phase II Preliminary Design Work)**;

(D) In order to fund the Phase II Preliminary Design Work, MCE Cotai and New Cotai have agreed, as more fully set out below, (i) to commit to invest an additional US$30 million equity capital in the Company (**Phase II Capital Commitment**), and (ii) that the Company could forthwith make a Capital Call with respect to the Phase II Capital Commitment; and

(E) This Amendment No. 4 is being executed and delivered by the parties in accordance with clause 41.1 of the Shareholders' Agreement.

## AGREED TERMS

### 1. Phase II Capital Commitment

(a) MCE Cotai and New Cotai hereby agree to purchase additional Securities up to a maximum aggregate amount equal to the Phase II Capital Commitment of US$30 million, in which MCE Cotai has a Financial Interest of 60% and New Cotai has a Financial Interest of 40%.

(b) Clause 17.5 of the Shareholders' Agreement is hereby amended to increase the maximum amount payable on all Capital Calls under clause 17 of the Shareholders' Agreement ("**Clause 17**") by the amount of the Phase II Capital Commitment, from US$1,250 million to US$1,280 million.

(c) Schedule 1 of the Shareholders' Agreement is hereby supplemented to reflect the Phase II Capital Commitment and the Financial Interests held by each Shareholder therein.

(d) The Funding Schedule of Phase II Preliminary Design Work, as agreed and confirmed by MCE Cotai and New Cotai is attached as annexure A to this Amendment No. 4. Such Funding Schedule of Phase II Preliminary Design Work forms an integral part of the Financing and Funding Schedule.

(e) The Company must issue the Securities in respect of the Phase II Capital Commitment under Clause 17 pursuant to a valid Capital Call made on the date hereof and in accordance with such clause. Such Call Notice shall be in the form of annexure B to this Amendment No. 4. The parties hereto further agree that, Clause 17.6 notwithstanding, the funds subject to such Call Notice issued on the date hereof shall be used to fund Phase II Preliminary Design Work which may be incurred in the fourth Quarter of 2014 and the first two quarters of 2015, and the date for payment of such Capital Call shall be 22 July 2014.

**2. General**

(a) Except as expressly modified by this Amendment No. 4, all of the terms, covenants, agreements, conditions and other provisions of the Shareholders' Agreement shall remain in full force and effect in accordance with their respective terms. As used in the Shareholders' Agreement, the terms "this Agreement," "herein," "hereinafter," "hereunder," "hereto" and words of similar import shall mean and refer to, from and after the date hereof, unless the context otherwise requires, the Shareholders' Agreement as amended by this Amendment No. 4.

(b) This Amendment No. 4 may be executed in multiple counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which shall together be considered one and the same agreement, and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties. Delivery of an executed counterpart of a signature page to this Amendment No. 4 by facsimile transmission or by electronic transmission of a .pdf or other electronic file shall be as effective as delivery of a manually signed counterpart of this Amendment No. 4.

(c) This Amendment No. 4 is governed by and is to be construed in accordance with the laws applicable in Hong Kong.

* * * * *

Executed as an agreement

SIGNED by

Lawrence Yau Lung Ho

for and on behalf of

**MCE COTAI INVESTMENTS LIMITED**

as its authorized representative

/s/ Lawrence Yau Lung Ho
Authorized Representative

SIGNED by

Lawrence Yau Lung Ho

for and on behalf of

**MELCO CROWN ENTERTAINMENT LIMITED**

as its authorized representative

/s/ Lawrence Yau Lung Ho
Authorized Representative

SIGNED by

David Reganato
______________________________

for and on behalf of

**NEW COTAI, LLC**

as its authorized representative

/s/ David Reganato
______________________________
Authorized Representative

SIGNED by

______________________________
for and on behalf of

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

as its authorized representative

______________________________
Authorized Representative

SIGNED BY

________________________________________

for and on behalf of

**NEW COTAI, LLC**

as its authorized representative

________________________________________

Authorized Representative

SIGNED by

Lawrence Yau Lung Ho

for an on behalf of

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

as its authorized representative

/s/ Lawrence Yau Lung Ho

Authorized Representative

*[Signature Page to Amendment No. 4 to SCIH Shareholders' Agreement]*

## ANNEXURE A

## Funding Schedule of Phase II Preliminary Design Work

| | *($ in millions)* | | Year 2014 | | | | Year 2015 | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Item | Description | Amount | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| 1 | Phase II Preliminary Design work costs | 27.3 | — | — | 7.9 | 10.5 | 6.8 | 2.1 | — | — |
| 2 | Contingency | 2.7 | | | | | | | | |
| | Sub-Total: | 30 | | | | | | | | |

**ANNEXURE B**

**Form of Call Notice**

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**
**(FORMERLY KNOWN AS CYBER ONE AGENTS LIMITED)**

**(the "Company")**

**Capital Call Notice**

**(the "Call Notice")**

21 July 2014

| **To:** | MCE Cotai Investments Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong | New Cotai LLC<br>c/o New Cotai Holdings<br>Two Greenwich Plaza<br>Greenwich, Connecticut, 06830<br>USA |
|---|---|---|
| | Attn: Geoffrey Davis,<br>Chief Financial Officer,<br>Melco Crown Entertainment | Attn: Frederick Fogel |
| | Fax: + 852 2537 3618 | Fax: +1 203 542 4308 |

Reference is made to the Shareholders' Agreement between MCE Cotai Investments Limited ("**MCE Cotai**"), New Cotai, LLC ("**New Cotai**"), Melco Crown Entertainment Limited and Studio City International Holdings Limited (formerly known as Cyber One Agents Limited) dated 27 July 2011, as amended by the Amendment No.1 to Shareholders' Agreement dated 25 September 2012, the Amendment No.2 to Shareholders' Agreement dated 17 May 2013, the Amendment No. 3 to Shareholders' Agreement dated 3 June 2014 and the Amendment No. 4 to Shareholders' Agreement ("**Amendment No. 4**") dated 21 July 2014 ("**Shareholders' Agreement**").

Capitalised words and expressions used in this Call Notice shall have the same meaning as contained in the Shareholders' Agreement, unless otherwise defined herein.

## I Capital Call Details

In accordance with the Shareholders' Agreement, a Call Notice is hereby served to each of the Shareholders for the following:

(1) a Capital Call is being made pursuant to the Shareholders' Agreement;

(2) the aggregate amount of the Capital Call is US$30,000,000 (the "**Capital Call Amount**"). The Capital Call Amount represents the entire Phase II Capital Commitment;

(3) the number of Securities corresponding to the Capital Call Amount is to be notified by the Company in a supplemental notice as referred to in Section II below;

(4) the amount to be contributed by each Shareholder is as follows:

(i) MCE Cotai — US$18,000,000; and

(ii) New Cotai — US$12,000,000;

(5) each of MCE Cotai and New Cotai is required to make payment of its respective portion of the Capital Call no later than 5:00 p.m. on or before 22 July 2014 Hong Kong Time (the "**Payment Date**") in accordance with clause 1(e) of Amendment No.4; and

(6) payment under this Call Notice shall be made to the United States dollar account in United States dollars or Hong Kong dollar account in Hong Kong dollars in an amount equivalent to the Capital Call Amount (at the exchange rate of USD1:HKD7.75) in same day funds:

For HKD

| | |
|---|---|
| Account Name: | Studio City International Holdings Limited |
| Account Number (HK dollar): | 28-11-10-005886 |
| Beneficiary Bank: | Bank Of China Macau Branch |
| Beneficiary Bank Swift Code: | BKCHMOMX |
| Beneficiary Bank Address: | Avenida Doutor Mario Soares Macau |
| Correspondent Bank: | Bank Of China (Hong Kong) Limited |
| Correspondent Bank Swift Code: | BKCHHKHH |

For USD

| | |
|---|---|
| Account Name: | Studio City International Holdings Limited |
| Account Number (US dollar): | 28-88-10-004588 |
| Beneficiary Bank: | Bank Of China Macau Branch |
| Beneficiary Bank Swift Code: | BKCHMOMX |
| Beneficiary Bank Address: | Avenida Doutor Mario Soares Macau |
| Correspondent Bank: | Bank Of China New York Branch |
| Correspondent Bank Swift Code: | BKCHUS33 |

## II Supplemental Notice

The Company, MCE Cotai and New Cotai acknowledge that:

(1) MCE Cotai and New Cotai has each notified the other and the Company that the institution set out below beside its respective name, is the entity named by it to be instructed by the Company as Valuation Expert under the Shareholders' Agreement:

| Shareholder | Valuation Expert |
| --- | --- |
| MCE Cotai | Deutsche Bank AG, Hong Kong Branch |
| New Cotai | Houlihan Lokey |

(2) the issue price for the Securities will be Fair Market Value, which is the arithmetic mean of the calculations of Fair Market Value set out in the Valuation Expert Reports of the second quarter of 2014; and

(3) the Company intends to remind the Valuation Experts to issue Valuation Expert Reports for the second quarter of 2014 (if the same have not been issued on or before 10 July 2014) pursuant to clause 34.3 of the Shareholders' Agreement, so that the Company may issue Securities based on the Fair Market Value determined from the Valuation Expert Reports, and will as soon as reasonably practicable thereafter issue a separate notice setting out the number of Securities corresponding to the Capital Call amount.

This Call Notice is issued as of the date first above written for and on behalf of:

**Studio City International Holdings Limited**

______________________________________

Authorized Signatory
Lawrence Ho — Chairman

**Exhibit 4.22**

**[●], 2018**

***MCE Cotai Investments Limited***

***New Cotai, LLC***

***Melco Resorts & Entertainment Limited***
***and***

***Studio City International Holdings Limited***

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# AMENDED AND RESTATED SHAREHOLDERS' AGREEMENT

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**PARTIES**

(1) **MCE Cotai Investments Limited**, a company incorporated in the Cayman Islands, of Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1—9005, Cayman Islands (**MCE Cotai**)

(2) **New Cotai, LLC**, a limited liability company formed in Delaware, United States of America, c/o New Cotai Holdings, LLC, of Two Greenwich Plaza, Greenwich, Connecticut 06830, United States of America (**New Cotai**)

(3) **Melco Resorts & Entertainment Limited**, a company incorporated in the Cayman Islands, of Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1—9005, Cayman Islands (**Melco**)

(4) **Studio City International Holdings Limited**, a company incorporated in the Cayman Islands, with its registered office at [●], Cayman Islands (**Company**)

**BACKGROUND**

(A) On 27 July 2011, MCE Cotai, New Cotai, Melco (formerly known as Melco Crown Entertainment Limited) and the Company (formerly known as CYBER AGENTS ONE LIMITED, a company incorporated in the British Virgin Islands), entered into an agreement to govern their relationship in connection with, and the conduct and operations of, the Group (as amended by Amendment No.1 to Shareholders' Agreement, dated 25 September 2012, Amendment No.2 to Shareholders' Agreement, dated 17 May 2013, Amendment No.3 to Shareholders' Agreement, dated 3 June 2014, and Amendment No.4 to Shareholders' Agreement, dated 21 July 2014, the **Original Shareholders Agreement**).

(B) In connection with the transactions contemplated by the Implementation Agreement dated [●], 2018 between the Company, New Cotai, MCE Cotai and Melco, MCE Cotai, New Cotai, Melco and the Company have agreed to amend and restate the Original Shareholders Agreement and enter into this document, executed as a deed, to govern their relationship in connection with, and the conduct and operations of, the Group.

**AGREED TERMS**

**1. INTERPRETATION**

**1.1 Definitions**

In this document:

**20-Day VWAP** means the volume-weighted average trading price of an ADS for the twenty (20)-trading day period immediately preceding the date upon which the 20-Day VWAP is being calculated based on quotations as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if such ADSs are not listed or admitted to trading on the New York Stock Exchange, as reported on the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which such ADSs are listed or admitted to trading, in each case, divided by the number of Class A Ordinary Shares that one ADS represents.

**ADS** means an American Depositary Share, each representing [●] Class A Ordinary Shares;

**Affiliate** means a Person who, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, a specified Person. For the purpose of the definition of Affiliate, “control”, “controlled by” and “under common control with” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting shares, by agreement, contract, or otherwise.

**Authorisation** means:

(a) any consent, permit, license, or authorisation; or

(b) exemption,

from, by, or with, a Governmental Agency.

**Board** means the Board of Directors of the Company from time to time.

**Business Day** means a day which is not a Saturday, Sunday or bank or public holiday in the Cayman Islands, Hong Kong or New York, nor a day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted or remains hoisted in Hong Kong at any time between 9.00am and 5.00pm.

**Cash Purchase Price** has the meaning given to that term in **clause 6.5**.

**Casino Management Agreement** means the services and right to use agreement between Melco Crown Gaming (Macau) Limited, New Cotai Entertainment, LLC and New Cotai Entertainment (Macau) Limited dated 11 May 2007, as amended from time to time, and any agreements or arrangements related thereto.

**Class A Ordinary Shares** means the Class A ordinary shares, par value US$0.0001 per share, of the Company.

**Class B Ordinary Shares** means the Class B ordinary shares, par value US$0.0001 per share, of the Company.

**Company Subsidiary** means any company which is or becomes a Subsidiary of the Company from time to time.

**Competitor** means (other than Melco and its Affiliates):

(a) any person or entity holding a Gaming Authorisation to operate games of fortune and chance in a casino in Macau;

(b) any person or entity holding a direct or indirect interest in any person specified in **clause (a)** of this definition and having the right to appoint a director on the board of any such entity; or

(c) any subsidiary of any person specified in **clause (a)** of this definition.

**Confidential Information** means:

(a) any confidential, non-public or proprietary information relating to the business, assets or affairs of the Group; and

(b) any information relating to this document and the transactions contemplated by it including the existence of this document and the transactions contemplated by it and of the negotiations which preceded it;

provided, however, that Confidential Information shall not include information that:

(a) is or becomes generally available to the public other than as a result of disclosure in violation of this document;

(b) is or becomes available to the receiving person on a non-confidential basis prior to its disclosure to such person;

(c) is or has been independently developed or conceived by the receiving person without use of Confidential Information; or

(d) becomes available to the receiving person on a non-confidential basis from a source other than the Company; provided, that such source is not known by such person to be bound by a confidentiality agreement with the Company.

**Confidentiality Deed** means the confidentiality deed attached to this document as **Annexure A**.

**Contracts** means agreements, contracts, arrangements or understandings, whether formal or informal, written or oral.

**control** means, in relation to a person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the person, whether through the ownership of voting securities, by contract, or otherwise.

**D&O Policy** means a directors and officers insurance policy taken out by the Company from time to time with a reputable insurer.

**Deed of Accession** means a deed of accession substantially in the form contained in **Annexure B**.

**Deposit Agreement** means the Deposit Agreement by and among the Company, Deutsche Bank Trust Company Americas and the other parties thereto, to be entered into in connection with an underwritten public offering of the Company's Equity Securities.

**Director** means a member of the Board of the Company from time to time.

**Disclosing Shareholder** has the meaning given to that term in **clause 7.7(a)**.

**Dispute** has the meaning given to that term in **clause 8.1(a)**.

**Dispute Notice** has the meaning given to that term in **clause 8.1(b)**.

**Disputing Parties** has the meaning given to that term in **clause 8.1(c)**.

**Duty** means any stamp, transaction or registration duty or similar charge imposed by any Governmental Agency and includes any interest, fine, penalty, charge or other amount in respect of the above.

**Effective Interest in Securities** means the interest of a person or entity (the **Person**) in Securities calculated as the sum of:

(a) the number of Securities in issue for which the Person is the registered holder; plus

(b) the product of:

(i) the fraction that is determined by multiplying the economic interest in the equity of an entity (the **First Entity**) held by the Person (expressed as a fraction of all the economic interests in the equity of the First Entity) by the economic interest in the equity of each other entity within the chain of entities between the First Entity and the Registered Holder (in each case expressed as a fraction of all the economic interests in the equity of each such entity) and, where the Person has an interest in Securities through more than one First Entity, the interest that is obtained by aggregating such Person's fractional interest in all such First Entities, and

(ii) the number of Securities in issue that are held by registered holders of Securities in which the Person holds an interest through the chain or chains of entities in **clause (b)(i)** (**Registered Holder**); and

expressed as a percentage of all the Securities in issue.

For the purposes of this definition, "economic interest in the equity of an entity" excludes any derivative or synthetic security that represents an interest in the underlying equity securities of such entity.

**Entitled Minority Shareholder** means any Minority Shareholder that is holding Class A Ordinary Shares at the relevant time of the offer of Equity Securities under **clause 6.1**.

**Equity Plan** means any compensation plan, agreement, or other arrangement that provides for the grant or issuance of equity or equity-based awards (including share options) and that is approved by the Company for the benefit of any of the employees of the Company or any of its Subsidiaries or Affiliates or other service providers (including directors, advisers and consultants), or the employees or other services providers (including directors, advisers and consultants) of any of their respective Affiliates or Subsidiaries.

**Equity Securities** means, with respect to any Person, equity securities or any securities convertible into or exchangeable or exercisable for any equity securities of such Person.

**Exchange Right** means the rights conferred upon New Cotai under Article III of the Participation Agreement dated [●], 2018 between the Company, New Cotai and Newco (**Participation Agreement**).

**Gaming Authorisation** means any gaming concession, subconcession, licensing or regulatory Authorisation (or any renewal or extension thereof) to conduct gaming business in any jurisdiction.

**Gaming Promoter** means any gaming promoter duly licensed by the Macau government to act in any such capacity, and whose activity is to promote gaming in casinos in Macau by providing (among other things) amenities such as transport, lodgement, food and beverage and entertainment to patrons.

**Gaming Regulator** means any Governmental Agency responsible for the regulation of gaming, wagering or betting in any jurisdiction.

**Governmental Agency** means:

(a) a government, whether foreign, federal, state, territorial or local;

(b) a department, office, or minister of a government acting in that capacity; or

(c) a commission, delegate, instrumentality, agency, board or other governmental or semi-governmental, judicial, administrative, monetary, regulatory, fiscal or tax authority, whether statutory or not.

**Group** means the Company and the Company Subsidiaries from time to time and the expressions **member of the Group** or **Group member** or **Group Company** mean any one of them.

**Hong Kong** means the Hong Kong Special Administrative Region of the People's Republic of China.

**Land** means a plot of land situated in Macau, at the Cotai reclaimed land area, with gross area of 130,789 square meters, described at and denoted by the letter "A" on map no. 5899/2000 issued by Macao Cartography and Cadastre Bureau on 3 January 2012.

**Law** means any law or legal or regulatory compliance requirement, including at common law, in equity, under any statute, regulation or by-law and any decision, directive, guidance, guideline or requirement of any Governmental Agency or the relevant stock exchange.

**Macau** means the Macau Special Administrative Region of the People's Republic of China.

**Melco Casino(s)** means the casino(s) and gaming area(s) owned directly or indirectly (in whole or in majority) or operated (or both) by Melco, the Subconcessionaire or any of their respective Affiliates.

**Melco Original Share Amount** means the number of Securities set out next to Melco Shareholders in the attached Schedule I, which shall be increased or decreased from time to time in a corresponding manner to account for any split, subdivision, reverse split, consolidation, share dividend or share distribution in respect of Securities, including any Adjustment Event (as defined in the Participation Agreement), provided any such increase or decrease shall be documented in an amendment of Schedule I by the parties in accordance with **clause 13.1**.

**Melco Shareholders** means Melco and any Affiliate of Melco to whom Securities are issued or Transferred under this document.

**Memorandum and Articles of Association** means the memorandum and articles of association of the Company, as may be amended from time to time in accordance herewith.

**Minority Shareholders** means, at the relevant time of determination, any Shareholder the name of which is set forth on **Schedule II** hereto, which schedule may be amended from time to time in accordance with **clause 2.2(f)** and subject to **clause 2.2(g)**, provided that, at the relevant time of determination, such Shareholder is either (i) validly holding Class B Ordinary Shares or (ii) validly holding (a) Class A Ordinary Shares which such Shareholder has received as a result of exercising (including in connection with a Mandatory Exchange (as defined in the Participation Agreement) its Exchange Rights, or (b) Class A Ordinary Shares received from New Cotai or another Permitted Transferee, who in either case acquired them as described in the immediately preceding clause (a) and subsequently transferred them to such Shareholder directly or indirectly through multiple transfers (on successive occasions) so long as (x) each of such transfers was made by and between a transferor and transferee who were, at the time of such subsequent transfers, Permitted Transferees and (y) there were no other intervening Transfers of such Exchange Shares that were not between Permitted Transferees (such Class A Ordinary Shares acquired by each Shareholder set out in Schedule II and in the manner contemplated in clauses (a) or (b), **Exchange Shares**); provided further that at any given time, there shall be no more than twenty-five (25) Minority Shareholders. For the avoidance of doubt, the limit of twenty-five (25) Minority Shareholders is inclusive of Shareholders holding Class B Ordinary Shares.

**New Cotai Original Share Amount** means the number of Securities set out next to New Cotai in the attached Schedule I, which shall be increased or decreased from time to time in a corresponding manner to account for any split, subdivision, reverse split, consolidation, share dividend or share distribution in respect of Securities, including any Adjustment Event (as defined in the Participation Agreement), provided any such increase or decrease shall be documented in an amendment of Schedule I by the parties in accordance with **clause 13.1**.

**Newco** means MSC Cotai Limited, a business company limited by shares incorporated in the British Virgin Islands.

**Newco Memorandum and Articles of Association** means the memorandum and articles of association of Newco, as may be amended from time to time in accordance herewith.

**Observer** means an observer appointed to the Board in accordance **with clause 2.2(a)(ii)**.

**Offer** has the meaning set forth in **clause 6.1**.

**Opening** means 27 October 2015, the date that the Studio City Property opened to the public.

**Other Casinos** mean those casinos or gaming areas operated but not majority owned or controlled by Melco or any of its Affiliates.

**Permitted Transferee** means any one or more investment funds or other entities directly or indirectly owned, managed or advised by Oaktree Capital Management, L.P. or Silver Point Capital, L.P. (for so long as the transferee continues to be directly or indirectly owned, managed, or advised by Oaktree Capital Management, L.P. or Silver Point Capital, L.P.).

**Project Lender** means any third party lender(s) to the Studio City Property or any representative or agent (including a trustee, collateral agent or security agent) of any such third party lender(s).

**Prospective Purchaser** has the meaning given to the term in **clause 7.7(a)**.

**Registration Rights Agreement** means the registration rights agreement entered into by and between the Shareholders (as defined therein) and the Company dated the date hereof.

**Respective Proportion** means, with respect to an Entitled Minority Shareholder, a fraction, the numerator of which shall be the number of Exchange Shares validly held by such Entitled Minority Shareholder at the relevant time of calculation and the denominator of which shall be the sum of (i) the number of issued and outstanding Class A Ordinary Shares held by Melco and its Affiliates (excluding the Company and its Subsidiaries), (ii) the number of Exchange Shares held by all Entitled Minority Shareholders, and (iii) the number of Class A Ordinary Shares issuable if all Participants (as defined in the Participation Agreement) exercised their Exchange Rights with respect to the entirety of the remaining Participation Interests (as defined in the Participation Agreement).

**Security** means a fully paid share in the capital of the Company carrying the rights and obligations set out in this document and in the Memorandum and Articles of Association, which shall include Class A Ordinary Shares (including any Class A Ordinary Shares represented by ADSs) and Class B Ordinary Shares.

**Shared Vendor Contracts** has the meaning given to the term in **clause 3.1**.

**Shared Vendors** has the meaning given to the term in **clause 3.1**.

**Shareholder** means a holder of Securities from time to time.

**Shareholder Group** means each of the Melco Shareholders, on the one hand, and the Minority Shareholders, on the other hand, or either one of them (as the context requires).

**Studio City Casino** means the casino and gaming area within the Studio City Property.

**Studio City Property** means the gaming, retail and entertainment resort located and operated on the Land.

**Subconcession** means the trilateral agreement dated 8 September 2006 entered into by and among the Macau government, Wynn Resorts (Macau), S.A. (**Wynn Macau**) (as concessionaire for the operation of casino games of chance and other casino games in Macau, under the terms of a concession contract dated 24 June 2002 between Macau and Wynn Macau, as amended on 8 September 2006) and the Subconcessionaire, comprising a set of instruments from which shall flow an integrated web of rights, duties and obligations by and for all and each of Macau, Wynn Macau and the Subconcessionaire, pursuant to the terms of which the Subconcessionaire shall be entitled to operate casino games of chance and other casino games in Macau as an autonomous subconcessionaire in relation to Wynn Macau, including any supplemental letters or agreements entered into or issued by the Macau government and the Subconcessionaire from time to time, and including any replacement concession or subconcession for the operation of casino games of chance and other casino games in Macau.

**Subconcessionaire** means Melco Resorts (Macau) Limited, a company incorporated in Macau, or any other Affiliate of Melco holding a Gaming Authorisation in Macau from time to time.

**Subsidiary** means, with respect to any Person:

(a) any corporation, association or other business entity of which (i) more than 50% of the total voting power of shares of capital stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or shareholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity that is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person (or a combination thereof), or (ii) the composition of its board of directors is directly or indirectly controlled by such Person; and

(b) any partnership or limited liability company of which (i) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (ii) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

**Transaction Documents** means this document, the Registration Rights Agreement and the Memorandum and Articles of Association.

**Transfer** means to transfer, sell, exchange, hypothecate, assign, charge, pledge, encumber, gift, convey (including in trust) or otherwise dispose of.

**Unsubscribed Equity Securities** has the meaning set forth in clause 6.3(b).

**Unsuitable Person** means a person or entity whose direct or indirect ownership of Securities could (on the facts then known):

(a) based on the written advice of outside legal counsel to a Shareholder or Melco (as applicable); or

(b) based on an objection received from a Gaming Regulator,

be reasonably expected to adversely impact the suitability or entitlement of:

(x) any member of the Group;

(y) any Melco Shareholder, any holder of Upstream Securities in any Melco Shareholder, or any of their respective Affiliates, in each case, in the case of a Transfer of any Securities or Upstream Securities by any person other than those persons; or

(z) any Minority Shareholder, any holder of Upstream Securities in any Minority Shareholder, or any of their respective Affiliates, in each case, in the case of a Transfer of any Securities or Upstream Securities by any person other than those persons, to maintain any Gaming Authorisation.

**Upstream Securities** means, in respect of a Shareholder, any equity securities or interests in equity securities issued by that Shareholder or by any person that directly, or indirectly through one or more interposed entities (whether legally or beneficially), holds an Effective Interest in Securities held by that Shareholder, but does not include any equity securities or interests in equity securities:

(a) in any investment fund or account managed by any investment fund, or in any successors or Affiliates of the foregoing, or in any person that, directly or indirectly through one or more interposed entities (whether legally or beneficially), holds equity securities or interests in equity securities in any such person;

(b) in Melco, or any of its shareholders or any person that directly, or indirectly through one or more interposed entities (whether legally or beneficially), holds equity securities or interests in equity securities in those shareholders; or

(c) in any other Shareholder or holder of Upstream Securities whose shares are listed on an internationally recognised stock exchange.

**1.2 Construction**

Unless expressed to the contrary, in this document:

(a) words in the singular include the plural and vice versa;

(b) any gender includes the other genders;

(c) if a word or phrase is defined its other grammatical forms have corresponding meanings;

(d) **includes** means includes without limitation;

(e) no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause;

(f) a reference to:

(i) a person includes a partnership, individual, limited liability company, trust, joint venture, unincorporated association, corporation and a Governmental Agency;

(ii) a person or a party includes the person’s legal personal representatives, successors, assigns and persons substituted by novation;

(iii) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced;

(iv) an obligation includes a warranty or representation and a reference to a failure to comply with an obligation includes a breach of warranty or representation;

(v) a right includes a benefit, remedy, discretion or power;

(vi) time is to local time in Hong Kong;

(vii) “US$” or US dollars is a reference to the currency of the United States of America;

(viii) “HK$” or HK dollars is a reference to the currency of Hong Kong;

(ix) this or any other document includes the document as novated, varied or replaced in accordance with the terms hereof and thereof and despite any change in the identity of the parties;

(x) this document includes all schedules, annexures and exhibits to it;

(xi) a clause, schedule or annexure is a reference to a clause, schedule or annexure, as the case may be, of this document;

(xii) a reference to a meeting is a meeting in person, by conference telephone or similar equipment, so long as all of the participants can hear each other; and

(xiii) if the number of Securities the Effective Interest in Securities represents is required to be calculated, if the number is not a whole number, that number will rounded up or down, as appropriate, with .5 or greater rounded up;

(g) if the date on or by which any act shall be done under this document is not a Business Day, the act shall be done on or by the next Business Day;

(h) where time is to be calculated by reference to a day or event, that day or the day of that event is excluded; and

(i) the schedules and annexures to this document shall be incorporated by reference herein and constitute a part hereof.

### 1.3 Headings

Headings do not affect the interpretation of this document.

## 2. DIRECTORS

### 2.1 Melco Directors

(a) Subject to **clause 2.1(b)**, the Melco Shareholders may appoint, from time to time, by Notice to the Company, one Director so long as they hold in aggregate a number of Securities equal to at least 33% but less than 66% of the Melco Original Share Amount, two Directors for so long as they hold in aggregate a number of Securities equal to at least 66% but less than 99% of the Melco Original Share Amount, and three Directors for so long as they hold in aggregate a number of Securities equal to at least 99% of the Melco Original Share Amount, including to fill vacancies created by removals under **clause 2.1(c)** or vacancies created under **clause 2.4** of Directors appointed by the Melco Shareholders.

(b) Despite **clause 2.1(a)**, the Melco Shareholders may, from time to time, by notice to the Company, appoint up to three Directors for so long as they hold in aggregate:

(i) a number of Securities equal to more than 66% of the Melco Original Share Amount; and

(ii) more Securities in issue than any other Shareholder and its Affiliates to whom Securities have been issued or Transferred in accordance with this document, in the aggregate, provided that for the purposes of this clause 2.1(b)(ii), the depositary bank for the ADSs shall be deemed not to be a Shareholder ;

including to fill vacancies created under **clause 2.1(c)**, or vacancies created under **clause 2.4** of Directors appointed by the Melco Shareholders.

(c) Subject to **clause 2.1(d)**, the Melco Shareholders may remove any Director appointed by them under **clauses 2.1(a)** or **2.1(b)** (as applicable) by notice to the Company.

(d) Any notice under **clauses 2.1(a), 2.1(b) or 2.1(c)** shall be signed by Shareholders holding a majority of the Securities in issue held by all of the Melco Shareholders as at the date of the notice.

### 2.2 Minority Directors

(a) New Cotai may, for so long as it holds in aggregate, a number of Securities equal to:

(i) 50% or more of the New Cotai Original Share Amount, appoint two Directors; and

(ii) 25% or more, but less than 50% of the New Cotai Original Share Amount, (y) appoint one Director, including in each case to fill vacancies created by removals under **clause 2.2(c)** or vacancies created under **clause 2.4** of Directors appointed by New Cotai**,** in each case by written notice to the Company; and (z) to the extent not prohibited by applicable Laws or the listing or exchange rules of any stock exchange on which the Securities are listed, appoint one Observer to the Board, including to fill vacancies created by removals under **clause 2.2(c)** or death or resignation of an Observer, in each case by written notice to the Company.

(b) New Cotai may, for so long as it has the right to appoint at least one Director pursuant to **clause 2.2(a)**, appoint a Director (who is already a member of the Board of the Company and appointed pursuant to Clause 2.2(a)) to sit on any committee of the Board (other than (i) a committee formed to evaluate a transaction between the Company and the Minority Shareholders or their Affiliates or (ii) a committee that the Board has determined as a matter of good corporate governance should be comprised solely of independent directors and, at such time, no Director appointed by the Minority Shareholders is independent under applicable stock exchange rules), to the extent any such appointment is not prohibited by applicable Laws or the listing or exchange rules of any stock exchange on which the Securities are listed; provided, however, that a simple majority will be sufficient to approve such committees' decisions and, provided further, that such Director will not be required to form a quorum at meetings of any committee so long as due notice of the meeting has been provided.

(c) Subject to **clause 2.2(d)**, New Cotai may remove any Director or Observer appointed under **clause 2.2(a)** or remove from any committee any Director appointed by it to such committee under **clause 2.2(b)** by notice to the Company.

(d) Any notice under **clauses 2.2(a), 2.2(b) or 2.2(c)** shall be signed by New Cotai.

(e) New Cotai's rights under **clauses 2.2(a) through 2.2(d)** shall terminate at such time when New Cotai no longer holds at least 5% of the Securities in issue.

(f) New Cotai shall amend Schedule II from time to time to ensure, at all times, that (i) it only includes Shareholders that satisfy the definition of Minority Shareholders herein, (ii) the number of Class B Ordinary Shares and/or Exchange Shares set out next to each Minority Shareholder in Schedule II is accurate and (iii) the number of Minority Shareholders does not exceed twenty-five (25). The amendment of Schedule II will be effective upon the receipt by Melco and the Company of a copy of such amendment in accordance with **clause 10.7**.

(g) New Cotai represents and warrants to the Company and Melco on the date hereof and on the date of each amendment of Schedule II that (i) each Minority Shareholder set out in Schedule II is a Permitted Transferee, (ii) Schedule II accurately sets out the number of Class B Ordinary Shares and Exchange Shares held by each of the Minority Shareholders, and (iii) each Minority Shareholder acquired and holds the Exchange Shares set out next to such Minority Shareholder's name in Schedule II either (x) as a result of exercising (including in connection with a Mandatory Exchange (as defined in the Participation Agreement) its Exchange Rights pursuant to which Class A Ordinary Shares were received, or (y) through a transfer from New Cotai or another Permitted Transferee, who in either case acquired them as described in the immediately preceding clause (x) and subsequently transferred them to such Shareholder directly or indirectly through multiple transfers (on successive occasions) so long as (aa) each of such transfers were made by and between a transferor and transferee who were, at the time of such subsequent transfers, Permitted Transferees and (bb) there were no other intervening Transfers of such Class A Ordinary Shares that were not between Permitted Transferees.

**2.3 Eligibility and rights of Observers**

(a) An Observer is entitled to attend each meeting of the Board.

(b) An Observer shall be given the same notice of each meeting of the Board, at the same time and in the same form, as given to the Directors.

(c) An Observer shall be provided with all of the information provided to Directors at the same time as such information is provided to the Directors, including all board packs, agendas and any information to be presented to the Board.

(d) An Observer is not entitled to vote at meetings of the Board.

(e) It is a condition of the designation of an Observer under **clause 2.2(a)** that the Observer enters into, or is already covered by, a confidentiality deed with the Company on terms substantially the same as the Confidentiality Deed or otherwise acceptable to the Company.

**2.4 Vacation of office**

The office of a Director will be vacated if:

(a) a Director resigns his office by notice in writing to the Company;

(b) a Director dies;

(c) an order is made by any competent court or official on the grounds that a Director is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and a majority of the Directors resolve that his office be vacated;

(d) without leave, a Director is absent from meetings of the Board (unless an alternate Director appointed by him attends in his place) for a continuous period of 6 months, and a majority of the Directors resolve that his office be vacated;

(e) a Director becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;

(f) a Director ceases to be or is prohibited from being a Director by law or by virtue of any provisions in the Memorandum and Articles of Association;

(g) a Director is removed from office by notice in writing served upon him signed by not less than a majority in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office; provided that a Director appointed by a Shareholder may only be removed by that Shareholder pursuant to **clauses 2.1, 2.2 and 2.5**; or

(h) a Director is removed under **clause 2.1(c)** or **2.2(c)** (as applicable);

**2.5 Removal of Directors**

(a) If the number of Directors appointed by a person under **clauses 2.1** or **2.2** is greater than the number of Directors entitled to be appointed by that person under the relevant clause, then that person shall, within two Business Days of ceasing to be so entitled, give notice to the Company removing that number of Directors in excess of its entitlement.

(b) If any person to whom **clause 2.5(a)** applies does not give notice removing the required number of Directors within the period specified in that clause, any person entitled to appoint a Director under **clauses 2.1** or **2.2** may give such a notice removing any such Directors.

**2.6 Alternate directors**

(a) A Director (other than any independent Director under applicable stock exchange rules) may, with the prior written approval of the Board, appoint an alternate director by notice to the Company.

(b) An alternate director may attend any Board meeting and vote on any resolution of the Board provided the Director that appointed the alternate is not present at the meeting and is a Director at the time of the meeting.

(c) An alternate director is entitled to a separate vote for each Director the alternate director represents in addition to any vote that alternate director may have as a Director if that alternate director is also a Director.

**2.7 Director duties**

Each Director and director of a Company Subsidiary shall be required to have regard to, and act in the best interests of, the Company and all of its Shareholders; provided that, to the maximum extent permitted by law and without detracting from or limiting the foregoing obligation, Directors and directors of Company Subsidiaries shall be permitted to also have regard to the interests of the Shareholder Group that appointed that Director in carrying out his or her duties as a Director or a director of any Company Subsidiary to the extent that those interests are consistent with the best interests of the Company and all of its Shareholders.

**2.8 Fees and expenses of Directors**

(a) The Company shall:

(i) pay the reasonable expenses properly incurred by Directors in relation to the business of the Group, including accommodation expenses in travelling to and from meetings of the Board or any committee of the Board, any Group Company, or any committee of any such company, and provided such expenses are supported by valid receipts; and

(ii) pay the cost of any insurance policies taken out by the Company in respect of the Directors.

(b) No Director that is not independent within the meaning of the listing or exchange rules of any stock exchange on which the Securities are listed is entitled to be paid any fees in connection with his or her appointment or role as a Director.

**2.9 D&O Policy**

The Company shall:

(a) maintain a D&O Policy in respect of each Director and each director of a Company Subsidiary that provides a level of coverage consistent with that maintained by similarly sized companies that engage in activities similar to those undertaken by the Company and the Company Subsidiaries; and

(b) pay the premiums in respect of that D&O Policy in relation to the Director's term in office and for six years after the expiry of the Director's term (to the maximum extent permitted by Law).

**2.10 Indemnity deed**

Each Group member shall enter into a deed of access and indemnity with each director of such a company (on terms acceptable to the Board) under which it indemnifies the directors to the maximum extent permitted by Law and gives each director a right (subject to certain limitations) to have access to and make copies of Board papers and minutes in respect of the period during which the relevant director is or was a director of such a company.

**2.11 Post IPO**

Following an underwritten public offering of the Company's Equity Securities, or American depositary shares representing the Company's Equity Securities, related party transactions shall be approved by an audit committee of independent Directors, unless the rules of the relevant exchange require or permit an alternative approval process by independent Directors (in which case that process will apply).

**3. SHARED VENDOR CONTRACTS**

**3.1 Shared Vendor Contracts**

The parties acknowledge that Melco and its Affiliates may from time to time enter into Contracts with a supplier, vendor or other party or its Affiliates or related parties (**Shared Vendors**) for the provision of various goods and services to more than one Melco Casino (**Shared Vendor Contracts**).

**3.2 Obligation**

Subject to **clause 3.3**, Melco shall, for so long as New Cotai holds 5% or more of the Securities in issue, use commercially reasonable endeavours:

(a) to obtain on behalf of the Group, to the extent possible, economic and other terms at least as favourable (when taken as a whole and after taking into account, among other things, the passing of time, inflation and the then prevailing economic conditions) to the Group as the economic and other terms it obtains from the applicable Shared Vendor for any of the other Melco Casinos in respect of similar goods and services; and

(b) to utilise the services of, and obtain goods from, the Shared Vendors and to obtain volume and pricing discounts on such services and goods from such Shared Vendors for the benefit of the Group.

**3.3 Application**

(a) The parties agree that **clause 3.2** will not apply in respect of any the following Shared Vendors:

(i) any utility operators (water, electricity, gas and telephone and whether public or private) in Hong Kong or Macau;

(ii) a financier or lender to Melco or any of its Affiliates;

(iii) a Governmental Agency;

(iv) a Gaming Promoter; or

(v) an Other Casino.

(b) The parties agree that **clause 3.2(b)** does not apply to any Shared Vendor Contract which is the subject of any dispute, claim, or other proceedings or the performance of which, or the goods provided under which, do not in the reasonable opinion of Melco or any of its Affiliates, meet appropriate standards of performance.

**3.4 Gaming Promoters**

Melco will use commercially reasonable efforts to ensure that there is no bias or discrimination by or at the direction of Melco or any of its Affiliates against the Group with respect to:

(a) the use or selection of Gaming Promoters;

(b) the allocation of customers by Gaming Promoters (to the extent it is within the control of Melco); or

(c) the commissions, commission rate policies or extensions of credit in respect of Gaming Promoters for the Group as compared to commissions, commission rate policies or extensions of credit in respect of Gaming Promoters for any of the other Melco Casinos (excluding Other Casinos).

**3.5 Audit rights**

(a) If **clause 3.2** applies, New Cotai may on an annual basis jointly request the Company to instruct the Company's auditors to audit the compliance by Melco with its obligations under **clause 3.2** and to share the results thereof with the Director(s) appointed by New Cotai.

(b) The parties agree that any audit conducted under **clause 3.5(a)** will be limited to a review of a random sample of Shared Vendor Contracts of an appropriate size to be determined by the auditor to verify compliance by Melco with **clause 3.2(a)**.

(c) Any work conducted by the Company's auditors in respect of **clause 3.5(a)** will be at the expense of the Company.

(d) Melco shall instruct the auditors of the other Melco Casinos (other than Other Casinos) to reasonably cooperate with the Company's auditors in connection with any work conducted by the Company's auditors under **clause 3.5(a)** (but subject to **clause 3.5(b)**).

## 4. CASINO OPERATION

### 4.1 Casino operation

(a) The Subconcessionaire is the holder of the Subconcession under which the Subconcessionaire is authorised by the Macau government to conduct the operation of casino games of chance and other casino games in Macau.

(b) The parties acknowledge that the Subconcessionaire shall operate the Studio City Casino within the Subconcession pursuant to the terms of the Casino Management Agreement.

(c) The Subconcessionaire shall apply for a Gaming Authorisation to operate in Macau prior to any expiration of the Subconcession from time to time, or at such other time determined by the Macau government, and, in any event, continue to operate the Studio City Casino for as long as the Subconcession is in effect.

### 4.2 Gaming tables

(a) The parties acknowledge that the initial number of gaming tables authorised by the Macau government for operation at Studio City Casino on Opening is 250 mass gaming tables.

(b) Any additional gaming tables authorised by the Macau government to be utilised by the Subconcessionaire after initial allocation of gaming tables by the Macau government to the Studio City Casino will (to the extent permitted by the Macau government) be allocated by the Subconcessionaire to the Studio City Casino and the other Melco Casinos:

(i) in proportion to the number of tables the Studio City Casino and the other Melco Casinos have (or have allocated to them) at that time; and

(ii) if the number of additional gaming tables authorised by the Macau government to be utilised by the Subconcession is disproportionately more than the number of gaming tables authorised to other concession and subconcession holders in Macau (based on the number of gaming tables held by each of them and including circumstances in which the percentage of additional gaming tables allocated to the Subconcessionaire exceeds the percentage of gaming tables allocated to other gaming concession or subconcession holders in Macau under the table cap regime implemented by the Macau government from time to time), the amount of the excess will (to the extent permitted by the Macau government) be allocated by the Subconcessionaire between the Studio City Casino and the other Melco Casinos based on:

(A) the relative gaming expansion plans approved by the Macau government; or

(B) if no such plans exist, pro rated based on the respective number of tables at (or allocated to) the Studio City Casino and the other Melco Casinos.

(c) In the event that, after initial allocation of gaming tables by the Macau government to the Studio City Casino, the number of gaming tables authorised by the Macau government to be utilized by the Subconcession is reduced, Melco and New Cotai shall discuss in good faith whether there is to be any reduction in the number of gaming tables at the Studio City Casino having regard to (among other things) a fair and appropriate allocation of gaming tables to all Melco Casinos and after taking into account any Macau government requirement and the capital expenditures of each of the Melco Casinos and, in any event, the number of gaming tables at the Studio City Casino shall not be disproportionately reduced relative to the reduction of gaming tables at other Melco Casinos (unless the Melco Shareholders and New Cotai agree otherwise).

## 5. OTHER ADMINISTRATIVE MATTERS

**5.1** For so long as any Shareholder, holder of Upstream Securities in a Shareholder, or any of their respective Affiliates, is required to provide information to any Gaming Regulator in relation to their interest in the Company (including any information about another Shareholder or any holder of Upstream Securities in that Shareholder), the Company will and will procure that each Company Subsidiary will, to the extent permitted by law, cooperate in good faith to obtain and endeavour to provide that information where requested in writing by that person.

**5.2** Despite clause 5.1(a), if reasonable to do so, the Company may limit the information provided to such information as is required by the Gaming Regulator or otherwise customarily provided to any such Gaming Regulator.

**5.3** Any person to whom information is provided under clause 5.1(a) shall agree, as a condition of being provided with that information, to cooperate with the Company to seek to limit or protect the information required to be provided, if the Company determines (acting reasonably) that providing such information would:

(a) materially compromise the competitiveness of the Studio City Property; or

(b) be prohibited by applicable Laws or the listing or exchange rules of any stock exchange on which the Securities or Melco's equity securities are listed.

**5.4** The parties agree to be bound by and comply with the provisions as set out in Annexures G and H of the Original Shareholders Agreement, which shall apply mutatis mutandis hereto, referring to Newco instead of the Company where applicable.

## 6. PRE-EMPTIVE RIGHTS

### 6.1 Pro rata offer

If the Company proposes to offer Equity Securities of the Company for subscription (other than issuances in connection with a public offering, under any Equity Plan or "assured entitlement" arrangements pursuant to the Listing Rules of The Stock Exchange of Hong Kong Limited (as it may be amended from time to time)), solely or primarily to Melco or any of its Affiliates, each Entitled Minority Shareholder is entitled to subscribe for up to its Respective Proportion of the Equity Securities proposed to be issued, and the Company shall give written notice to New Cotai of the proposed issuance, describing the type of Equity Securities, the cash price per Equity Security, the number of Equity Securities, and the general terms upon which the Company proposes to issue the same (**Offer**).

**6.2 Offer Notice**

The Company shall make the Offer to each Entitled Minority Shareholder by giving a notice in writing (**Offer Notice**) to New Cotai specifying:

(a) the total number of Equity Securities proposed to be issued to Melco and/or its Affiliates;

(b) the number of Equity Securities each Entitled Minority Shareholder is entitled to subscribe for (up to its Respective Proportion of the aggregate of all Equity Securities to be issued to Melco and its Affiliates); and

(c) the terms of issue of the Equity Securities (including the issue price which shall be the same price for all of the Equity Securities being offered).

The Company shall provide such Offer Notice as soon as reasonably practicable (but not less than fifteen (15) business days) prior to the date of the closing of the issue of the Equity Securities; provided that if the Company determines that such advance notice is not practical under the circumstances, the Company may provide notice as soon as practicable after such closing.

**6.3 Response to Offer**

Within fifteen (15) business days after the date the Offer Notice is deemed given in accordance with **clause 10**, New Cotai shall give notice to the Company stating, with respect to each Entitled Minority Shareholder, whether such Entitled Minority Shareholder accepts all or any portion of the Equity Securities offered to it in the Offer Notice or it declines the Offer in full.

**6.4 Failure to Respond**

If New Cotai does not give notice to the Company stating whether an Entitled Minority Shareholder accepts all or a portion of the Equity Securities offered to such Entitled Minority Shareholder in the Offer within the period stated in **clause 6.3**, any such Entitled Minority Shareholder shall be deemed to have declined all of the Equity Securities offered to it in the Offer.

**6.5 Payment by Accepting Entitled Minority Shareholders**

If an Entitled Minority Shareholder accepts all or any portion of the Equity Securities offered to such Entitled Minority Shareholder in the Offer, upon the closing of the issuance of the Equity Securities as specified in the Offer Notice, such Entitled Minority Shareholder shall pay to the Company an amount in cash (in U.S. dollars) equal to the aggregate purchase price for the number of Equity Securities specified in the notice of acceptance of such Entitled Minority Shareholder's Offer (the **Cash Purchase Price**) on the terms specified in the Offer Notice. If an Entitled Minority Shareholder fails to make a timely payment of the Cash Purchase Price in full in accordance with the terms specified in the Offer Notice, such Entitled Minority Shareholder shall be deemed to have declined all of the Equity Securities offered to it in the Offer.

**6.6 Termination of Pre-Emptive Rights**

**Clauses 6.1 through 6.5** shall terminate and be of no further force or effect (**Termination of Pre-Emptive Rights**) upon which time (a) the Participation Agreement is no longer in effect and (b) either (i) the combined value of the Exchange Shares held by all Minority Shareholders no longer equals at least US$40,000,000 based on a 20-Day VWAP or (ii) the total sum of the number of Exchange Shares held by all Minority Shareholders is less than 1.00% of the outstanding Class A Ordinary Shares.

## 7. CONFIDENTIALITY AND DISCLOSURE

### 7.1 Disclosure by Directors

(a) Each Director shall not disclose any Confidential Information except, to the extent not prohibited by Law:

(i) to any officer, manager, employee, director (or equivalent) or financial, legal or accounting adviser of or lender to a Shareholder or holder of Upstream Securities; and

(ii) in the case of a Director employed by an investment fund or a management company of an investment fund (as applicable) that holds, or has any Affiliates that hold, an Effective Interest in Securities, to any partner, officer, manager, employee or director (or equivalent) of that investment fund or management company.

(b) Each Shareholder shall procure that the Director appointed by them complies with the Director's obligations under this **clause 7** (subject to such Director's fiduciary duties).

### 7.2 Restrictions on disclosure

A person (other than a Director) shall not disclose any Confidential Information except, to the extent not prohibited by Law:

(a) in the case of a Shareholder or holder of Upstream Securities, where permitted under **clauses 7.3**, **7.4**, **7.5** or **7.6**; or

(b) in any other case, where permitted under **clauses 7.4**, **7.5** or **7.8**.

### 7.3 Disclosure by Shareholders and holders of Upstream Securities

Each Shareholder and holder of Upstream Securities, as applicable, may, subject to **clause 7.6**, disclose any Confidential Information to the extent not prohibited by Law:

(a) (i) to Oaktree Capital Management, L.P., or any investment fund or account or entity managed by Oaktree Capital Management, L.P. that is a holder of Upstream Securities or (ii) to Silver Point Capital, L.P., or any investment fund or account or entity managed by Silver Point Capital, L.P. that is a holder of Upstream Securities, in the case of each of clauses (i) and (ii), so long as those persons own Effective Interests in Securities that correspond to a number of Securities equal to least 10% of the New Cotai Original Share Amount in aggregate; or

(b) to any officer, manager, employee, representative, director (or equivalent) or financial, legal or accounting adviser of or lender to a Shareholder or holder of Upstream Securities or any of the other persons specified in the applicable paragraphs of this **clause 7.3**.

**7.4 Disclosure generally**

A person may disclose any Confidential Information received by it, to the extent not prohibited by Law:

(a) in the case of a person that is an investment fund, to any partner in that fund;

(b) to any officer, manager, employee, director (or equivalent) or financial, legal, valuation or accounting adviser of or lender to a Shareholder or holder of Upstream Securities or any of the other persons specified in this **clause 7.4**; and

(c) to any Project Lender.

**7.5 Exceptions**

(a) Despite any other provision of this clause to the contrary, but subject to **clause 7.5(b)**, a person may disclose Confidential Information to:

(i) any person to whom it is required to disclose the Confidential Information by Law;

(ii) any person to the extent necessary in connection with the exercise of any remedy hereunder;

(iii) any Governmental Agency where required by that agency; or

(iv) any stock exchange on which its securities, or the securities of any of its Affiliates, are listed if required by the listing or exchange rules of such stock exchange.

(b) A party who is required to disclose Confidential Information under **clause 7.5(a)** shall use commercially reasonable endeavours to, and to the maximum extent permitted by Law to, limit the form and content of that disclosure.

**7.6 Conditions to disclosure**

Each Shareholder shall be responsible for ensuring that each holder of its Upstream Securities does not disclose Confidential Information that is not permitted to be disclosed under **clauses 7.3**, **7.4** and **7.5** unless the Company, acting in its reasonable discretion at the request of a Shareholder, executes a Confidentiality Deed or other similar agreement with any particular holder of Upstream Securities.

**7.7 Prospective Purchaser**

(a) A Shareholder (**Disclosing Shareholder**) shall not disclose, and shall procure that no holder of Upstream Securities discloses, any Confidential Information to a prospective purchaser of Securities or Upstream Securities (**Prospective Purchaser**) unless the Prospective Purchaser, prior to being provided with any such information, enters into a confidentiality agreement on terms no less onerous to the Prospective Purchaser than those set out in the Confidentiality Deed or otherwise reasonably acceptable to the Company.

(b) The Disclosing Shareholder shall require that a Prospective Purchaser return or destroy any information provided by the Disclosing Shareholder to the Prospective Purchaser under **clause 7.2** (subject to customary exceptions) if the Prospective Purchaser has not purchased the Disclosing Shareholder’s Securities or the Upstream Securities on or before the date six (6) months after the date of entry into the confidentiality agreement referred to in **clause 7.7(a)**.

**7.8 Information to be held confidential**

Each Shareholder shall procure that any person to whom information is disclosed by that Shareholder or any Director appointed by that Shareholder under **clauses 7.1** and **7.2** keeps that information confidential and, except as permitted by this **clause 7**, does not disclose the information to any other person.

**7.9 Prohibition**

A Shareholder shall not, and, subject to **clause 7.6**, shall procure that the holder of Upstream Securities in respect of such Shareholder does not, knowingly disclose any information to any Competitor or an Unsuitable Person, or any of their directors, officers or employees.

**7.10 Disclosure document**

The obligations of confidentiality in this **clause 7** do not apply to any information concerning the Group, its business or its assets in any document publicly available in connection with an underwritten public offering of the Company's Equity Securities, or American depositary shares representing the Company's Equity Securities.

**8. DISPUTE**

**8.1 Dispute**

(a) If a dispute (**Dispute**) arises out of or relates to this document (including any dispute as to the existence, breach or termination of this document or as to any claim in tort, in equity or pursuant to any statute) a party to the document may only commence arbitration proceedings relating to the Dispute if the procedures set out in **clauses 8.1(b)** to **8.1(h)** have been fulfilled.

(b) A party to this document claiming the Dispute has arisen under or in relation to this document shall give written notice (**Dispute Notice**) to the other parties to the Dispute specifying the nature of the Dispute.

(c) On receipt of the Dispute Notice by the other parties, all the parties to the Dispute (**Disputing Parties**) shall endeavour in good faith to resolve the Dispute expeditiously using informal dispute resolution techniques such as mediation, expert evaluation or determination or similar techniques agreed by them.

(d) If the Disputing Parties do not resolve the Dispute within twenty (20) days of receipt of the Dispute Notice the Dispute shall be determined by way of arbitration in accordance with the Rules of Arbitration of the International Chamber of Commerce in force on the date when the notice of arbitration is submitted in accordance with these rules.

(e) The number of arbitrators shall be three and the nationality or residence of the chairman of the arbitral tribunal shall not be the United States, Hong Kong or Macau.

(f) The arbitral proceedings shall be conducted in the English language and the place of arbitration shall be Hong Kong.

(g) By agreeing to arbitration pursuant to **clause 8.1(d)**, the parties do not intend to deprive any court of its jurisdiction to issue an interim injunction or other interim relief in aid of the arbitration proceedings, provided that the parties agree that they may seek only such relief as is consistent with their agreement to resolve the Dispute by way of arbitration. Without prejudice to such relief that may be granted by a national court, the arbitral tribunal shall have full authority to grant interim or provisional remedies or to order a party to seek modification or vacation of the relief granted by a national court. For purposes of this **clause 8.1(g)**, the parties irrevocably and unconditionally submit to the exclusive jurisdiction of the courts of Hong Kong and any courts which have jurisdiction to hear appeals from those courts and waive any right to object to any proceedings being brought in those courts.

(h) Any dispute that arises under this document shall be resolved in accordance with this **clause 8**.

### 8.2 Proper exercise of rights not a Dispute

For the avoidance of doubt, the proper exercise by a Shareholder or Shareholder Group of its rights hereunder shall not constitute a Dispute merely because such exercise is contrary to the interests of the Company or another Shareholder or Shareholder Group.

## 9. TERMINATION

### 9.1 Term

Subject to **clause 9.2**, this document continues in full force and effect until:

(a) terminated by written agreement between the parties; or

(b) in the case of a Shareholder, that Shareholder ceases to hold any Securities.

### 9.2 Certain provisions continue

The termination of this document with respect to a party does not affect:

(a) any obligation of that party which accrued prior to that termination and which remains unsatisfied or which has been breached; and

(b) any provision of this document which is expressed to come into effect on, or to continue in effect after, that termination, including those specified in **clause 13.10**.

## 10. NOTICES

### 10.1 General

A notice, demand, certification, process or other communication relating to this document shall be in writing in English and may be given by an agent of the sender.

**10.2 How to give a communication**

A communication shall be given by being:

(a) personally delivered;

(b) left at the party's current delivery address for notices;

(c) sent to the party's current postal address for notices by reputable international delivery service for delivery within five days; or

(d) sent by fax to the party's current fax number for notices,

provided that any communication hereunder may also be sent by e-mail (which shall not constitute notice).

**10.3 Particulars for delivery of notices**

(a) The particulars for delivery of notices for each party, including such party's (i) delivery address for notices, (ii) postal address for notices (if different than delivery address), (iii) facsimile number for notices, (iv) e- mail address for notices, and (v) designated person or office to whom notices are to be addressed, are as initially set out below and in the Deed of Accession (as the case may be):

**Melco Resorts & Entertainment Limited**
36/F, The Centrium
60 Wyndham Street, Central
Hong Kong
facsimile number: +852-2537-3618
e-mail address: mco-comsec@melco-resorts.com
attention: Company Secretary

with copy to (which copy will not constitute notice for the purposes of this **clause 10**):

**Latham & Watkins**
18th Floor, One Exchange Square
8 Connaught Place, Central
Hong Kong
facsimile number: +852-2912-2600
e-mail address: Helena.Kim@lw.com
attention: Ji-Hyun Helena Kim

**MCE Cotai Investments Limited**
c/o Melco Resorts & Entertainment Limited at its address set out herein for delivery of notices
facsimile number: +852-2537-3618
e-mail address: mco-comsec@melco-resorts.com
attention: Company Secretary

with copy to (which copy will not constitute notice for the purposes of this **clause 10**):

**Latham & Watkins**
18th Floor, One Exchange Square
8 Connaught Place, Central
Hong Kong
facsimile number: +852-2912-2600
e-mail address: Helena.Kim@lw.com
attention: Ji-Hyun Helena Kim

**New Cotai, LLC**
c/o New Cotai Holdings, LLC
Two Greenwich Plaza
Greenwich, Connecticut 06830
United States of America

facsimile number: +1-203-542-4133
e-mail address: dreganato@silverpointcapital.com
attention David Reganato

facsimile number: +1-203-542-4314
e-mail address: tlavelle@silverpointcapital.com
attention Timothy Lavelle

with copy to (which copy will not constitute notice for the purposes of this **clause 10**):

**Skadden, Arps, Slate, Meagher & Flom LLP**
300 South Grand Avenue, Suite 3400
Los Angeles, California 90071-3144
facsimile number: + 1-213-621-5288
email address: jeffrey.cohen@skadden.com
attention: Jeffrey H. Cohen

**Studio City International Holdings Limited**
36/F, The Centrium
60 Wyndham Street, Central
Hong Kong
facsimile number: +852-2537-3618
e-mail address: comsec@sc-macau.com
attention: Company Secretary

with copy to (which copy will not constitute notice for the purposes of this **clause 10**):

**Latham & Watkins**
18th Floor, One Exchange Square
8 Connaught Place, Central
Hong Kong
facsimile number: +852-2912-2600
e-mail address: Helena.Kim@lw.com
attention: Ji-Hyun Helena Kim

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

**10.4 Communications by post**

Subject to **clause 10.6**, a communication is deemed given five days after being sent under **clause 10.2(c)**.

**10.5 Communications by fax**

Subject to **clause 10.6**, a communication is deemed given if sent by fax, when the sender's fax machine produces a report that the fax was sent in full to the addressee. That report is conclusive evidence that the addressee received the fax in full at the time indicated on that report.

**10.6 After hours communications**

If a communication is given:

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

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

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

**10.7 Receipt of notice**

A notice, demand, certification, process or other communication relating to this document shall be deemed received when it is deemed given hereunder.

**11. NOTICES UNDER NEWCO MEMORANDUM AND ARTICLES OF ASSOCIATION, COMPANY MEMORANDUM AND ARTICLES OF ASSOCIATION AND DEPOSIT AGREEMENT**

**11.1** The Company irrevocably covenants that it shall or shall cause Newco to, as applicable, promptly provide a person designated by New Cotai with a copy of any notice or other communication or document that Newco is required to deliver to the Company under the Newco Memorandum and Articles of Association in its capacity as a Shareholder (as such term is defined in the Newco Memorandum and Articles of Association) of Newco.

**11.2** The Company irrevocably covenants that it shall promptly provide a person designated by New Cotai with a copy of any notice or other communication that a holder of Equity Securities of the Company (other than Class B Ordinary Shares) or ADSs is entitled to receive under the Memorandum and Articles of Association or the Deposit Agreement; provided that this clause 11.2 shall not require a separate or duplicate notice to be provided to the extent that (a) New Cotai or any person designated by New Cotai is already entitled to receive a substantially similar notice under another agreement to which the Company is a party or (b) the information set out in such notice is publicly available.

**12. DUTIES, COSTS AND EXPENSES**

**12.1 Fees and costs**

(a) The Company shall pay the reasonable legal and other costs and expenses incurred by the parties in negotiating, preparing, executing, and registering this document and the other Transaction Documents and provided that receipts for such expenses are provided to the Company prior to such payment.

(b) If a party other than the Company pays the reasonable legal and other costs and expenses incurred by it of negotiating, preparing, executing, and registering this document or any of the other Transaction Documents then the Company shall reimburse that amount to the paying party on demand.

(c) Except as otherwise expressly stated in this document, each party shall pay its own legal and other costs and expenses of performing its obligations under this document and of any dispute that may arise in connection with any amendment to this document.

**12.2 Duties**

(a) The Company, as between the parties, is liable for and shall pay all Duty (including any fine or penalty except where it arises from default by another party) on or relating to this document, any document executed under it or any dutiable transaction evidenced or effected by it except in respect of any Transfer of Securities, where unless otherwise agreed by the parties to such Transfer, Duty in respect of such Transfer will be borne by the transferee.

(b) If a party other than the Company pays any Duty (including any fine or penalty) on or relating to this document, any document executed under it or any dutiable transaction evidenced or effected by it, the Company shall reimburse that amount to the paying party on demand provided that such costs and/or expenses are reasonable.

**13. GENERAL**

**13.1 Amendment**

No amendment to this document will be effective unless it is:

(a) in writing; and

(b) signed by each party;

provided that New Cotai may amend Schedule II, subject to the requirements of **clauses 2.2(f)** and representations and warranties set forth in **2.2(g)**, in its sole discretion without the consent of any other party in accordance with the definition of Minority Shareholders.

**13.2 Counterparts**

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

**13.3 Assignment**

(a) Except to the extent expressly permitted under this document, a party shall not Transfer any right under this document without the prior written consent of the other parties.

(b) Any purported Transfer in breach of this **clause 13.3** is of no effect.

(c) The Company may assign its rights, and the Shareholders may assign their rights, under this document to any Project Lender if required by that lender in connection with, providing any such financing.

(d) For the avoidance of doubt, without limitation of the provisions governing the requirements applicable to a transferee to be a Minority Shareholder, this document does not restrict the transfer of Class A Ordinary Shares to a transferee.

**13.4 Entire understanding**

(a) This document together with the other Transaction Documents constitutes the entire understanding between the parties as to the subject matter of this document.

(b) All previous negotiations, understandings, representations, warranties, memoranda or commitments concerning the subject matter of this document are superseded by this document and are of no effect. No party is liable to any other party in respect of those matters.

(c) No oral explanation or information provided by any party to another:

(i) affects the meaning or interpretation of this document; or

(ii) constitutes any collateral agreement, warranty or understanding between any of the parties.

**13.5 Further steps**

Each party shall promptly do whatever any other party reasonably requires of it to give effect to this document (including voting their Securities in favour of any resolution).

**13.6 Attorneys**

Each of the attorneys executing this document declares that the attorney has no notice of the revocation of the power of attorney under which the attorney executes this document.

**13.7 Inconsistency with Memorandum and Articles of Association**

(a) If there is any inconsistency between this document and the Memorandum and Articles of Association, this document prevails as between the Shareholders only to the extent of that inconsistency. Each Shareholder and the Company (to the fullest extent permissible under applicable law) acknowledges and agrees that there is no inconsistency between **clause 13.7(d)** and the Memorandum and Articles of Association as of the date of this document and for so long as none of the rights attached to the Class B Ordinary Shares under Article 29 or Article 56 of the Memorandum and Articles of Association are amended or removed.

(b) At the written request of any party, all parties shall take all necessary steps, including voting in favour of any resolution, to amend the Memorandum and Articles of Association to remove the inconsistency specified in **clause 13.7(a)**.

(c) Each Shareholder and the Company acknowledges and agrees that the terms of this document (i) are enforceable between the Shareholders and the Company (and between the Shareholders inter se) and (ii) are not rendered invalid solely due to any inconsistency between this document and the Memorandum and Articles of Association.

(d) So long as the Participation Agreement remains in effect and any Class B Ordinary Shares remain issued and outstanding, each of the Shareholders and the Company covenant (as separate independent covenants and in the case of the Company to the extent permissible under applicable law) not to amend or remove, including by passage of a Special Resolution (as defined in the Memorandum and Articles of Association), any of the rights attached to the Class B Ordinary Shares under Article 29 or Article 56 of the Memorandum and Articles of Association, unless the Company first obtains the approval of the holders of a majority of the issued Class B Ordinary Shares by way of the written consent of the holders of a majority of the issued Class B Ordinary Shares, or with the sanction of a resolution passed by at least a majority of the holders of issued Class B Ordinary Shares present in person or by proxy at a separate general meeting of the holders of the issued Class B Ordinary Shares.

**13.8 Relationship of parties**

This document is not intended to create a partnership, joint venture, fiduciary or agency relationship between the parties.

**13.9 Rights cumulative**

Except as otherwise expressly stated in this document, the rights of a party under this document are cumulative and are in addition to any other rights of that party.

**13.10 Survival of obligations after termination**

**Clauses 1** (Interpretation), **2.8** (Fees and expenses of Directors), **2.9** (D&O Policy), **2.10** (Indemnity deed), **5.2** (Other Administrative Matters), **8** (Dispute), **9.2** (Certain provisions continue), **10** (Notices), **13.3** (Assignment), **13.7(a)**, **13.7(b)**, **13.7(c)**, **13.9** (Rights cumulative), **13.10** (Survival of obligations after termination), **13.11** (Waiver and exercise of rights), **13.12** (Consent), **13.13(b)** (Equitable relief), **13.14** (Governing law and jurisdiction) and **13.15** (No Third Party Rights) of this document will remain in full force and effect and survive the expiry or termination of this document.

**13.11 Waiver and exercise of rights**

(a) A single or partial exercise or waiver by a party of a right relating to this document does not prevent any other exercise of that right or the exercise of any other right.

(b) A party is not liable for any loss, cost or expense of any other party caused or contributed to by the waiver, exercise, attempted exercise, failure to exercise or delay in the exercise of a right.

(c) A right relating to this document may only be waived in writing signed by the party or parties waiving the right.

**13.12 Consent**

Unless this document expressly provides otherwise, a party may give conditionally or unconditionally or withhold its approval or consent in its absolute discretion.

**13.13 Equitable relief**

The parties acknowledge that:

(a) damages or an account of profits may be an inadequate remedy to compensate a Shareholder for a breach of this document; and

(b) a party is entitled to specific performance or injunctive relief (as appropriate) as a remedy for any breach or threatened breach by a party of this document, in addition to any other remedies available to them at law or in equity.

**13.14 Governing law and jurisdiction**

This document is governed by and is to be construed in accordance with the laws applicable in Hong Kong.

**13.15 No Third Party Rights**

A person who is not a party to this document shall have no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) to enforce any of its terms.

**13.16 New Cotai Ownership Determination**

In determining the number of Securities held by New Cotai at the relevant time for purposes of any threshold in this document, including for purposes of the New Cotai Original Share Amount, the Securities held by the Minority Shareholders as set out in Schedule II at such relevant time shall be deemed to be held by New Cotai.

**13.17 Effectiveness**

This document and the rights and obligations herein are not binding and effective until the consummation of an underwritten public offering of the Company's Equity Securities, or American depositary shares representing the Company's Equity Securities.

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IN WITNESS WHEREOF, the parties have caused this document to be duly executed as a deed as of the date first above written.

**MCE Cotai Investments Limited**

**By:** ____________________________________
**Position:** ____________________________________
**Date:** ____________________________________

**In the presence of:**

**Signature:** ____________________________________
**Name:** ____________________________________
**Address:** ____________________________________

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**New Cotai, LLC**

**By:** ______________________________
**Position:** ______________________________
**Date:** ______________________________

**In the presence of:**

**Signature:** ______________________________
**Name:** ______________________________
**Address:** ______________________________

*[Signature Page – Shareholders' Agreement]*

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**Melco Resorts & Entertainment Limited**

**By:** ______________________________
**Position:** ______________________________
**Date:** ______________________________

**In the presence of:**

**Signature:** ______________________________
**Name:** ______________________________
**Address:** ______________________________

*[Signature Page – Shareholders' Agreement]*

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**Studio City International Holdings Limited**

By: ________________________________________
Position: ________________________________________
Date: ________________________________________

**In the presence of:**

Signature: ________________________________________
Name: ________________________________________
Address: ________________________________________

*[Signature Page – Shareholders' Agreement]*

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**SCHEDULE I**

| | |
|---|---|
| Melco Shareholders | [*To insert the number of shares that represents 60% of the outstanding shares of SCIH immediately prior to the IPO*] |
| New Cotai | [*To insert the number of shares that represents 40% of the outstanding shares of SCIH immediately prior to the IPO*] |

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**SCHEDULE II**

Minority Shareholders

| Name of Minority Shareholder | Class B Ordinary Shares | Exchange Shares |
| --- | --- | --- |
| New Cotai LLC | [•] | Nil |

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Annexure A
Confidentiality Deed

[Discloser]

[Recipient]

## Confidentiality Deed

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**Date**

Parties

[●] of [●]; facsimile number: [●]; e-mail address: [●]; attention: [●] (**Discloser**)

[●] of [●]; facsimile number: [●]; e-mail address: [●]; attention: [●] (**Recipient**)

Background

A The Discloser possesses Confidential Information.

B The Discloser proposes to disclose Confidential Information to the Recipient.

C The Recipient agrees to maintain the confidentiality of the Confidential Information that is disclosed to it, on the terms of this document.

Agreed terms

1 Interpretation

**1.1 Definitions**

In this document, the following terms have the following meanings:

**Affiliate** has the meaning given to that term in the Shareholders' Agreement.

**Business Day** means a day which is not a Saturday, Sunday or bank or public holiday in Hong Kong or New York, nor a day on which a tropical cyclone warning No. 8 or above or a "black rainstorm warning signal" is hoisted or remains hoisted in Hong Kong at any time between 9.00am and 5.00pm.

**Company** means Studio City International Holdings Limited, a company incorporated in the Cayman Islands.

**Competitor** has the meaning given to that term in the Shareholders' Agreement.

**Confidential Information** means any confidential, non-public or proprietary information relating to the business, assets or affairs of the Group; provided, however, that Confidential Information shall not include information that:

(a) is or becomes generally available to the public other than as a result of disclosure in violation of this document;

(b) is or becomes available to the receiving person on a non-confidential basis prior to its disclosure to such person;

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(c) is or has been independently developed or conceived by the receiving person without use of Confidential Information; or

(d) becomes available to the receiving person on a non-confidential basis from a source other than the Discloser; provided that such source is not known by such person to be bound by a confidentiality agreement with the Discloser.

**Effective Interest in Securities** has the meaning given to that term in the Shareholders' Agreement.

**Governmental Agency** means:

(a) a government, whether foreign, federal, state, territorial or local;

(b) a department, office, or minister of a government acting in that capacity; or

(c) a commission, delegate, instrumentality, agency, board or other governmental or semi-governmental, judicial, administrative, monetary, regulatory, fiscal or tax authority, whether statutory or not.

**Group** has the meaning given to that term in the Shareholders' Agreement.

**Law** means any law or legal requirement, including at common law, in equity, under any statute, regulation or by-law and any decision, directive, guidance, guideline or requirement of any Governmental Agency or the relevant stock exchange.

**MRE** means Melco Resorts & Entertainment Limited, a company incorporated in the Cayman Islands.

**New Cotai Original Share Amount** has the meaning given to that term in the Shareholders' Agreement.

**Permitted Transferee** has the meaning given to that term in the Shareholders' Agreement.

**Project Lender** has the meaning given to that term in the Shareholders' Agreement.

**Security** has the meaning given to that term in the Shareholders' Agreement.

**Shareholders' Agreement** means the Amended and Restated Shareholders' Agreement by and among MCE Cotai Investments Limited, New Cotai, LLC, MRE, and the Company dated [●] 2018, as may be amended from time to time.

**Subsidiary** has the meaning given to that term in the Shareholders' Agreement.

**Unsuitable Person** has the meaning given to that term in the Shareholders' Agreement.

**Upstream Securities** has the meaning given to that term in the Shareholders' Agreement.

### 1.2 Construction

Unless expressed to the contrary, in this document:

(a) words in the singular include the plural and vice versa;

(b) any gender includes the other genders;

(c) if a word or phrase is defined its other grammatical forms have corresponding meanings;

(d) a party may give or withhold any consent to be given under this document in its absolute discretion and may impose any conditions on that consent;

(e) “includes” means includes without limitation;

(f) no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause;

(g) a reference to:

(i) a person includes a partnership, individual, limited liability company, trust, joint venture, unincorporated association, corporation and a Governmental Agency;

(ii) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced;

(iii) an obligation includes a warranty or representation and a reference to a failure to comply with an obligation includes a breach of warranty or representation;

(iv) a right includes a benefit, remedy, discretion or power;

(v) this or any other document includes the document as novated, varied or replaced in accordance with the terms of this document or the other document and despite any change in the identity of the parties;

(vi) a clause, schedule or annexure is a reference to a clause, schedule or annexure, as the case may be, of this document;

(vii) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes fax transmissions; and

(viii) this document includes all schedules and annexures to it;

(ix) if the number of Securities the Effective Interest in Securities represents is required to be calculated, if the number is not a whole number, that number will be rounded up or down, as appropriate, with .5 or greater rounded up;

(h) if the date on or by which any act must be done under this document is not a Business Day, the act must be done on or by the next Business Day; and

(i) where time is to be calculated by reference to a day or event, that day or the day of that event is excluded.

2 Confidential Information

**2.1 Duty of confidentiality**

(a) The Recipient must keep the Confidential Information disclosed by the Discloser to the Recipient confidential and must not disclose any Confidential Information except:

(i) in the case where the Recipient is a holder of Upstream Securities, where permitted under **clause 2.2**, **2.3**, or **2.4**; or

(ii) in any other case, where permitted under **clause 2.3** or **2.4**.

(b) The Recipient must not knowingly disclose any information to any Competitor or an Unsuitable Person, or any of their respective directors, officers, or employees.

**2.2 Disclosure by holders of Upstream Securities**

If the Recipient is a holder of Upstream Securities, the Recipient may disclose any Confidential Information to the extent not prohibited by Law:

(a) (i) to Oaktree Capital Management, L.P., or any investment fund or account or entity managed by Oaktree Capital Management, L.P. that is a holder of Upstream Securities or (ii) to Silver Point Capital, L.P., or any investment fund or account or entity managed by Silver Point Capital, L.P. that is a holder of Upstream Securities, in the case of each of clauses (i) and (ii), so long as those persons own Effective Interests in Securities that correspond to a number of Securities equal to at least 10% of the New Cotai Original Share Amount in aggregate; or

(b) to any officer, manager, employee, representative, director (or equivalent) or financial, legal or accounting adviser of or lender to the Recipient or any of the other persons specified in the applicable paragraphs of this **clause 2.2**.

**2.3 Disclosure generally**

The Recipient may disclose any Confidential Information received by it:

(a) if the Recipient is an investment fund, to any partner in that fund;

(b) to any officer, manager, employee, director (or equivalent) or financial, legal, valuation or accounting adviser of or lender to the Recipient or any of the other persons specified in this **clause 2.3**; and

(c) to any Project Lender.

**2.4 Exceptions**

(a) Despite any other provision of this clause to the contrary, but subject to **clause 2.4(b)**, the Recipient may disclose Confidential Information to:

(i) any person to whom it is required to disclose the information by Law;

(ii) any person to the extent necessary in connection with the exercise of any remedy hereunder;

(iii) any Governmental Agency where required by that agency; or

(iv) any stock exchange on which its securities, or the securities of any of its Affiliates, are listed if required by the listing or exchange rules of such stock exchange.

(b) If the Recipient is required to disclose information under **clause 2.4(a)**, the Recipient must use commercially reasonable endeavours to, and to the maximum extent permitted by Law to, limit the form and content of that disclosure.

**2.5 Copies and extracts of Confidential Information**

(a) The Recipient may only copy or extract any Confidential Information to the extent reasonably required by the Recipient.

(b) Where the Recipient copies or extracts Confidential Information, the Recipient must comply with **clause 3** in respect of any copy or extract.

3 Return or destruction of Confidential Information

**3.1 Return or destruction**

Subject to **clause 3.2** and except as required by Law, the Recipient must within three Business Days of [**the Discloser requesting in writing**[1]**/the Recipient ceasing to be a holder of Upstream Securities**[2]] return to the Discloser (or if the Discloser requests, destroy) all material containing any Confidential Information that is in the possession or control of the Recipient (including any Confidential Information disclosed by that person under **clause 2.2** or **2.3**, as applicable) unless such Confidential Information is in electronic form, in which case the Recipient must use all reasonable endeavours to destroy such Confidential Information.

**3.2 Retained papers**

The Recipient may retain board papers, board presentations, board minutes, and any reports containing Confidential Information but must ensure that such information is kept confidential and used only to the extent required by the Recipient.

**3.3 Obligations to continue after materials returned**

The obligations of the Recipient under this document will, from the date of this document, continue and be enforceable at any time by the Discloser and its Affiliates, even if the materials containing the Confidential Information are returned to the Discloser or destroyed, pursuant to **clause 3.1**.

**3.4 The Recipient must certify destruction of materials**

If the Discloser requests the Recipient to destroy any materials containing Confidential Information pursuant to **clause 3.1**:

1 This will apply in the case where the Recipient is a Prospective Purchaser.
2 This will apply in all cases other than where the Recipient is a Prospective Purchaser.

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(a) without limiting **clause 3.1**, all electronic or computer data or programs containing Confidential Information must be permanently deleted from the magnetic or other storage media on which it is stored so that it cannot be recovered or reconstructed in any way; and

(b) the Recipient must certify in writing to the Discloser within five Business Days that the Confidential Information has been permanently and irretrievably deleted.

4 Indemnity

**4.1 Indemnity**

(a) The Recipient must indemnify and keep indemnified the Discloser from and against:

(i) any cost, expense, loss, liability or damage; and

(ii) any liability whatsoever in respect of any action, claim or proceeding brought or threatened to be brought (including all costs and expenses which the Discloser may suffer or incur in disputing any such action, claim or proceeding),

in respect of or in connection with any breach of this document.

(b) This indemnity survives termination of this document.

5 Liability

**5.1 Discloser does not warrant Confidential Information is accurate**

The Recipient acknowledges that:

(a) the Discloser does not represent that the Confidential Information is accurate or complete; and

(b) the Confidential Information may:

(i) have been prepared without any particular standard of care;

(ii) be speculative;

(iii) be forward looking and relatively uncertain;

(iv) be based on assumptions (stated or unstated) which may not be realised; and

(v) contain material which has not been audited or verified.

**5.2 Liability**

Subject to any written agreement between the parties to the contrary, the Discloser is not liable to the Recipient or any other person in relation to the use of the Confidential Information by the Recipient or any other person.

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**5.3 Release**

Subject to any written agreement between the parties to the contrary, the Recipient releases the Discloser to the fullest extent permitted by law from any claim regarding any person's reliance on the Confidential Information.

6 Injunctive relief

The Recipient acknowledges that:

(a) because of the nature of the Confidential Information, damages or an account of profit may be an inadequate remedy for the Discloser in the event of an unauthorised use or disclosure of the Confidential Information; and

(b) the Discloser is entitled to seek an ex parte interlocutory or final injunction to restrain any actual or threatened unauthorised use or disclosure of the Confidential Information by the Recipient.

**7 [Termination**

(a) **The Discloser may terminate this document at any time by giving written notice to the Recipient.**

(b) **Any notice given to terminate this document will be taken to be a request to return or destroy all material containing any Confidential Information in accordance with clause 3.1.]**[3]

8 General

**8.1 Severance**

(a) Subject to **clause 8.1(b)**, if a provision of this document is illegal or unenforceable in any relevant jurisdiction, it may be severed for the purposes of that jurisdiction without affecting the enforceability of the other provisions of this document.

(b) **Clause 8.1(a)** does not apply if severing the provision:

(i) materially alters:

(A) the scope and nature of this document; or

(B) the relative commercial or financial positions of the parties; or

(ii) would be contrary to public policy.

**8.2 Amendment**

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

3 This will apply where the Recipient is a Prospective Purchaser only.

**8.3 Waiver and exercise of rights**

(a) A single or partial exercise or waiver of a right relating to this document does not prevent any other exercise of that right or the exercise of any other right.

(b) A party is not liable for any loss, cost or expense of any other party caused or contributed to by the waiver, exercise, attempted exercise, failure to exercise or delay in the exercise of a right.

**8.4 Governing law and jurisdiction**

This document is governed by and is to be construed in accordance with the laws applicable in Hong Kong.

**8.5 Assignment**

Neither party may assign any right or obligation under this document without the other party's prior written consent. Any dealing in breach of this clause is of no effect.

**8.6 Entire understanding**

This document and the Shareholders' Agreement (if applicable) contain the entire understanding between the parties as to the subject matter of this document.

**8.7 Legal costs**

Except as expressly stated otherwise in this document, each party must pay its own legal and other costs and expenses of negotiating, preparing, executing and performing its obligations under this document.

**8.8 Rights cumulative**

Except as expressly stated otherwise in this document, the rights of a party under this document are cumulative and are in addition to any other rights of that party.

**8.9 Further steps**

Each party must promptly do whatever any other party reasonably requires of it to give effect to this document and to perform its obligations under it.

**8.10 Counterparts and facsimile copies**

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

(b) This document may be entered into and becomes binding on the parties upon one party (**Sender**) signing the document and sending a facsimile copy of the signed document to the other party (**Receiver**) and the Receiver either:

(i) signing the document received by it and sending it by facsimile transmission to the Sender; or

(ii) signing a counterpart of the document received by it and sending it by facsimile transmission to the Sender.

### 8.11 Relationship of parties

This document is not intended to create a partnership, joint venture or agency relationship between the parties.

### 8.12 Ownership thresholds

In determining the number of Upstream Securities held by a person in an entity for the purposes of any threshold in this document, Upstream Securities held by an Affiliate of that person in that same entity shall be deemed to be held by that person.

## 9 Notices

### 9.1 General

A notice, demand, certification, process or other communication relating to this document must be in writing in English and may be given by an agent of the sender.

### 9.2 How to give a communication

A communication must be given by being:

(a) personally delivered;

(b) left at the party's current delivery address for notices;

(c) sent to the party's current postal address for notices by reputable international delivery service for delivery within three days; or

(d) sent by fax to the party's current fax number for notices,

provided that any communication hereunder may also be sent by e-mail (which shall not constitute notice).

### 9.3 Particulars for delivery of notices

(a) The particulars for delivery of notices for each party, including such party's (i) delivery address for notices, (ii) postal address for notices (if different than delivery address), (iii) facsimile number for notices, (iv) e-mail address for notices, and (v) the person or office to whom notices are to be addressed, are initially as set out opposite such party's name at the commencement of this document.

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

### 9.4 Communications by post

Subject to **clause 9.6**, a communication is deemed given five days after being sent under **clause 9.2(c)**.

### 9.5 Communications by fax

Subject to **clause 9.6**, a communication is deemed given if sent by fax, when the sender's fax machine produces a report that the fax was sent in full to the addressee. That report is conclusive evidence that the addressee received the fax in full at the time indicated on that report.

### 9.6 After hours communications

If a communication is given:

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

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

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

### 9.7 Receipt of notice

A notice, demand, certification, process or other communication relating to this document shall be deemed received when it is deemed given hereunder.

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**Executed** as a deed.

**Signed, Sealed and Delivered** )
as a deed in the name of **[Discloser]** acting by )
_____________________________________ )
its duly authorised representative with authority of the )
board in the presence of: )
)
) _____________________________
Authorised Representative

_____________________________________
Name of witness:
Title of witness:

**Signed, Sealed and Delivered** )
as a deed in the name of **[Recipient]** acting by )
_____________________________________ )
its duly authorised representative with authority of the )
board in the presence of: )
)
) _____________________________
Authorised Representative

_____________________________________
Name of witness:
Title of witness:

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Annexure B

Deed of Accession

**Deed poll dated**

By

**[ ]**

of **[ ]** (**Acceding Party**)

Background

A This document is supplemental to an Amended and Restated Shareholders Agreement dated [●], 2018 (**Agreement**) by and among MCE Cotai Investments Limited, a company incorporated in the Cayman Islands, c/o Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1 - 9005, Cayman Islands, New Cotai, LLC, a limited liability company formed in Delaware, United States of America, c/o New Cotai Holdings, LLC, of Two Greenwich Plaza, Greenwich, Connecticut 06830, United States of America, Melco Resorts & Entertainment Limited, a company incorporated in the Cayman Islands, c/o Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1 - 9005, Cayman Islands, and Studio City International Holdings Limited, a company incorporated in the Cayman Islands, with its registered office at [ ☐], Cayman Islands.

Declarations

1 Acceding party to be bound

The Acceding Party covenants with all parties to the Agreement from time to time (whether original or by accession) (**Parties**) to observe, perform and be bound by all the terms of the Agreement in so far as they remain to be observed and performed, as if the Acceding Party had been an original party to the Agreement as [**Shareholder**].

2 Copy of the Deed

The Acceding Party confirms that it has been supplied with a copy of the Agreement.

3 Representations and warranties

The Acceding Party represents and warrants to the Parties that:

(a) (**registration**): it is a corporation, partnership, limited liability company, or other organization, as applicable, duly incorporated, formed, or organized, as applicable, and validly existing under the laws of the country of its registration, formation, or organization, as applicable;

(b) (**corporate power**): it has the corporate, partnership, limited liability company, or other organizational, as applicable, power to enter into and perform its obligations under this document and to carry out the transactions contemplated by the Agreement.

(c) (**corporate action**): it has taken all necessary corporate, partnership, limited liability company, or other organizational, as applicable, action to authorise the entry into and performance of this document and to carry out the transactions contemplated by the Agreement;

(d) (**binding obligation**): the obligations in this document are valid and binding obligations of the Acceding Party.

This deed poll is governed by the laws applicable in Hong Kong.

**Executed** as a deed.

**Exhibit 10.1**

# INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this "**Agreement**") is entered into as of by and among Studio City International Holdings Limited, a Cayman Islands exempted company (the "**Company**"), MSC Cotai Limited, a business company limited by shares incorporated in the British Virgin Islands ("**Newco**"), and the undersigned, a director and/or an officer of the Company (the "**Indemnitee**"), as applicable, and, solely for purposes of Section G.11 of this Agreement, Melco International Development Limited, a public limited company incorporated in Hong Kong with its shares listed on The Stock Exchange of Hong Kong Limited ("**Melco International**").

## RECITALS

WHEREAS, the Board of Directors of the Company (the "**Board of Directors**") has determined that the inability to attract and retain highly competent persons to serve the Company is detrimental to the best interests of the Company and its shareholders and that it is reasonable and necessary for the Company to provide adequate protection to such persons against risks of claims and actions against them arising out of their services to the Company;

WHEREAS, it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified; and

WHEREAS, this Agreement is a supplement to and in furtherance of the Memorandum and Articles of Association of the Company ("**Memorandum and Articles of Association**"), and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of the Indemnitee thereunder.

## AGREEMENT

In consideration of the premises and the covenants contained herein, the Company and the Indemnitee do hereby covenant and agree as follows:

A. DEFINITIONS

The following terms shall have the meanings defined below:

***Corporate Status*** means the status of a person who is or was a director or officer, of the Company or a director, officer, partner, managing member, trustee, fiduciary or agent of any other corporation, partnership, joint venture or other entity which such person is or was serving at the request of the Company.

***Disinterested Director*** means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by the Indemnitee.

***Enterprise*** means any other corporation, partnership, joint venture or other entity for which the Indemnitee is or was serving at the request of the Company as a director, officer, partner, managing member, trustee, fiduciary or agent.

***Exchange Act*** means the United States Securities Exchange Act of 1934, as amended from time to time.

***Expenses*** shall include, without limitation, damages, judgments, fines, penalties, settlements and costs, attorneys' fees and disbursements and costs of attachment or similar bond, investigations, and any other expenses paid or incurred in connection with investigating, prosecuting, defending, settling, appealing, being a witness in, otherwise participating in, or preparing for any of the foregoing in, any Proceeding. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the principal, premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent.

***HK Exemption*** means the first occurrence of (1) a vote of the independent shareholders of Melco International to approve the terms of this Agreement, (2) the determination by Melco International that the terms of this Agreement are permitted under the relevant rules of the Stock Exchange of Hong Kong, including as a result of seeking and obtaining any other exemption provided thereunder, in each case, without taking into account any limitations contained herein as a result of sections 468 and 469 of the Hong Kong Companies Ordinance (Cap 622).

***Indemnifiable Event*** means any event or occurrence that takes place either before or after the execution of this Agreement, related to the fact that the Indemnitee is or was a director or an officer of the Company, or is or was serving at the request of the Company as a director, officer, partner, managing member, trustee, fiduciary or agent of an Enterprise, or related to anything done or not done by the Indemnitee in any such capacity, in each case **in** the course of the Indemnitee performing his or her duties in any such capacity.

***Indemnify*** means to indemnify and hold harmless, and indemnification shall have the corresponding meaning.

***Independent Counsel*** means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five (5) years has been, retained to represent (i) the Company, the Indemnitee or any of their respective affiliates in any matter material to either such party (other than with respect to matters concerning the Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or the Indemnitee in an action to determine the Indemnitee's rights under this Agreement.

***Participant*** means a person who is a party to, or witness or participant (including on appeal) in, a Proceeding.

***Person*** shall have the meaning as set forth in Sections 13(d) and 14(d) of the Exchange Act; *provided*, *however*, that Person shall exclude (i) the Company, (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company and (iii) any corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of shares of the Company.

***Proceeding*** means any threatened, pending, or completed action, suit, arbitration or proceeding, or any inquiry, hearing or investigation, whether civil, criminal, administrative, investigative or other, including appeal, in which the Indemnitee may be or may have been involved as a party or otherwise by reason of an Indemnifiable Event, including, without limitation, any threatened, pending, or completed action, suit or proceeding by or in the right of the Company.

B. AGREEMENT TO INDEMNIFY

1. General Agreement. In the event the Indemnitee was, is, or is threatened to be made, a party to or a Participant (as a witness, deponent or otherwise) in any Proceeding, the Company shall indemnify the Indemnitee from and against any and all Expenses (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses) which are actually and reasonably incurred by the Indemnitee in connection with such Proceeding, whether or not such Proceeding proceeds to judgment or is settled or is otherwise brought to a final disposition, to the fullest extent permitted by applicable law.

2. Indemnification of Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provisions of this Agreement (and in addition to, and not in limitation of, any right of Indemnitee under Section B.5), to the fullest extent permitted by applicable law and to the extent that the Indemnitee was or is a party to (or a participant in) and is successful, on the merits or otherwise, in any Proceeding or in defense of any claim, issue or matter therein, in whole or in part, the Company shall indemnify the Indemnitee against all Expenses actually and reasonably incurred by the Indemnitee in connection therewith. If the Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify the Indemnitee against all Expenses actually and reasonably incurred by the Indemnitee in connection with or related to each successfully resolved claim, issue or matter to the fullest extent permitted by law. For purposes of this Section and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

3. Partial Indemnification. If the Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for a portion of Expenses, but not for the total amount of Expenses, the Company shall indemnify the Indemnitee for the portion of such Expenses to which the Indemnitee is entitled.

4. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the fullest extent permitted by applicable law and to the extent that the Indemnitee is, by reason of the Indemnitee's Corporate Status, a witness or otherwise asked to participate in any Proceeding to which the Indemnitee was or is not a party, the Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by the Indemnitee in connection therewith.

5. Additional Indemnification.

(a) Notwithstanding any limitation in Sections B.1 or B.2, the Company shall indemnify the Indemnitee to the fullest extent permitted by applicable law if the Indemnitee was or is a party to or threatened to be made a party to any Proceeding (including a Proceeding by or in the right of the Company to procure a judgment in its favor) by reason of the Indemnitee's Corporate Status.

(b) For purposes of this Section B.5, the meaning of the phrase "to the fullest extent permitted by applicable law" shall include, but not be limited to:

i. to the fullest extent permitted by the provision of the laws of the Cayman Islands and, prior to the HK Exemption, by sections 468 and 469 of the Hong Kong Companies Ordinance (Cap 622), in each case, that authorize or contemplate additional indemnification by agreement, or the corresponding provision of any amendment to or replacement of the such laws; and

ii. to the fullest extent authorized or permitted by any amendments to or replacements of the laws of the Cayman Islands and, prior to the HK Exemption, sections 468 and 469 of the Hong Kong Companies Ordinance (Cap 622), in each case, adopted after the date of this Agreement that increase the extent to which a corporation may indemnify its officers and directors.

(c) The parties hereto intend that this Agreement shall provide to the fullest extent permitted by law for indemnification in excess of that expressly permitted by statute, including, without limitation, any indemnification provided by the Memorandum and Articles of Association, vote of the Company's shareholders or Disinterested Directors or applicable law.

6. Exclusions. Notwithstanding anything in this Agreement, the Company shall not be obligated under this Agreement to make any indemnification payment in connection with any claim involving the Indemnitee:

(a) subject to Section E.4, for which payment has actually been received by or on behalf of the Indemnitee (and not subsequently returned) under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision; or

(b) except as provided in Section C.3(d) of this Agreement, in connection with any Proceeding (or any part of any Proceedings) initiated by the Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by the Indemnitee against the Company, any director, officer, employee or other indemnitees of the Company or any other party, and not by way of defense, unless (i) the Board of Directors has authorized the Proceeding (or any part of any Proceeding) prior to its initiation; (ii) the Proceeding is to enforce indemnification rights under this Agreement initiated pursuant to Section C.3(a) of this Agreement or any applicable law; or (iii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law; or

(c) for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by the Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act or similar provisions of state statutory law or common law, (ii) any reimbursement of the Company by the Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by the Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**"), or the payment to the Company of profits arising from the purchase and sale by the Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act); or (iii) any reimbursement of the Company by the Indemnitee of any compensation pursuant to any compensation recoupment or clawback policy adopted by the Board of Directors or the compensation committee of the Board of Directors, including but not limited to any such policy adopted to comply with stock exchange listing requirements implementing Section 10D of the Exchange Act;

(d) to the extent brought about or contributed to by the dishonesty or fraud of the Indemnitee seeking payment hereunder; *provided*, *however*, notwithstanding the foregoing, the Indemnitee shall be indemnified under this Agreement as to any claims upon which suit may be brought against him by reason of any alleged dishonesty on his or her part, unless a judgment or other final adjudication thereof adverse to the Indemnitee establishes that he or she committed (i) acts of active and deliberate dishonesty, (ii) with actual dishonest purpose and intent, and (iii) which acts were material to the cause of action so adjudicated; or

(e) which payment it is prohibited from paying as indemnity by applicable law. For the purpose of this Agreement, applicable law shall include U.S. federal law, Cayman Islands law, the governing law of this Agreement and, prior to the HK Exemption, sections 468 and 469 of the Hong Kong Companies Ordinance (Cap 622).

7. No Employment Rights. Nothing in this Agreement is intended to create in the Indemnitee any right to continued employment with the Company.

8. Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to the Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying the Indemnitee, shall contribute to the amount incurred by the Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an Indemnifiable Event, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and the Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company (and, other than such the Indemnitee, its directors, officers, employees and agents) and the Indemnitee in connection with such event(s) and/or transaction(s); provided that the relative benefits accruing to the Indemnitee shall be deemed to be an amount not greater than the Indemnitee's compensation from the Company beginning from the year in which the events giving rise to such losses or Expenses are alleged to have occurred and the relative fault of the Company on the one hand and of the Indemnitee on the other hand shall be determined by reference to, among other things, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such Expenses, judgments, fines or settlement amounts. The Company agrees that it would not be just and equitable if contribution pursuant to this Section B.8 were determined by pro rata allocation or any other method of allocation which does not take account of the foregoing equitable considerations.

C. INDEMNIFICATION PROCESS

1. Notice and Cooperation by the Indemnitee. The Indemnitee shall, as a condition precedent to his or her right to be indemnified under this Agreement, give the Company notice in writing as soon as reasonably practicable of any claim made against the Indemnitee for which indemnification will or could be sought under this Agreement; provided that the delay of the Indemnitee to give notice under this Agreement shall not prejudice any of the Indemnitee's rights hereunder, unless such delay results in the Company's forfeiture of substantive rights or defenses. Notice to the Company shall be given in accordance with Section G.8 below. If, at the time of receipt of such notice, the Company has directors' and officers' liability insurance policies in effect, the Company shall give prompt notice to its insurers of the Proceeding relating to the notice. The Company shall thereafter take all necessary and desirable action to cause such insurers to pay, on behalf of the Indemnitee, all Expenses payable as a result of such Proceeding. In addition, the Indemnitee shall give the Company such cooperation as the Company may reasonably request and the Company shall give the Indemnitee such cooperation as the Indemnitee may reasonably request, including providing any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to the Indemnitee or the Company, as the case may be.

2. Indemnification Payment.

(a) *Advancement of Expenses*. Notwithstanding any provision of this Agreement to the contrary (other than Section C.3(d)), the Company shall advance, to the extent not prohibited by law, the reasonable Expenses incurred by the Indemnitee (or reasonably expected by the Indemnitee to be incurred by the Indemnitee within three months in connection with any Proceeding (or any part of any Proceeding) within thirty (30) days after the receipt by the Company of a statement or statements requesting such advances from time to time, whether prior to or after final disposition of any Proceeding. Advances shall, to the fullest extent permitted by applicable law, be unsecured and interest free. Advances shall be made without regard to the Indemnitee's ability to repay the Expenses and without regard to the Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement. Advances shall include any and all reasonable Expenses incurred pursuing an action to enforce this right of advancement, including Expenses incurred preparing and forwarding statements to the Company to support the advances claimed. The Indemnitee shall qualify for advances upon the execution and delivery to the Company of this Agreement, which shall constitute an undertaking providing that the Indemnitee undertakes to repay the amounts advanced (without interest) to the extent that it is ultimately determined that the Indemnitee is not entitled to be indemnified by the Company. No other form of undertaking shall be required other than the execution of this Agreement. Any excess of the advance Expense over the actual Expense will be promptly repaid to the Company. This Section C.2(a) shall not apply to any claim made by the Indemnitee for which indemnity is excluded pursuant to Section B.6.

(b) *Reimbursement of Expenses*. To the extent the Indemnitee has not requested any advanced payment of Expenses from the Company, the Indemnitee shall be entitled to receive reimbursement for the Expenses incurred in connection with a Proceeding from the Company as soon as practicable and, in any event, within 30 days after the Indemnitee makes a written request to the Company for reimbursement unless a determination is required by applicable law with respect to the Indemnitee's entitlement to indemnification, in which case the Company shall refer the indemnification request to the Independent Counsel (as defined below) in accordance with Section C.2(c) below. The Company will be entitled to participate in the Proceedings at its own expense.

(c) *Procedure upon Application for Indemnification.* If a determination is required by applicable law with respect to the Indemnitee's entitlement to indemnification or that the Company reasonably believes that it is not obligated under this Agreement to indemnify the Indemnitee, the Company shall, within 10 business days after the Indemnitee's written request for an advancement or reimbursement of Expenses, notify the Indemnitee that the request for advancement of Expenses or reimbursement of Expenses will be submitted to the Independent Counsel. The Independent Counsel shall make a determination on the request and a copy of such determination shall be delivered to the Indemnitee in accordance with Section C.8(b) below. Notwithstanding anything foregoing to the contrary, in the event it is so determined that the Indemnitee is not entitled to indemnification in connection with a Proceeding under this Agreement or applicable law, the Company shall be entitled to be reimbursed by the Indemnitee for all the Expenses previously advanced or otherwise paid to the Indemnitee in connection with such Proceeding; *provided*, *however*, that the Indemnitee may bring a suit to enforce his or her indemnification right in accordance with Section C.3 below.

3. Suit to Enforce Rights.

(a) In the event that (i) a determination is made pursuant to Section C.2 of this Agreement that the Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section C.2(a) of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section C.2(c) of this Agreement within 90 days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section B.2, Section B.3 or Section B.4 of this Agreement within 10 business days after receipt by the Company of a written request therefor, (v) payment of indemnification pursuant to Section B.1 or Section B.5 of this Agreement is not made within 10 business days after a determination has been made that the Indemnitee is entitled to indemnification or (vi) the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or Proceeding designed to deny, or to recover from, the Indemnitee the benefits provided or intended to be provided to the Indemnitee hereunder, the Indemnitee shall be entitled to an adjudication by a court of the Indemnitee's entitlement to such indemnification or advancement of Expenses. The Company shall not oppose the Indemnitee's right to seek any such adjudication. Unless the court determines that each of the material assertions made by the Indemnitee as a basis for such action was not made in good faith or was frivolous, the Indemnitee shall be entitled to be paid all court costs and reasonable expenses in connection with such proceeding. Any determination by the Independent Counsel not challenged by the Indemnitee and any judgment entered by the court shall be binding on the Company and the Indemnitee.

(b) In the event that a determination shall have been made pursuant to Section C.2(c) of this Agreement that the Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section C.3 shall be conducted in all respects as a de novo trial on the merits and the Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding commenced pursuant to this Section C.3, the Company shall have the burden of proving the Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be.

(c) If a determination shall have been made pursuant to Section C.2(c) of this Agreement that the Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section C.3, absent (i) a misstatement by the Indemnitee of a material fact, or an omission of a material fact necessary to make the Indemnitee's statement not materially misleading, in connection with the request for indemnification or (ii) a prohibition of such indemnification under applicable law.

(d) The Company shall, to the fullest extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section C.3 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement. It is the intent of the Company that, to the fullest extent permitted by law, the Indemnitee not be required to incur legal fees or other Expenses associated with the interpretation, enforcement or defense of the Indemnitee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to the Indemnitee hereunder. The Company shall, to the fullest extent permitted by law, indemnify the Indemnitee against any and all Expenses and, if requested by the Indemnitee, shall (within 30 days after receipt by the Company of a written request therefor) advance, to the extent not prohibited by law, such Expenses to the Indemnitee, which are incurred by the Indemnitee in connection with any action brought by the Indemnitee for indemnification or advancement of Expenses from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company if, in the case of indemnification, the Indemnitee is wholly successful on the underlying claims; if the Indemnitee is not wholly successful on the underlying claims, then such indemnification shall be only to the extent the Indemnitee is successful on such underlying claims or otherwise as permitted by law, whichever is greater.

(e) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement of the Indemnitee to indemnification under this Agreement shall be required to be made prior to the final disposition of any Proceeding.

4. Assumption of Defense. In the event the Company is obligated under this Agreement to advance or bear any Expenses for any Proceeding against the Indemnitee, the Company shall be entitled to assume the defense of such Proceeding, with counsel approved by the Indemnitee, upon delivery to the Indemnitee of written notice of its election to do so. After delivery of such notice, approval of such counsel by the Indemnitee and the retention of such counsel by the Company, the Company will not be liable to the Indemnitee under this Agreement for any fees of counsel subsequently incurred by the Indemnitee with respect to the same Proceeding, unless (i) the employment of counsel by the Indemnitee has been previously authorized by the Company, (ii) the Indemnitee shall have reasonably concluded, based on written advice of counsel, that there may be a conflict of interest of such counsel retained by the Company between the Company and the Indemnitee in the conduct of any such defense, or (iii) the Company ceases or terminates the employment of such counsel with respect to the defense of such Proceeding, in any of which events the fees and expenses of the Indemnitee's counsel shall be at the expense of the Company. At all times, the Indemnitee shall have the right to employ counsel in any Proceeding at the Indemnitee's expense.

5. Burden of Proof and Presumptions. In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall, to the fullest extent not prohibited by law, presume that the Indemnitee is entitled to indemnification under this Agreement, and the Company shall, to the fullest extent not prohibited by law, have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption. Neither the failure of the Company (including by its directors or Independent Counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because the Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or Independent Counsel) that the Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the Indemnitee has not met the applicable standard of conduct.

6. No Settlement without Consent. Neither party to this Agreement shall settle any Proceeding in any manner that would impose any damage, loss, penalty or limitation on the Indemnitee without the other party's written consent. Neither the Company nor the Indemnitee shall unreasonably withhold its consent to any proposed settlement.

7. Company Participation. Subject to Section B.8, the Company shall not be liable to indemnify the Indemnitee under this Agreement with regard to any judicial action if the Company was not given a reasonable and timely opportunity, at its expense, to participate in the defense, conduct and/or settlement of such action.

8. Independent Counsel.

(a) For purposes of this Agreement, the Independent Counsel with respect to each indemnification request of the Indemnitee that is referred by the Company pursuant to Section C.2(c) above shall make its determination in a written opinion to the Board of Directors, a copy of which shall be delivered to the Indemnitee within 60 days after the later of the Indemnitee's written request for an advancement or reimbursement of Expenses and the resolution of any objection to the Independent Counsel under Section C.8(b) below. If the Independent Counsel determines that the Indemnitee is entitled to indemnification, payment to the Indemnitee shall be made within 10 days after such determination. The Indemnitee shall cooperate with the person, persons or entity making such determination with respect to the Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to the Indemnitee and reasonably necessary to such determination. Any Independent Counsel shall act reasonably and in good faith in making a determination under this Agreement of the Indemnitee's entitlement to indemnification. Any reasonable costs or expenses (including reasonable attorneys' fees and disbursements) incurred by the Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to the Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold the Indemnitee harmless therefrom to the extent as aforesaid.

(b) If the Company submits the Indemnitee's request for indemnification to the Independent Counsel under Section C.2(c), the Independent Counsel shall be selected by the Board of Directors by a majority vote, including the affirmative vote of a majority of Disinterested Directors that are independent (within the meaning of the listing rules of The New York Stock Exchange). The Indemnitee may, within 10 days after such written notice of selection shall have been given, deliver to the Company a written objection to such selection; *provided*, *however*, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If a written objection is made and substantiated, the Independent Counsel selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. The Company shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with acting under this Agreement, and the Company shall pay all reasonable fees and expenses incident to the procedures of this Section C.8(b), regardless of the manner in which such Independent Counsel was selected or appointed. If, within 20 days after the later of submission by the Indemnitee of a written objection pursuant to this Section C.8(b) hereof and the final disposition of the relevant Proceeding, no Independent Counsel shall have been selected and not objected to, either the Company or the Indemnitee may petition the court of competent jurisdiction for resolution of any objection which shall have been made by the Company or the Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by such court or by such other person as such court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section C.2(c) hereof. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section C.3 of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(c) In making a determination with respect to entitlement to indemnification hereunder, the Independent Counsel shall presume that the Indemnitee is entitled to indemnification under this Agreement if the Indemnitee has submitted a request for indemnification in accordance with this Agreement, and the Company shall have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption. The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement (with or without court approval), conviction, or upon a plea of *nolo contendere* or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of the Indemnitee to indemnification or create a presumption that the Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that the Indemnitee had reasonable cause to believe that his or her conduct was unlawful. For purposes of any determination of good faith, the Indemnitee shall be deemed to have acted in good faith if the Indemnitee's action is based on the records or books of account of the Company and any other corporation, partnership, joint venture or other entity of which the Indemnitee is or was serving at the written request of the Company as a director, officer, partner, managing member, trustee, fiduciary or agent, including financial statements, or on information supplied to the Indemnitee by the officers and directors of the Company or such other corporation, partnership, joint venture or other entity in the course of their duties, or on the advice of legal counsel for the Company or such other corporation, partnership, joint venture or other entity or on information or records given or reports made to the Company or such other corporation, partnership, joint venture or other entity by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company or such other corporation, partnership, joint venture or other entity. In addition, the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Company or such other corporation, partnership, joint venture or other entity shall not be imputed to the Indemnitee for purposes of determining the right to indemnification under this Agreement. The provisions of this Section C.8(c) shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement.

(d) The Company agrees to pay the reasonable fees and expenses of the Independent Counsel and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

D. DIRECTORAND OFFICER LIABILITY INSURANCE

1. Maintenance of Insurance. The Company shall use commercially reasonable efforts to obtain and maintain in effect during the entire period for which the Company is obligated to indemnify the Indemnitee under this Agreement, one or more policies of insurance with reputable insurance companies providing the directors of the Company with coverage for losses incurred in connection with their services to the Company and to ensure the Company's performance of its indemnification obligations under this Agreement. The Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee or agent under such policy or policies. In all such insurance policies, the Indemnitee shall be named as an insured in such a manner as to provide the Indemnitee with the same rights and benefits as are accorded to the most favorably insured of the Company's directors and officers. Notwithstanding anything to the contrary in this Agreement, the Company shall use its commercially reasonable efforts to cause any insurance policies referenced in this Section D to cover the Indemnitee without taking into account any limitations contained herein as a result of sections 468 and 469 of the Hong Kong Companies Ordinance (Cap 622).

2. Coverage of the Indemnitee. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such claim or of the commencement of a Proceeding, as the case may be, to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies. The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable (or for which advancement is provided hereunder) hereunder if and to the extent that the Indemnitee has otherwise actually received (and not subsequently returned) such payment under any insurance policy, contract, agreement or otherwise. The Company's obligation to indemnify or advance Expenses hereunder to the Indemnitee who is or was serving at the request of the Company as a director, officer, trustee, partner, managing member, fiduciary, employee or agent of any other corporation, partnership, joint venture or other entity shall be reduced by any amount the Indemnitee has actually received (and not subsequently returned) as indemnification or advancement of Expenses from such other corporation, partnership, joint venture or other entity.

E. NON-EXCLUSIVITY;TERM

1. Non-Exclusivity. The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any rights to which the Indemnitee may at any time be entitled under the Company's Memorandum and Articles of Association, as may be amended from time to time, applicable law, any written agreement between the Indemnitee and the Company (including its subsidiaries and affiliates), a vote of shareholders or a resolution of directors, or otherwise. The indemnification provided under this Agreement shall continue to be available to the Indemnitee for any action taken or not taken while serving in an indemnified capacity even though he or she may have ceased to serve in any such capacity at the time of any Proceeding. To the extent that a change in applicable laws permits greater indemnification by agreement than would be afforded under the Memorandum and Articles of Association or this Agreement, it is the intent of the parties hereto that the Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

2. Primary Obligations. The Company hereby acknowledges that the Indemnitee may have certain rights to indemnification, advancement of Expenses and/or insurance provided by one or more Persons with whom or which the Indemnitee may be associated (including, without limitation, any Sponsor Entity). The Company hereby acknowledges and agrees:

(a) the Company is the indemnitor of first resort with respect to any request for indemnification or advancement of Expenses made pursuant to this Agreement concerning any Proceeding arising from or related to the Indemnitee's Corporate Status with the Company.

(b) the Company is primarily liable for all indemnification and indemnification or advancement of Expenses obligations for any Proceeding arising from or related to the Indemnitee's Corporate Status, whether created by law, organizational or constituent documents, contract (including this Agreement) or otherwise.

(c) any obligation of any other Persons with whom or which the Indemnitee may be associated (including, without limitation, any Sponsor Entity) to indemnify the Indemnitee and/or advance Expenses to the Indemnitee in respect of any proceeding are secondary to the obligations of the Company's obligations.

(d) the Company will indemnify the Indemnitee and advance Expenses to the Indemnitee hereunder to the fullest extent provided herein without regard to any rights the Indemnitee may have against any other Person with whom or which the Indemnitee may be associated (including, any Sponsor Entity) or insurer of any such Person.

3. Third Party Waiver. The Company irrevocably waives, relinquishes and releases (A) any other Person (other than Newco with respect to Newco's obligations pursuant to Section G.10) with whom or which the Indemnitee may be associated (including, without limitation, any Sponsor Entity) from any claim of contribution, subrogation, reimbursement, exoneration or indemnification, or any other recovery of any kind in respect of amounts paid by the Company to the Indemnitee pursuant to this Agreement and (B) any right to participate in any claim or remedy of the Indemnitee against any Sponsor Entity (or former Sponsor Entity), whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from any Sponsor Entity (or former Sponsor Entity), directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right.

4. Third Party Indemnification or Advancement of Expenses. The Company hereby acknowledges that any indemnification or advancement of Expenses provided by any other Person with whom or which the Indemnitee may be associated (including, without limitation, any Sponsor Entity) is specifically in excess over the Company's obligation to indemnify and advance Expenses or any valid and collectible insurance (including but not limited to any malpractice insurance or professional errors and omissions insurance) provided by the Company.

5. Reduction of The Company's Obligation. The Company's obligation to indemnify or advance Expenses hereunder to the Indemnitee for any Proceeding concerning the Indemnitee's Corporate Status with an Enterprise will be reduced by any amount the Indemnitee has actually received as indemnification or advancement of Expenses from such Enterprise. The Company and the Indemnitee intend that any such Enterprise (and its insurers) be the indemnitor of first resort with respect to indemnification and advancement of Expenses for any Proceeding related to or arising from the Indemnitee's Corporate Status with such Enterprise. The Company's obligation to indemnify and advance Expenses to the Indemnitee is secondary to the obligations the Enterprise or its insurers owe to the Indemnitee. the Indemnitee agrees to take all reasonably necessary and desirable action to obtain from an Enterprise indemnification and advancement of Expenses for any Proceeding related to or arising from the Indemnitee's Corporate Status with such Enterprise.

For purposes of this Section E, "Sponsor Entity" means Melco Resorts & Entertainment Limited and New Cotai, LLC and any of their respective affiliates, other than the Company and its subsidiaries.

F. TERM

1. Duration of Agreement. This Agreement shall continue until and terminate upon the later of: (a) ten (10) years after the date that the Indemnitee shall have ceased to serve as a director of the Company or as a director, officer, partner, managing member, trustee, fiduciary or agent of an Enterprise and (b) one (1) year after the final termination of any Proceeding then pending in respect of which the Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any proceeding commenced by the Indemnitee pursuant to Section C of this Agreement relating thereto.

G. MISCELLANEOUS

1. Amendment of this Agreement. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by the parties hereto. No waiver of any of the provisions of this Agreement shall operate as a waiver of any other provisions (whether or not similar), nor shall such waiver constitute a continuing waiver. Except as specifically provided in this Agreement, no failure to exercise or any delay in exercising any right or remedy shall constitute a waiver.

2. Subrogation. In the event of payment to the Indemnitee by the Company under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company to bring suit to enforce such rights. In the event any other Person with whom or which the Indemnitee may be associated (including, without limitation, any Sponsor Entity) or their insurers advances or extinguishes any liability or loss for the Indemnitee, the payor has a right of subrogation against the Company or its insurers for all amounts so paid which would otherwise be payable by the Company or its insurers under this Agreement. In no event will payment by any other Person (other than Newco) with whom or which the Indemnitee may be associated (including, without limitation, any Sponsor Entity) or their insurers affect the obligations of the Company hereunder or shift primary liability for the Company's obligation to indemnify or advance of Expenses to any other Person with whom or which the Indemnitee may be associated (including, without limitation, any Sponsor Entity).

3. Assignment; Binding Effect. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by either party hereto without the prior written consent of the other party; except that the Company may, without such consent, assign all such rights and obligations to a successor in interest to the Company which assumes all obligations of the Company under this Agreement. Notwithstanding the foregoing, this Agreement shall be binding upon and inure to the benefit of and be enforceable by and against the parties hereto and the Company's successors (including any direct or indirect successor by purchase, merger, consolidation, or otherwise to all or substantially all of the business and/or assets of the Company) and assigns, as well as the Indemnitee's spouses, heirs, and personal and legal representatives.

4. Severability and Construction. Nothing in this Agreement is intended to require or shall be construed as requiring the Company to do or fail to do any act in violation of applicable law. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby. The Company's inability, pursuant to a court order, to perform its obligations under this Agreement shall not constitute a breach of this Agreement. The parties hereto acknowledge that they each have opportunities to have their respective counsels review this Agreement. Accordingly, this Agreement shall be deemed to be the product of both of the parties hereto, and no ambiguity shall be construed in favor of or against either of the parties hereto.

5. Enforcement. The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce the Indemnitee to serve as a director or officer of the Company, and the Company acknowledges that the Indemnitee is relying upon this Agreement in serving or continuing to serve as a director or officer of the Company. This Agreement shall not impose any obligation on the Indemnitee or the Company to continue the Indemnitee's service to the Company beyond any period otherwise required by law or by other agreements or commitments of the parties, if any.

6. Counterparts. This Agreement may be executed in two or more counterparts, both of which taken together shall constitute one instrument. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

7. Governing Law. This agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of New York, U.S.A., without giving effect to conflicts of law provisions thereof.

8. Notices. All notices, demands, and other communications required or permitted under this Agreement shall be made in writing and shall be deemed to have been duly given if (a) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed, (c) mailed by reputable overnight courier and receipted for by the party to whom said notice or other communication shall have been directed or (d) sent by facsimile transmission, with receipt of oral confirmation that such transmission has been received and addressed to the Company at:

Studio City International Holdings Limited
36th Floor, The Centrium
60 Wyndham Street
Central, Hong Kong
Attention: Company Secretary

and to the Indemnitee, at his or her address last known to the Company.

9. Entire Agreement. This Agreement [and that certain Director Agreement, dated , 2018, by and among the Company, Newco and the Indemnitee][1], as each may be amended from time to time, constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between the Company and the Indemnitee with respect to the subject matter hereof; *provided*, *however*, that this Agreement is a supplement to and in furtherance of the Memorandum and Articles of Association of the Company and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of the Indemnitee thereunder.

10. Fees and Expenses. Pursuant to the terms of that certain Participation Agreement dated as of , 2018 by and among the Company, Newco and New Cotai, LLC, Newco hereby agrees to pay all fees and expenses incurred by the Company pursuant to this Agreement and that Newco shall bear or, as necessary, reimburse the Company for any reasonable out-of-pocket expenses incurred by the Company in connection with this Agreement.

11. HK Exemption. Melco International shall use its reasonable best efforts to cause an HK Exemption event to occur as soon as reasonably practicable but in no event later than the day on which the next annual general meeting of shareholders of Melco International is held.

*(Signature page follows)*

1 Only applicable to directors and not officers.

IN WITNESS WHEREOF, the parties hereto execute this Agreement as of the date first written above.

Studio City International Holdings Limited

________________________________________
Name:
Title:

INDEMNITEE

________________________________________
Name:

MSC Cotai Limited

________________________________________
Name:
Title:

Melco International Development Limited
solely for purposes of Section G.11

________________________________________

Name:
Title:

**[Name of Employee]**

[Address]

**[Date]**

**FORM OF EMPLOYMENT AGREEMENT_A**

**PRIVATE & CONFIDENTIAL**

Dear [Name of Employee]**,**

We are pleased to present you with this offer of employment, subject to the terms and conditions outlined in this Employment Agreement and the attached Appendices 1, 2 and 3. These collectively constitute the "**Agreement**" between you and **Studio City Entertainment Limited**, a company duly incorporated and existing under the laws of Macau (the "**Company**").

**Appointment**

You will be appointed to the position of **[Position]** This appointment subject to the issuance (and subsequent renewal) of an appropriate work visa and will be effective from **[Date]** or the date you obtain an appropriate working visa, whichever is the later, (the "**Commencement Date**") and will end on your working visa expiry date. Upon renewal of your working visa this Employment will be automatically renewed until the day of expiry your renewed working visa.

Your employment entity is the Company.

The probation period is [applicable period, if any].

During the term of your employment you shall serve as [**Position**] or in any other capacity that the Company may reasonably require without any additional remuneration. Your place of employment shall be the principal offices of the Company in Macau; provided, however, that you understand and agree that you will be required to travel from time to time for business reasons between Hong Kong, Macau and other business locations of the Company or any other Group Company.

You agree that the Company may (i) if and as permitted by Macau law, require you to perform duties for any other Group Company whether for the whole or part of your working time and in performing those duties; (ii) transfer your employment to another Group Company with no impact on your responsibility, employment terms and conditions; and (iii) you will keep your immediate supervisor, to be advised by the Company from time to time ("**Supervisor**"), and/or the Company, fully informed of your conduct of the business, finances or affairs of the Company and other Group Companies in a prompt and timely manner. You will, based on your best information and knowledge, promptly disclose to your Supervisor and/or Company full details of any wrongdoing by any employee of any Group Company where that wrongdoing is material to that employee's employment by the relevant Group Company or to the interests or reputation of any Group Company.

For so long as you are employed by the Company, you shall devote your full working time, attention and skill to your duties and you shall faithfully serve the Company and the Group, shall properly perform your duties and exercise your powers in the best interests of the Company and other Group Companies, comply with the Company or Group policies applicable to you from time to time regarding business conduct, confidentiality and otherwise, shall in all respects conform to and comply with the lawful directions and instructions given to you by your Supervisor and/or Company and shall use your best efforts to promote and serve the interests and reputation of the Company and other Group Companies. Further, you shall not, directly or indirectly, render services to any other person or organization without the consent of the Supervisor and/or the Company or otherwise engage in activities that would interfere with your faithful performance of your duties under this Agreement.

**Remuneration**

Your base salary will be **MOP** per annum (the "**Base Salary**"). It is the Company's principle that all employees have to take full responsibility of their income tax according to the tax rules of the working location or the jurisdiction governing this agreement. Any payments made or benefits provided to you under this Agreement shall be reduced by any applicable withholding taxes or other amounts required to be withheld by law.

If you are requested to serve as a director or an officer of any Group Company and you agree to do so, you will do so for [remuneration amount, if any].

**Annual Bonus Plan**

You will be eligible to participate in the relevant discretionary Annual Bonus Plan ("**Plan**") in accordance with prevailing terms and conditions, as relevant to your business unit. Any payment under the Plan shall take into account your individual performance.

Unless otherwise advised by the Company, any discretionary payments under the Plan will be based on the achievement of Studio City property objectives.

The Plan is an absolute discretionary plan and is not an entitlement. The rules and terms relating to the plan (including without limitation, the terms of payment) and the continuation of a Plan are at the discretion of and subject to the approval of the Parent Company (as defined in Appendix 2), and any other required approval, and may be amended from time to time at Parent Company's discretion.

Subject to applicable Company Policy, which may be amended from time to time, and other prevailing terms and conditions of a Plan, you shall not be eligible to participate in a Plan, if:

(i) you are not actively working on payment date (i.e. you are on Garden leave);

(ii) you have served termination notice or have been served termination notice by the Company on or before payment date;

(iii) you have an unsatisfactory performance rating and/or are subject to any disciplinary action (including without limitation any final written warning) during a Plan relevant cycle

**Long Term Incentive Plan**

From time to time, the Parent Company may issue a Group wide equity grant to employees, as determined by the Board and the Compensation Committee of the Parent Company.

You may be considered as a potential recipient of such equity grant, if and when a Group wide issuance is determined, subject to approval of Studio City Holdings Limited and any other applicable approval. The equity grant to employees is an absolutely discretionary plan, and is not an entitlement. The terms of equity grant will be subject to the rules of the equity grant program at that time.

**Employee Benefits**

You will be provided with a personalized Employee Benefits Plan, which is summarized in Appendix

1. Our policies concerning employee benefits are subject to periodic review.

 Employee's Initials: ___________________

**Exemption of working hours**

The appointed position is agreed to be a management position and as such you agree that the functions and inherent duties and responsibilities require that you will be exempt of a working schedule. You therefore agree to waive the normal working hours contemplated by law.

You acknowledge and agree that you may be required to work beyond normal working hours to complete the duties and responsibilities of your position and that your remuneration includes a component for working beyond normal working hours, notwithstanding your rights and guarantees including rest periods, mandatory holidays and annual leave.

**No conflict agreement**

You represent and warrant to the Company that (a) you have not taken, and/or will return or (with the consent of your former employer) destroy without retaining copies, all proprietary and confidential materials of your former employer; (b) you have not used any confidential, proprietary or trade secret information in violation of any contractual or common law obligation to your former employer; (c) except as previously disclosed to the Company in writing, you are not party to any agreement, whether written or oral, that would prevent or restrict you from engaging in activities competitive with the activities of your former employer, from directly or indirectly soliciting any employee, client or customer to leave the employ of, or transfer its business away from, your former employer or, if you are subject to such an agreement or policy, you have complied with it; and (d) you are not a party to any agreement, whether written or oral, that would be breached by or would prevent or interfere with the execution by you of this Agreement or the fulfillment by you of your obligations hereunder.

**Termination of Employment**

Your Employment may be terminated in any of the following circumstances:

a) By either party giving to the other not less than 6 months prior written notice;

b) On immediate written notice if your Employment is terminated for Cause, in which case you will have no claim for damages or any other remedy against the Company.

Please refer to Clauses 5 and 6 in Appendix 2 for further terms and conditions.

**Governing Law**

This Employment Agreement and the attached Appendices 1, 2 and 3 are governed by and shall be interpreted and construed in accordance with the laws of Macau. The parties agree to submit to the exclusive jurisdiction of the courts of Macau in the event of any dispute, claim or matter arising from the Agreement.

It should be noted that headings to the clauses contained in the Agreement are inserted for convenience only and shall not affect the construction of the Agreement. The terms and conditions of your Employment are considered confidential and should not be disclosed to any unauthorized parties.

Save for those matters that are expressly contemplated and dealt with in this Agreement, your entitlements and obligations shall be governed by and subject to the Group and Group’s internal codes, practices, policies and procedures as may be in place from time to time.

 Employee’s Initials: ___________________

This Agreement contains the entire agreement and understanding of the parties hereto with respect to the matters covered herein and supersedes all prior or contemporaneous negotiations, commitments, agreements and writings with respect to the subject matter hereof. All such other negotiations, commitments, agreements and writings shall have no further force or effect, and the parties to any such other negotiation, commitment, agreement or writing shall have no further rights or obligations there-under.

You acknowledge that you have not been induced to enter into this Agreement by any representation, warranty or undertaking not expressly incorporated into it. You agree and acknowledge that your only rights and remedies in relation to any representation, warranty or undertaking made or given in connection with this Agreement (unless such representation, warranty or undertaking was made fraudulently) will be for breach of the terms of this Agreement, to the exclusion of all other rights and remedies (including those in tort or arising under statute).

If the foregoing concurs with your understanding of the terms and conditions of Employment, please sign and return the duplicate original of the Agreement to Human Resources Department, initialing each page, to signify your understanding, acceptance and agreement.

We would like to take this opportunity to congratulate you on your new position, we are looking forward to working with you and welcoming you to our team.

For and on behalf of
Studio City Entertainment Limited

______________________________
[Name]

Accepted and agreed by:

______________________________
Name:
Nationality:
Passport No.:
Date:

## Other Terms and Conditions

**APPENDIX 2**

**1. Conditions of the Present Offer of Employment and Regulatory Approval**

a) This offer is subject to your possession of a valid working visa in Macau, satisfactory outcome of a pre-employment medical and probity check if required.

b) Your Employment continues to be subject to the Group's security checks and may be conditional upon you maintaining a license issued by a regulatory authority, including any regulatory authority in Macau.

c) You must advise the Company if you are charged with or convicted of any criminal offence, on the commencement or finalization of any civil proceedings in which you are involved as a party, on the commencement of any bankruptcy proceedings against you, on the making of any default judgment against you, or upon any change of your name, residential address or residency, or working visa status. Failure to make such advice may lead to suspension or cancellation of your license (if any) and to disciplinary action which may lead to termination of Employment.

**2. Duties and Responsibilities**

a) You agree that you will comply with the Group's Policies and Procedures as determined or varied from time to time and that such Policies and Procedures shall form part of the Agreement. Some of the Group's Policies and Procedures provide that a failure to comply may result in disciplinary or other action being taken by the Company. You must familiarize yourself with all Policies and Procedures, to ensure compliance. This appointment is subject to your agreement to the Code of Business Conduct and Ethics (refer to Appendix 3).

b) During your Employment, no private software or personal files are allowed in the Company's and/or the relevant Group Company's user units, application servers, computer terminals or workstations.

c) During your Employment it is also prohibited to use or download any software from the Company and/or the relevant Group Company to all your self-owned personal computers units, application servers, computer terminals, workstations, data files, designated sites or printed, electronic, magnetic or optical storage media.

**3. Place of Work**

Your principal place of work will be in Macau. You may be required to travel internationally to work at the Shareholders' offices or other destinations as required by the Company and/or the relevant Group Company with the approval of management.

**4. Confidentiality**

a) During the course of your Employment (unless necessary for the performance of your duties hereunder or unless with prior written consent of the Company) and after its termination, you will not directly or indirectly divulge, disclose or communicate to any person, firm or corporation in any manner whatsoever any Confidential Information which may come to your knowledge during your Employment, and you will not use or attempt to use any such information in any manner which may injure or cause loss either directly or indirectly to the Company, the Shareholders or Group Companies.



Employee's Initials: ____________________

b) In the event you become legally compelled to disclose any Confidential Information, you shall provide the Company with prompt written notice so that the Company, the relevant Group Company or the relevant Shareholder may seek a protective order or other appropriate remedy. If such protective order or other remedy is not obtained, you shall disclose only that portion of the Confidential Information you are legally compelled to disclose or take only such action as is legally required by binding order and shall exercise your reasonable efforts to obtain reliable assurance that confidential treatment shall be accorded to any such Confidential Information. The Company shall promptly pay (upon receipt of invoices and any other documentation as may be requested by the Company) all reasonable expenses and fees incurred by you, including attorneys' fees, in connection with your compliance with the immediately preceding sentence.

c) All written documents and other tangible sources of Confidential Information relating to the Company, the Shareholders or any Group Company or their business belong to such relevant Group Companies and shall be returned to the Company, if requested, and in any event, immediately during the course and upon termination of your Employment.

**5. Termination of Employment and Garden Leave**

a) If your Employment is terminated by either you or the Company on notice, or if you purport to terminate the Employment in breach of contract, the Company may in its absolute discretion by written notice require you not to attend work (or to perform only specified services) until your Employment ends, subject to Company rules or any applicable policy.

b) During any period for which the Company exercises its rights under Clause 5 (a) ("**Garden Leave**"), the Company shall not be obliged to provide you with any work or vest any powers in you and you shall have no right to perform any services for the Company. Notwithstanding, during the Garden Leave Period you shall continue to comply with all your obligations towards the Company and, if so requested by the Company, you shall attend to your place of work and/or perform any specified duties required by the Company.

c) During any period of Garden Leave, you will:

- i) continue to receive your Base Salary and your contractual benefits (for the avoidance of doubt you will not be entitled to any other benefits that may be provided by the Company from time to time);
- ii) remain an employee of the Company and be bound by the terms of the Agreement;
- iii) not, without the prior written consent of the Company or otherwise at the request of the Company, attend your place of work or any other premises of the Company or any other Group Company;
- iv) not, without the prior written consent of the Company, contact or deal with (or attempt contact or deal with) any officer, employee, consultant, client, customer, supplier, agent, distributor, shareholder, adviser or other business contact of the Company or any other Group Company; and

 Employee's Initials: ____________________

v) (except during any periods taken as holiday in the usual way) ensure that the Company knows where you are and how you can be contacted during working hours.

d) During Garden Leave you are still subject to immediate termination if you are terminated for Cause.

e) If your Employment is terminated by either you or the Company on notice, or if you purport to terminate the Employment in breach of contract, the Company may at its absolute discretion alter your duties and/or transfer you to another role (such transfer may involve a relocation if agreed) until your Employment ends provided only that:

i) you have necessary skills and competencies to perform the duties or new role; and

ii) your Base Salary remains unaltered.

f) The Company may suspend you from your Employment on full Base Salary at any time to investigate any matter in which the Company reasonably believes you are implicated or involved (whether directly or indirectly) and which might amount to Cause.

g) Upon termination of your Employment or, if earlier, at the start a period of Garden Leave:

i) you shall forthwith cease to use all software of the Company and/or the relevant Group Company and shall not delete or remove such items from such company's user units, application servers, computer terminals, workstations, data files, designated sites or printed, electronic, magnetic or optical storage media;

ii) you shall irretrievably delete any information relating to the business of the Company or any other Group Company stored on any magnetic or optical disk or memory and all matter derived from such sources which is in your possession, custody, care or control outside the premises of the Company or any other Group Company;

iii) you shall deliver to the Company or the relevant Group Company all materials, records and other information (in written, oral, visual or electronic form or on any magnetic or optical disk or memory and wherever located) made, compiled or acquired by you during your Employment and relating to the Company or any other Group Company or its or their business contacts, any keys, credit cards and any other property at the Company or any other Group Company which is in your possession, custody, care or control;

iv) upon the request of the Company, you shall confirm in writing your compliance with your obligations under this Clause 5 (g).

h) You hereby acknowledge and agree that in case of termination of your Employment with the Company you will not be eligible to be re-employed by the Company to work in a casino operated by the Company in a property not fully owned by the Company or by a Group Company for a period of three months starting from the date of termination of your Employment with the Company. This Clause 5 (h) only apply to employment with Melco Resorts (Macau) Limited.

i) In the event you are engaged in the future by the Company for the purposes of working in a casino operated by the Company in a property not fully owned by the Company or by a Group Company you will not be entitled for any purposes to any of the amounts, benefits and/or seniority rights in connection with the Agreement. This Clause 5 (i) only apply to employment with Melco Resorts (Macau) Limited.

**6. Restrictions after Termination of Employment**

a) You are likely to obtain trade secrets and confidential information and personal knowledge of and influence over suppliers, customers, consultants and employees of the Group Companies during the course of your Employment. To protect these interests of the Company, you agree with the Company that you will not during the Restricted Period, directly or indirectly, on your own account or on behalf of or in association with any person:

i) be engaged, concerned, interested or otherwise involved in any Capacity with any business carried on within the Restricted Area which is (or intends to be) wholly or partly similar to or in competition with any Restricted Business (save as the holder as a passive investor only of not more than 5% of the issued ordinary shares of any company listed on NASDAQ or any other recognized investment exchange);

ii) be engaged, concerned, interested or otherwise involved in any Capacity with any business carried on within the Other Restricted Area which is (or intends to be) wholly or partly similar to or in competition with any Restricted Business (save as the holder as a passive investor only of not more than 5% if the issued ordinary shares of any company listed on NASDAQ or any other recognized investment exchange);

iii) solicit or seek or endeavour to entice away from any Group Company any business orders or customs of any Customer with a view to providing services to that Customer in competition with or similar to any Restricted Business in whole or in part;

iv) induce, solicit or entice or endeavour to induce, solicit or entice away from any Group Company any Restricted Employee or offer employment or engagement to any Restricted Employee with a view to the specific knowledge or skills of such person being used by or for the benefit of any person carrying on business which is (or intends to be) similar to or in competition with the Restricted Business in whole or in part; and

v) induce, solicit or entice or endeavour to induce, solicit or entice away from any Group Company anyone (other than any Restricted Employee) in the engagement or employment by any Group Company or offer employment or engagement to such person with a view to the specific knowledge or skills of such person being used by or for the benefit of any person carrying on business which is (or intends to be) similar to or in competition with the Restricted Business in whole or in part.

b) Each of the paragraphs contained in Clause 6 a) constitutes an entirely separate, independent and severable covenant. If any covenant is found to be invalid or unenforceable, this will not affect the validity or enforceability of any of the other covenants. While you and the Company consider the restrictions set out in Clause 6 a) to be reasonable and necessary in all the circumstances for the protection of the legitimate interests of the Group, it is agreed that if any one or more of such restrictions shall either taken by itself or themselves together be adjudged to go beyond what is reasonable in all the circumstances for the protection of the legitimate interests of the Group but would be adjudged reasonable if any particular restriction or restrictions were deleted or if any part or parts of the wording thereof were deleted, restricted or limited in a particular manner, then the restrictions set out in Clause 6 a) shall apply with such deletions or restrictions or limitations as the case may be.

c) Following the Last Employment Date, you will not represent yourself as being in any way connected with the businesses of the Company or of any other Group Company (except to the extent agreed by such a company).

 Employee’s Initials: ___________________

d) Any benefit given or deemed to be given by you to any Group Company under the terms hereof is received and held on trust by the Company for the relevant Group Company. You will enter into appropriate restrictive covenants directly with other Group Companies if asked to do so by the Company.

e) Part of your remuneration payable under the Employment Agreement is paid in consideration for your undertakings hereunder. You agree that the provisions of this clause are reasonable and necessary for the protection of the legitimate interests and the goodwill of the Company, do not unduly restrict your ability to find appropriate employment after leaving the Company's employment, and go no further than is necessary to protect the Company's legitimate business interests.

**7. Surveillance and Data Privacy**

You understand that the Company (and the Parent Company, the Shareholders or other Group Company where applicable) will operate surveillance devices in and about their properties and at any equivalent overseas property due to operation necessities. You acknowledge and consent to the lawful:

i) audio, optical and other surveillance of your activities, including monitoring and recording of your conversations; and

ii) collection and use of your personal data by the Company, transfer to other Group Companies, for all purposes relating to your Employment, including, without limitation, administering and maintaining personnel records, paying and reviewing salary and other remuneration and benefits, providing and administering benefits, undertaking performance appraisals and reviews, maintaining sickness and other absence records, taking decisions as to your fitness for work, providing information and references to future employers, and if necessary, governmental and quasi-government bodies, providing information to future purchasers and potential purchasers of the Company or any other Group Company, transferring information concerning you outside Macau and Hong Kong, and the lawful monitoring of communications via the Company's or any other Group Company's system.

**8. Other Terms and Conditions**

The Company reserves the right to transfer you during the course of employment between the Group Companies and/or companies within the Shareholders' group to meet business requirements or for operational reasons. Upon acceptance by you, such transfer will be constructed as a continuation of employment under this Agreement (subject only to the change of the employment entity and, if applicable, any adjusted terms to be mutually agreed between the parties).

**9. Intellectual Property Rights**

(a) You hereby agree that any Intellectual Property Rights (as defined below) either alone or jointly with others created, generated, made, conceived, authored, developed or acquired by you at any time (whether or not during normal working hours) during the term of your Employment, whether or not being rights made in the course of the Employment in conjunction with or in any way affecting or relating to the business of the Company, any Group Company or of any of its affiliates or capable of being used or adapted for use therein or in conjunction therewith, shall forthwith be disclosed to the Company and shall belong to and be the absolute property of the Company, any Group Company or any of its affiliates as the Company may direct.

 Employee's Initials: ___________________

(b) You hereby waive unconditionally and irrevocably all your moral rights and rights of a similar nature (including those rights arising under laws) in respect of any work (including works which may come into existence after the date hereof) in which copyright may subsist, created by you during the Employment in each jurisdiction throughout the world, to the extent that such rights may be waived in each respective jurisdiction. This waiver extends to any and all acts of the Company and its successors, assigns and licensees and acts of third persons done with the authority of the Company and its successors and assigns.

(c) For the purposes of this Agreement, Intellectual Property Rights means a category of tangible and intangible rights protecting commercially valuable products of the human intellect covering industrial property rights, unfair competition and copyrights, including but not limited to: trademarks, trade names, service marks, designs, character names, domain names, business names, patent rights, inventions confidential information and trade secret rights, know how, publicity rights, copy and moral rights, rights against unfair competition, database rights, topography rights, photographs, electronic video or images, all computer generated drawings and designs in their original format or design rights or any rights similar or analogous to any of the foregoing whether registered or unregistered or any right or any application for registration of the same or interest of any kind arising out of or created in respect of any of the foregoing together with rights in logos, symbols, emblems, insignia, trade dress, know-how and other identifying material and any other similar industrial and intellectual property in any country in the world, in, or arising as a result of, the provision of the Employment, including any such rights not yet in existence.

(d) This clause shall survive after the termination of this Agreement.

**10. Prohibition of Gambling and Responsible Gaming Commitment**

a) During your Employment, you are prohibited from gambling at any gaming facility or operation (including any electronic or internet-based gaming facility or operation) operated or offered by Melco Resorts (Macau) Limited or any of the Group Companies. The Company will strictly enforce this prohibition and any contravention may subject you to disciplinary action (including termination of employment for cause).

b) The Company is fully committed in promoting responsible gaming and a healthy lifestyle for its staff and families. In this regard, the Company strongly believes that a person working for the gaming industry or its ancillary industries should not use its free time to gamble or to go to casinos. As part of the Company´s pro-active approach to responsible gaming we strongly recommend that while not on duty and during your free time you do not gamble and do not go to casinos or other gaming facility operations such as slots machines clubs.

 Employee’s Initials: ___________________

**11. Definition**

In the Agreement (including the Employment Agreement and Appendices), the following terms shall have the meanings set forth below unless the context clearly indicates the contrary:

- **"Base Salary"** has the meaning given in the Employment Agreement;
- **"Capacity"** means as agent, consultant, director, employee, owner, partner, shareholder or in any other capacity;
- **"Cause"** means (1) any serious breach by you of the terms of Employment, (2) continued failure to perform your duties and responsibilities of your job position to the standard reasonably required by the Company (or to follow a lawful order or direction of the Company), other than any such failure resulting from your sickness or disability, (3) serious misconduct, willful act or omission not done in good faith or in furtherance of the interests or business of the Company, (4) dishonesty, fraud, embezzlement or any other serious criminal offence committed by you (other than trivial traffic offence), (5) habitual neglect of your duties under the Agreement, (6) any act that brings disrepute to the Group and/or the Shareholders or such other mischief or unauthorized act as mentioned in the Employee Handbook and/or Group Company policies, or (7) any other ground on which the Company is entitled to terminate your Employment;
- **"Commencement Date"** has the meaning given in the Employment Agreement;
- **"Company"** means the employer company to the Agreement as set out in the opening paragraph of the Employment Agreement;
- **"Confidential Information"** means all private, personal, confidential or proprietary information, tangible or intangible, owned by or pertaining to the Company, the Shareholders or any other Group Company, which information was learned or acquired by you as a result of the Employment with the Company. Without limiting the generality of the preceding sentence "Confidential Information" shall include, but not limited to, all the Company, the Shareholders or any other Group Company's ideas, trade secrets, training programs and techniques, proprietary ideas and concepts, business methods, lists of customers, strategic plans, recipes, legal advice, financial, commercial or competitive information, technical knowledge, concepts, decisions, programs, processes, procedures, innovations, inventions, market intelligence and database information, secret formulas, player rating and credit line information, customer information and data, sales data, costs data, profit data, marketing methods, credit and collection techniques, strategic planning data and financial planning data, analyses, compilations, studies or other documents, whether prepared by you or not; however "Confidential Information" shall not include information or data that: (i) is or becomes generally available to the public, (ii) is or becomes available to you from a third party which is entitled to disclose it without restriction, or (iii) was known to you from previous business experience before the Employment;
- **"Customer"** means any person with whom you or anyone working under your supervision or control deals personally who, at the Last Employment Date, is negotiating with the Company or any Group Company for Restricted Business or with whom the Company or any Group Company has conducted any Restricted Business at any time during the final [time period] of the Employment;
- **"Employment"** means the employment between you and the Company;
- **"Group"** means together (i) the Company, (ii) Parent Company and (iii) every company which is for the time being a direct or indirect Holding company or subsidiary of the Company or Parent Company or, in respect of which either the Company or Parent Company holds at least 30% of the voting rights;
- **"Group Company"** means a member of the Group and the expression "**Group Companies**" will be interpreted accordingly;

 Employee's Initials: ___________________

- **“Holding Company”** and “**Subsidiary**” have the meanings given in sections 13 and 15 of the Companies Ordinance, Cap 622 of the Hong Kong SAR, respectively;
- **“Last Employment Date”** means the date on which your Employment terminates for any reason whatsoever;
- **“Melco Resorts (Macau) Limited”** means a company in which the Parent Company is the major shareholder that is the holder of license to carry out games of fortune and chance and other games in casino in Macau;
- **“Other Restricted Area”** means any country, territory or region in [area], other than the Restricted Area, in which any competitor of the Company or any Group Company carries on or intends to carry on any business wholly or partly similar to or in competition with any Restricted Business as at the Last Employment Date;
- **“Parent Company”** means Melco Resorts & Entertainment Limited;
- **“Restricted Area”** means [area] and any other country, territory or region in which the Company or any Group Company carries on or intends to carry on any Restricted Business as at the Last Employment Date;
- **“Restricted Business”** means and includes the operation of gaming machines and the ownership and/or management of gaming venues or casinos and all other commercial activities carried on or to be carried on by the Company or any other Group Company in which you worked or about which you knew Confidential Information to a material extent at any time during the final two years of the Employment;
- **“Restricted Employee”** means any person who is employed or engaged by any Group Company and who could damage the interests of any Group Company if he were involved in any Capacity in any business concern which competes with or is similar to any Restricted Business in whole or in part, and with whom you dealt in the course of your Employment;
- **“Restricted Period”** means the period of **[time period]** after the Last Employment Date for Clause 6 a) i) and Clause 6 a) ii); and the period of **[time period]** after the Last Employment Date for Clause 6 a) iii), Clause 6 a) iv), and Clause 6 a) v) respectively;
- **“Shareholder(s)”** means any direct or indirect shareholders of the Company, including Melco International Development Limited together with their respective subsidiaries, and their successors;
- **“You”** and **“you”** means the employee to the Agreement as set out in the opening paragraph of the Employment Agreement.

**Acknowledgement and acceptance as part of the Agreement**

Accepted and agreed by:

________________________________________

Name:
Nationality:
Passport
Date:

 Employee’s Initials: __________________

**[Name of Employee]**

[Address]

**[Date]**

**FORM OF EMPLOYMENT AGREEMENT_B**

**PRIVATE & CONFIDENTIAL**

Dear [Name of Employee]**,**

We are pleased to make an offer of employment to you upon the terms and conditions as outlined in this Employment Agreement as well as in the attached Appendices hereto (which will collectively constitute the "**Agreement**" between you and **Studio City Entertainment Limited,** a company duly incorporated and existing under the laws of Macau (the "**Company**")). This offer is subject to the conditions set out in Clause 1 in Appendix 2.

**1. Term/ Contract Duration**

You will be appointed to the position of **[Position]** effective from **[Date]**. Your employment entity is the Company.

**2. Remuneration**

Your base salary will be per annum (the "**Base Salary**") less appropriate professional tax in Macau and will be paid on a regular basis as advised by the Company. There will be an annual review during the Company's general annual base salary review period; for clarification, a review does not necessarily result in an increase of your Base Salary. The first review will not occur earlier than .

**3. Exemption of Working Hours**

a) The position to which you are being appointed is a management position and you agree that due to your functions and inherent duties and responsibilities you will be exempt of a working schedule.

b) You waive the normal working hours contemplated by law and acknowledge that you may be required to work beyond normal working hours in order to complete the duties and responsibilities of your position and your remuneration includes a component to work beyond normal working hours, notwithstanding your rights and guarantees including rest periods, mandatory holidays and annual leave.

## 4. Annual Bonus Plan

You will be eligible to participate in the Group's discretionary bonus plan (the "**Bonus Plan**", with any award under such plan being referred to as the "**Bonus**") in accordance with the prevailing terms and conditions. Please refer to Clause 4 in Appendix 2 for terms and conditions. Your relevant business unit is Studio City, unless otherwise indicated by the Company.

## 5. Long Term Incentive Plan

a) From time to time, the Parent Company may issue a Parent Group wide equity grant to Employees, as determined by the board and the compensation committee of Parent Company. You may be considered as a potential recipient of such equity grants, if and when a Parent Group wide issuance is determined, subject to approval of SCH. The equity grant to Employees is an absolutely discretionary plan, and is not an entitlement. The terms of equity grants will be subject to the rules of the equity grant program at that time.

b) Hire-On Equity: Upon commencement of Employment you will be eligible to receive "MLCO" shares recommended as follows, and the terms below are subject to the recommendation of the Parent Company Board's Compensation Committee:

   i) Equity value of US$ ;

   ii) Equity mix of % restricted shares and % share options;

   iii) Grant date will be your Employment Commencement Date, or if your Employment Commencement Date falls within a non-trading period, the first day that the trading window is open subsequent to your Employment Commencement Date;

   iv) Grant price will be the closing price of MLCO ADS on NASDAQ on the grant date, the exercise price for the share options will be the closing price on the grant date, or the average closing price for the 5 business days immediately preceding the grant date, whichever is higher;

   v) Award will vest in tranches in years, % will vest on the anniversary of grant date, and the remaining % will vest on the anniversary of grant date.

## 6. Employee Benefits

You will be provided with the corresponding Employee Benefits programs as summarized in Appendix 1.

## 7. Governing Law

This Employment Agreement and Appendices are governed by and shall be interpreted and construed in accordance with the laws of Macau. The parties agree to submit to the exclusive jurisdiction of the courts of Macau as regards any dispute, claim or matter arising under this Agreement.

All headings to clauses herein are inserted for convenience only and shall not affect the construction of this Agreement. Words importing the singular number shall include the plural and vice versa and a gender shall include all genders and the neuter.

We would like to take this opportunity to congratulate you on your new position with us. We would request that you keep all the terms and benefits described in this Agreement confidential.

Please indicate your acceptance of the foregoing terms by signing in the space provided and initialing each page and returning the duplicate original of this Agreement to Human Resources Department.

For and on behalf of
**Studio City Entertainment Limited**

By

______________________________
[Name]
Authorized Signatory

**Acknowledgement and Acceptance**

Accepted and Agreed by:

______________________________
**Name**
ID Card No.:
Date:

Enclosure: Appendix 1: Employee Benefit Summary
Appendix 2: Other Terms and Conditions
Appendix 3: Code of Business Conduct and Ethics

APPENDIX 2

## Other Terms and Conditions

### 1. Conditions of the Present Offer of Employment and Regulatory Approval

a) This offer is subject to your possession of a valid working visa in Macau, unrestraint availability for employment, satisfactory outcome of a pre-employment medical, reference and probity checks if required.

b) Your Employment continues to be subject to the Parent Group's security checks and may be conditional upon you maintaining a license issued by a regulatory authority, including in Macau.

c) You must advise the Company if you are charged with or convicted of any criminal offence, on the commencement or finalization of any civil proceedings in which you are involved as a party, on the commencement of any bankruptcy proceedings against you, on the making of any default judgment against you, or upon you making any change of name or residential address. Failure to make such advice may lead to suspension or cancellation of your license and disciplinary action including termination of Employment.

### 2. Duties and Responsibilities

a) You agree that you will comply with the Company's Policies and Procedures as determined or varied from time to time by the Company and that such Policies and Procedures shall form part of the Agreement. Some of the Company's Policies and Procedures provide that a failure to comply may result in disciplinary or other action being taken by the Company. You must familiarize yourself with all Policies and Procedures, to ensure compliance. This appointment is subject to your agreement to the Code of Business Conduct and Ethics (Refer to Appendix 3).

b) During your Employment, no private software or personal files are allowed in the Company's and/or the relevant Parent Group Company's user units, application servers, computer terminals or workstations.

c) During your Employment it is also prohibited to use or download any software from the Company and/or the relevant Parent Group Company to all your self-owned personal computers units, application servers, computer terminals, workstations, data files, designated sites or printed, electronic, magnetic or optical storage media.

### 3. Place of Work

Your principal place of work will be in Macau. You may be required to travel internationally to work at the Shareholders' offices or other destinations as required by the Company and/or the relevant Group Company with the approval of management.

### 4. Annual Bonus Plan

a) You will be eligible to participate in the Parent Group's discretionary Bonus Plan in accordance with the prevailing terms and conditions.

b) Payment of the Bonus shall be based upon the achievement by the Group and/or any Group business units as relevant, of its performance objectives (including without limitation, financial and organizational objectives) in respect of the period to which the Bonus relates (the "**Bonus Period**"). Payment of the Bonus may also take into account your individual performance during the Bonus Period.

c) The rules and terms relating to the Bonus Plan (including without limitation, the terms of payment) and the continuation of the Bonus Plan are subject to applicable rules and terms of the Parent Group, which may be amended from time to time at the discretion of the Parent Group, whilst the quantum of Bonus payment based on achievement of the relevant business unit, is at the discretion of and subject to the approval of SCH.

**5. Confidentiality**

a) During the course of your Employment (unless necessary for the performance of your duties hereunder or unless with prior written consent of the Company) and after its termination, you will not directly or indirectly divulge, disclose or communicate to any person, firm or corporation in any manner whatsoever any Confidential Information which may come to your knowledge during your Employment, and you will not use or attempt to use any such information in any manner which may injure or cause loss either directly or indirectly to any Parent Group Company.

b) In the event you become legally compelled to disclose any Confidential Information, you shall provide the Company with prompt written notice so that the relevant Parent Group Company or the relevant Shareholder may seek a protective order or other appropriate remedy. If such protective order or other remedy is not obtained, you shall disclose only that portion of the Confidential Information you are legally compelled to disclose or take only such action as is legally required by binding order and shall exercise your reasonable efforts to obtain reliable assurance that confidential treatment shall be accorded any such Confidential Information. The Company shall promptly pay (upon receipt of invoices and any other documentation as may be requested by the Company) all reasonable expenses and fees incurred by you, including attorneys' fees, in connection with your compliance with the immediately preceding sentence.

c) All written documents and other tangible sources of Confidential Information relating to any of the Shareholders or any Parent Group Company or their business belong to such relevant Parent Group Companies and shall be returned to the Company, if requested, and in any event, immediately during the course and upon termination of your Employment.

**6. Probation and Termination of Employment**

a) You will be under a probation period of **[applicable time period, if any]** from the Commencement Date.

b) Your Employment with the Company may be terminated in any of the following circumstances:

i) During the first month of probation, by either party giving to the other immediate notice without compensation;

ii) during the remaining period of the probation after the first month of Employment, by either party giving to the other 7 days' prior written notice; after the probationary period, by either party giving to the other not less than **[ ]** prior written notice;

iii) on immediate notice if you are terminated for Cause, in which case you will have no claim for damages or any other remedy against the Company.

c) If your Employment is terminated by either you or the Company on notice, or if you purport to terminate the Employment in breach of contract, the Company may in its absolute discretion by written notice require you not to attend work (or to perform only specified services) until your Employment ends.

d) During any period for which the Company exercises its rights under Clause 6 (c) ("**Garden Leave**"), the Company shall not be obliged to provide you with any work or vest any powers in you and you shall have no right to perform any services for the Company.

e) During any period of Garden Leave, you will:

i) continue to receive your Base Salary and all other contractual benefits in the usual way;

ii) remain an Employee of the Company and bound by the terms of the Agreement;

iii) not, without the prior written consent of the Company, attend your place of work or any other premises of the Company or any other Parent Group Company;

iv) not, without the prior written consent of the Company, contact or deal with (or attempt contact or deal with) any officer, Employee, consultant, client, customer, supplier, agent, distributor, shareholder, adviser or other business contact of the Company or any other Parent Group Company; and

v) (except during any periods taken as holiday in the usual way) ensure that the Company knows where you are and how you can be contacted during working hours.

f) During Garden Leave you are still subject to immediate termination if you are terminated for Cause.

g) If your Employment is terminated by either you or the Company on notice, or if you purport to terminate the Employment in breach of contract, the Company may at its absolute discretion alter your duties and/or transfer you to another role (such transfer may involve a relocation if agreed) until your Employment ends provided only that:

i) you have necessary skills and competencies to perform the duties or new role; and

ii) your total remuneration remains unaltered.

h) The Company may suspend you from your Employment on full Base Salary at any time to investigate any matter in which the Company reasonably believes you are implicated or involved (whether directly or indirectly) and which might amount to Cause.

i) Upon termination of your Employment or, if earlier, at the start of a period of Garden Leave;

i) you shall forthwith cease to use all software of the Company and/or the relevant Parent Group Company and shall not delete or remove such items from such company's user units, application servers, computer terminals, workstations, data files, designated sites or printed, electronic, magnetic or optical storage media;

ii) you shall irretrievably delete any information relating to the business of the Company or any Parent Group Company stored on any magnetic or optical disk or memory and all matter derived from such sources which is in your possession, custody, care or control outside the premises of the Company or any Parent Group Company;

iii) you shall deliver to the Company or the relevant Parent Group Company all materials, records and other information (in written, oral, visual or electronic form or on any magnetic or optical disk or memory and wherever located) made, compiled or acquired by you during your Employment and relating to the Company or any other Parent Group Company or its or their business contacts, any keys, credit cards and any other property at the Company or any Parent Group Company which is in your possession, custody, care or control;

iv) upon the request of the Company, you shall confirm in writing your compliance with your obligations under this Clause 6 (i).

**7. Restrictions after Termination of Employment**

a) The Employee is likely to obtain trade secrets and confidential information and personal knowledge of and influence over suppliers, customers, consultants and Employees of the Parent Group Companies during the course of the Employment. To protect these interests of the Company, the Employee agrees with the Company that he will not during the Restricted Period, directly or indirectly, on the Employee's own account or on behalf of or in association with any person:

i) be engaged, concerned, interested or otherwise involved in any Capacity with any business carried on within the Restricted Area which is (or intends to be) wholly or partly similar to or in competition with any Restricted Business (save as the holder as a passive investor only of not more than 5% of the issued ordinary shares of any company listed on NASDAQ or any other recognized investment exchange);

ii) be engaged, concerned, interested or otherwise involved in any Capacity with any business carried on within the Other Restricted Area which is (or intends to be) wholly or partly similar to or in competition with any Restricted Business (save as the holder as a passive investor only of not more than 5% if the issued ordinary shares of any company listed on NASDAQ or any other recognized investment exchange);

iii) solicit or seek or endeavour to entice away from any Parent Group Company any business orders or customs of any Customer with a view to providing services to that Customer in competition with or similar to any Restricted Business in whole or in part;

iv) induce, solicit or entice or endeavour to induce, solicit or entice away from any Parent Group Company any Restricted Employee or offer employment or engagement to any Restricted Employee with a view to the specific knowledge or skills of such person being used by or for the benefit of any person carrying on business which is (or intends to be) similar to or in competition with the Restricted Business in whole or in part; and

v) induce, solicit or entice or endeavour to induce, solicit or entice away from any Parent Group Company anyone (other than any Restricted Employee) in the engagement or employment by any Parent Group Company or offer employment or engagement to such person with a view to the specific knowledge or skills of such person being used by or for the benefit of any person carrying on business which is (or intends to be) similar to or in competition with the Restricted Business in whole or in part.

b) Each of the paragraphs contained in Clause 7 a) constitutes an entirely separate, independent and severable covenant. If any covenant is found to be invalid or unenforceable, this will not affect the validity or enforceability of any of the other covenants. While the restrictions set out in Clause 7 a) are considered by the Employee and the Company to be reasonable and necessary in all the circumstances for the protection of the legitimate interests of the Parent Group, it is agreed that if any one or more of such restrictions shall either taken by itself or themselves together be adjudged to go beyond what is reasonable in all the circumstances for the protection of the legitimate interests of the Parent Group but would be adjudged reasonable if any particular restriction or restrictions were deleted or if any part or parts of the wording thereof were deleted, restricted or limited in a particular manner, then the restrictions set out in Clause 7 a) shall apply with such deletions or restrictions or limitations as the case may be.

c) Following the Termination Date, the Employee will not represent himself/ herself as being in any way connected with the businesses of the Company or of any other Parent Group Company (except to the extent agreed by such a company).

d) Any benefit given or deemed to be given by the Employee to any Parent Group Company under the terms hereof is received and held on trust by the Company for the relevant Parent Group Company. The employee will enter into appropriate restrictive covenants directly with other Parent Group Companies if asked to do so by the Company.

e) Part of the remuneration payable to the Employee under the Employee’s employment is paid in consideration for the Employee’s undertakings hereunder. The Employee agrees that the provisions of this clause are reasonable and necessary for the protection of the legitimate interests and the goodwill of the Company, do not unduly restrict your ability to find appropriate employment after leaving the Company’s employment, and go no further than is necessary to protect the Company’s legitimate business interests.

**8. Surveillance and Data Privacy**

You understand that the Company (and SCH, the Shareholders or any other Parent Group Company where applicable) will operate surveillance devices in and about their properties and at any equivalent overseas property due to operation necessities. You acknowledge and consent to the lawful:

i) Audio, optical and other surveillance of your activities, including monitoring and recording of your conversations; and

ii) collection and use of your personal data by the Company, transfer to other Parent Group Companies, for all purposes relating to your Employment, including, without limitation, administering and maintaining personnel records, paying and reviewing salary and other remuneration and benefits, providing and administering benefits, undertaking performance appraisals and reviews, maintaining sickness and other absence records, taking decisions as to your fitness for work, providing information and references to future Employees, and if necessary, governmental and quasi-government bodies, providing information to future purchasers and potential purchasers of the Company or any other Parent Group Company, transferring information concerning you outside Macau and Hong Kong, and the lawful monitoring of communications via the Company's or any other Parent Group Company's system.

**9. Other Terms and Conditions**

The Company reserves the right to transfer you during the course of employment between the Group Companies and/or companies within the Parent Group Companies to meet business requirements or for operational reasons. Upon acceptance by you, such transfer will be constructed as a continuation of employment under this Agreement (subject only to the change of the employer company and, if applicable, any adjusted terms to be mutually agreed between the parties).

**10. Intellectual Property Rights**

(a) The Employee hereby agrees that any Intellectual Property Rights (as defined below) either alone or jointly with others created, generated, made, conceived, authored, developed or acquired by the Employee at any time (whether or not during normal working hours) during the Term, whether or not being rights made in the course of the Employment in conjunction with or in any way affecting or relating to the business of the Company or of any of its affiliates or capable of being used or adapted for use therein or in conjunction therewith, shall forthwith be disclosed to the Company and shall belong to and be the absolute property of the Company or any of its affiliate as the Company may direct.

(b) The Employee hereby waives unconditionally and irrevocably all of Employee's moral rights and rights of a similar nature (including those rights arising under laws) in respect of any work (including works which may come into existence after the date hereof) in which copyright may subsist, created by Employee during the employment in each jurisdiction throughout the world, to the extent that such rights may be waived in each respective jurisdiction. This waiver extends to any and all acts of the Company and its successors, assigns and licensees and acts of third persons done with the authority of the Company and its successors and assigns.

(c) For the purposes of this Agreement, Intellectual Property Rights means a category of tangible and intangible rights protecting commercially valuable products of the human intellect covering industrial property rights, unfair competition and copyrights, including but not limited to: trademarks, trade names, service marks, designs, character names, domain names, business names, patent rights, inventions confidential information and trade secret rights, know how, publicity rights, copy and moral rights, rights against unfair competition, database rights, topography rights, photographs, electronic video or images, all computer generated drawings and designs in their original format or design rights or any rights similar or analogous to any of the foregoing whether registered or unregistered or any right or any application for registration of the same or interest of any kind arising out of or created in respect of any of the foregoing together with rights in logos, symbols, emblems, insignia, trade dress, know-how and other identifying material and any other similar industrial and intellectual property in any country in the world, in, or arising as a result of, the provision of the Employment, including any such rights not yet in existence.

(d) This clause shall survive after the termination of this Agreement.

**11. Prohibition of Gambling and Responsible Gaming Commitment**

a) During your Employment, you are prohibited from gambling at any gaming facility or operation (including any electronic or internet-based gaming facility or operation) operated or offered by Melco Resorts (Macau) Limited or any of the Parent Group Companies. The Company will strictly enforce this prohibition and any contravention may subject you to disciplinary action (including dismissal).

b) The Company is fully committed in promoting responsible gaming and a healthy lifestyle for its staff and families. In this regard, the Company strongly believes that a person working for the gaming industry or its ancillary industries should not use its free time to gamble or to go to casinos. As part of the Company´s pro-active approach to responsible gaming we strongly recommend that while not on duty and during your free time you should not gamble and should not go to casinos or other gaming facility operations such as slots machines clubs and not gamble.

**12. Definition**

In the Agreement (including the Employment Agreement and Appendices), the following terms shall have the meanings set forth below unless the context clearly indicates the contrary:

- **"Base Salary"** has the meaning given in Clause 2 of the Employment Agreement;
- **"Bonus"** has the meaning given in Clause 4 of the Employment Agreement;
- **"Capacity"** means as agent, consultant, director, Employee, owner, partner, shareholder or in any other capacity;
- **"Cause"** means (1) any serious breach by you of the terms of Employment, (2) continued failure to perform your duties and responsibilities of your job position to the standard reasonably required by the Company (or to follow a lawful order or direction of the Company) other than any such failure resulting from your sickness or disability, (3) grave misconduct, willful act or omission not done in good faith or in furtherance of the interests or business of the Company, (4) dishonesty, fraud, embezzlement or any other serious criminal offence committed by you (other than trivial traffic offence), (5) habitual neglect of your duties hereunder, (6) any act that brings disrepute to the Parent Group and/or the Shareholders or such other mischief or unauthorized act as mentioned in the Employee Handbook, or (7) any other ground on which the Company is entitled to terminate your Employment;
- **"Commencement Date"** has the meaning given in Clause 1 of the Employment Agreement;
- **"Company"** means the employer company to the Agreement as set out in the opening paragraph of the Employment Agreement;
- **"Confidential Information"** means all private, personal, confidential or proprietary information, tangible or intangible, owned by or pertaining to the Company, the Group, the Shareholders or any Parent Group Company, which information was learned or acquired by you as a result of the Employment with the Company. Without limiting the generality of the preceding sentence "Confidential Information" shall include, but not limited to, all the Company, the Group, Shareholders or any Parent Group Company's ideas, trade secrets, training programs and techniques, proprietary ideas and concepts, business methods, lists of customers, strategic plans, recipes, legal advice, financial, commercial or competitive information, technical knowledge, concepts, decisions, programs, processes, procedures, innovations, inventions, market intelligence and database information, secret formulas, player rating and credit line information, customer information and data, sales data, costs data, profit data, marketing methods, credit and collection techniques, strategic planning data and financial planning data, analyses, compilations, studies or other documents, whether prepared by you or not; however "Confidential Information" shall not include information or data that: (i) is or becomes generally available to the public, (ii) is or becomes available to you from a third party which is entitled to disclose it without restriction, or (iii) was known to you from previous business experience before the Employment;

- **“Customer”** means any person with whom the Employee or anyone working under the supervision or control of the Employee deals personally who, at the Termination Date, is negotiating with the Company or any Parent Group Company for Restricted Business or with whom the Company or any Parent Group Company has conducted any Restricted Business at any time during the final [time period] of the Employment;
- **“Employment”** means the employment between the Employee and the Company;
- **“Group”** means together (i) the Company, (ii) SCH and (iii) every company which is from time to time a direct or indirect subsidiary of the Company or SCH or, in respect of which either the Company or SCH holds at least 30% of the voting rights;
- **“Group Company”** means a member of the Group and the expression “Group Companies” will be interpreted accordingly;
- **“Holding Company”** and “subsidiary” have the meanings given in section 2 of the Companies Ordinance, Cap 622 of the Hong Kong SAR ;
- **“Parent Company”** means Melco Resorts & Entertainment Limited;
- **“Parent Group”** means together (i) the Parent Company and (ii) every company which is for the time being a direct or indirect Holding company or subsidiary of the Parent Company or, in respect of which the Parent Company holds at least 30% of the voting rights, which includes the Group;
- **“Parent Group Company”** means a member of the Parent Group and the expression “Parent Group Companies” will be interpreted accordingly;
- **“Melco Resorts (Macau) Limited”** means a company in which the Parent Company is the major shareholder that is the holder of license to carry out games of fortune and chance and other games in casino in Macau;
- **“Other Restricted Area”** means [area] and any country, territory or region in Asia and Australasia, other than the Restricted Area, in which any competitor of the Company or any Parent Group Company carries on or intends to carry on any business wholly or partly similar to or in competition with any Restricted Business as at the Termination Date;
- **“Person”** includes individual, firm, body corporate, corporation, trust, unincorporated body and association and, in respect of each person who is an individual, his/ her personal representative and, in respect of all persons, their respective successors in title;
- **“Restricted Area”** means [area] and any other country, territory or region in which the Company or any Parent Group Company carries on or intends to carry on any Restricted Business as at the Termination Date;
- **“Restricted Business”** means and includes the operation of gaming machines and the ownership and/or management of gaming venues or casinos and all other commercial activities carried on or to be carried on by the Company or any other Parent Group Company in which the Employee worked or about which the Employee knew Confidential Information to a material extent at any time during the final two years of the Employment;
- **“Restricted Employee”** means any person who is employed or engaged by any Parent Group Company and who could damage the interests of any Parent Group Company if he were involved in any Capacity in any business concern which competes with or is similar to any Restricted Business in whole or in part, and with whom the Employee dealt in the course of the Employee’s employment;
- **“Restricted Period”** means the period of **[time period]** after the Termination Date for Clause 7 a) i) and Clause 7 a) ii); and the period of **[time period]** after the Termination Date for Clause 7 a) iii), Clause 7 a) iv), and Clause 7 a) v);
- **“Shareholder(s)”** means any direct or indirect shareholders of the Company, including the Parent Company and/or Melco International Development Limited, together with their respective subsidiaries, and their successors;
- **“SCH”** means Studio City International Holdings Limited;

- **“Signing Date”** means the date of your signing of the Agreement;
- **“Termination Date”** means the date on which your Employment terminates for any reason whatsoever;
- **“You”** and **“you”** means the Employee to the Agreement as set out in the opening paragraph of the Employment Agreement.

**Acknowledgement and Acceptance as part of the Employment Agreement**

Accepted and Agreed by:

______________________________________

**Name:**
ID Type:
ID No.:
Date:

**(English Translation)**

# SUBCONCESSION CONTRACT FOR OPERATING CASINO GAMES OF CHANCE OR GAMES OF OTHER FORMS IN THE MACAU SPECIAL ADMINISTRATIVE REGION

Between

Wynn Resorts (Macau), S.A., , henceforth simply referred as the “Concessionaire”, with its registered office in Macau at Alameda Dr. Carlos D’Assumpção, no. 335-341, Edifício Hotline, 9th Floor, registered with the Macau Commercial Registry under no. 14917 (SO), duly represented by its Director(s), Stephen Alan Wynn, married, of American nationality, holder of United States of America passport number 055142925 issued on 20/01/1998, with address at One Shadow Creek Drive, North Las Vegas, Nevada 89031, United States of America, with powers for this effect

PBL Diversões (Macau) , S.A. henceforth simply referred as the “Subconcessionaire”, with registered office in Macau at Av. Dr. Mário Soares, n.° 25, Edificio Montepio, 1.º andar, comp. 13, registered with the Macau Commercial Registry under no. 24325 (SO), duly represented by its Director(s), Rowen Bruce Craigie, married, of Australian nationality, holder of Australian Passport number L6696463, issued on 20/08/1998 with address on 8 Whiteman Street, Southbank, VIC 3006, Australia, with powers for this effect

Whereas:

It was granted by the Macau SAR to the Concessionaire a concession to operate games of chance and other games in casino, through an administrative concession contract to operate games of chance and other games in casino in Macau SAR on June 24th 2002, which was amended on 8th September 2006;

Wynn Resorts (Macau) S.A.. was authorized to sign this subconcession contract, under the provisions of Clause seventy five, number one of the concession contract executed between the Macau SAR and the Concessionaire;

It is agreed by the parties the this administrative subconcession contract to exploit games of fortune and other games in casino, which shall be governed by the following provisions:

## CHAPTER 1
## SUBJECT MATTER, TYPE AND TERM OF THE SUBCONCESSION

### Article 1
### Subject Matter of the Subconcession

1. The subject matter of the subconcession granted under this Subconcession Contract is the operation of games of chance and other games in casino in the Macau SAR of the People’s Republic of China (hereinafter the “Macau SAR”).

2. The Subconcession is based on the Concession granted to the Concessionaire for the operation of games of chance and other games in casino and is partial, as far as the Concession is concerned; the Concessionaire is exempted of its liabilities as far as the Subconcessionaire’s obligations regards, and in the terms referred to in this contract.

3. The Subconcession does not include the following gaming activities:

(1) mutual bets;

(2) gaming activities provided to the public, except under article 3, paragraph 7 of Law 16/2001;

(3) interactive gaming; and

(4) games of chance or any other gaming, betting or gambling activities on board ships or planes, except under article 5, paragraph 3, subparagraph 1) and paragraph 4, of Law 16/2001.

**Article 2**
**Purposes of the Subconcession**

The Subconcessionaire undertakes to:

1. ensure the proper exploitation and operation of games of chance and other games in casino;

2. employ only persons that have appropriate qualifications to perform their activities and to assume relevant responsibilities for the management and operation of games of chance and other games in casino;

3. exploit and operate games of chance and other games in casino in a fair and honest manner without the influence of criminal activities; and

4. safeguard and ensure the Macau SAR's interests in the collection of tax revenue from the operation of casinos and other gaming areas.

**Article 3**
**Governing Law and Competent Jurisdiction**

1. This Subconcession Contract shall be exclusively governed by the laws of the Macau SAR.

2. The Concessionaire and the Subconcessionaire recognize and accept the exclusive jurisdiction of the court of the Macau SAR to settle any potential dispute or conflict of interests arising between themselves or against the Macau SAR, separately or jointly with any third parties, and therefore waive their right to file lawsuit in any court outside the Macau SAR.

**Article 4**
**Compliance with the Laws of the Macau SAR**

The Concessionaire and the Subconcessionaire undertake to comply with the applicable laws of the Macau SAR and waive their right to apply regulations of a place other than the Macau SAR, inter alia to exempt themselves from performing obligations or acts that must be performed by them or that are imposed on them.

**Article 5**
**Participation in the Operation of Games of Chance or Games of Other Forms in Other Jurisdictions**

1. The Subconcessionaire must immediately inform the Government of the Macau SAR, hereinafter the Government, of its participation, of the participation of any of its directors, of any dominant shareholder, including the ultimate dominant shareholder, or any shareholder of the Subconcessionaire holding, directly or indirectly 10% or more of its share capital, including participation in the operation through a management agreement, in the operation of casino games of chance or games of other forms in any other jurisdictions.

2. For the purpose mentioned in number 1 above, the Subconcessionaire undertakes to submit and provide or cause to submit and provide to the Government, as the case may be, any documents, information or data that may be requested by the Government, except those considered confidential by law.

**Article 6**
**Concession System**

1. To this subconcession contract the legal framework of the concession regime consisting of the legal framework which comprises the legal system for operating casino games of chance or games of other forms as approved by the Law No. 16/2001, the Administrative Regulatios No. 26/2001, the implementing rules for operating games of chance (specifically the rules stated in Article 55 of the Law No. 16/2001 and other supplemental regulations stated in the Law No. 16/2001) as well as the Concession Contract executed between the Macau SAR and the Concessionairs, shall apply.

2. Without prejudice of the obligations arising from this subconcession contract, the Subconcessionaire undertakes, before the Government, to comply with all such similar obligations as those of the Concessionaires of games of chance and other games in casino from time to time arising from the legal framework referred to in the above number one.

**Article 7**
**Operation of the Conceded Business**

The Subconcessionaire undertakes to operate the subconcession in accordance with the terms and conditions set forth in this Subconcession Contract.

**Article 8**
**Term of the Subconcession**

1. The term of the Subconcession granted hereunder shall be June 26th 2022.

2. The provision of the preceding paragraph shall not prejudice the survival of certain provisions contained herein after the termination of the subconcession.

## CHAPTER 2
## PLACES FOR OPERATING AND RUNNING CASINOS AND OTHER GAMING AREAS

### Article 9
### Places for Operating the Subconcession

1. In the operation of its business, the Subconcessionaire may only operate games of chance or games of other forms in the casinos and other gaming areas previously authorized and categorized by the Government.

2. The use of any other places to operate the subconcession is subject to approval of the government.

### Article 10
### Types of Games, Gaming Tables and Electrical or Mechanical Gaming Machines

1. The Subconcessionaire is authorized to operate all games of chance that the Concessionaire is authorized to, as well as any other games to be authorized by an Order of the Secretary for Economy and Finance, upon request by the Subconcessionaire and after consulting the Gaming Inspection and Coordination Bureau (the "GICB"). The rules for operating these other games shall be approved by Order of the Secretary for Economy and Finance, after proposal of the GICB. The Subconcessionaire is also authorized to operate any electrical or mechanical gaming machines, including slot machines, in accordance with the law.

2. The Subconcessionaire undertakes to submit to the "GICB" in December of each year, a list setting forth the number of gaming tables and electrical or mechanical gaming machines, including slot machines, that it intends to operate during the following year, together with their respective location.

3. The number of gaming tables and electrical or mechanical gaming machines, including slot machines, to be operated by the Subconcessionaire may be amended by prior notification to the GICB.

4. The Subconcessionaire undertakes to maintain and operate in its casinos a minimum diversity of games, as per the instructions of the GICB.

### Article 11
### Continuous Operation of Casinos

1. The Subconcessionaire undertakes to open its casinos for business everyday of every year.

2. Without prejudice to the preceding paragraph, the Subconcessionaire may determine the daily period during which its casinos and its activities therein will be open to the public.

3. The set up of daily business hours during which the casinos and its activities therein are open to the public should be notified to the government in advance and should be posted on the entrance of the casinos.

4. The change of the daily business hours during which the casinos and its activities therein are open to the public should be notified to the Government at least three days in advance.

**Article 12**
**Suspension of the Operation of Casinos and Other Gaming Areas**

1. The Subconcessionaire undertakes to request from the Government authorization to suspend the operation of one or more of its casinos and other gaming areas for one or several days at least three days in advance.

2. The authorization set forth in the preceding paragraph is not required in case of emergency or *force majeure*, inter alia, in case of serious accident, catastrophes or natural disasters that seriously endanger the security of any person, and the Subconcessionaire shall promptly inform the Government and the Concessionaire of the suspension of the operation of its casinos or other gaming areas.

**Article 13**
**Electronic Monitoring and Surveillance Equipment**

1. The Subconcessionaire undertakes to install high international quality standard electronic monitoring and surveillance equipment approved by the GICB in the casinos and other gaming areas. For this purpose, the Subconcessionaire shall submit to the said authority a written application identifying the equipment it proposes to install together with the relevant technical specifications. Notwithstanding, the GICB may at any time request models or samples of abovementioned equipment.

2. If so requested by the GICB, the Subconcessionaire also undertakes to install the approved electronic monitoring and surveillance equipment in other areas adjacent to casinos and other gaming areas or other access areas or areas connecting with casinos and other gaming areas.

3. When reasonably requested by the GICB, in particular in order to ensure the high international quality standard mentioned in the first paragraph, the Subconcessionaire undertakes to cause the instation of new electronic monitoring and surveillance equipment approved by the GICB.

4. The Subconcessionaire undertakes to immediately report to the relevant public authorities any criminal facts or acts or illegal administrative acts as well as other illegal acts that it deems as serious as soon as it is aware of the same.

## CHAPTER 3
## SUBCONCESSIONAIRE

**Article 14**
**Business, Address and Form of the Company**

1. The Subconcessionaire undertakes to have as scope of business solely the operation of casino games of chance or other games in the casino.

2. Subject to the authorization of the Government, the scope of business of the Subconcessionaire may include activities correlated to the operation of casino games of chance or other games in the casino.

3. The Subconcessionaire undertakes to maintain its head office in the Macau SAR and its status of company limited by shares.

## Article 15
## Share Capital and Shares

1. The Subconcessionaire undertakes to maintain a share capital in an amount no less than MOP200,000,000.

2. The Subconcessionaire undertakes to increase its sharecapital if and when the Chief Executive so determines due to justifiable supervening circumstances.

3. All share capital of the Subconcessionaire shall be exclusively represented by certificates representative of nominative shares.

4. The increase of share capital of the Subconcessionaire by means of public offering is be subject to authorization from the government.

5. The issuance of preferential shares by the Subconcessionaire is subject to authorization from the government.

6. Without prejudice of the preceding paragraph, the establishment or issuance of types or categories of shares representing the share capital of the Subconcessionaire or the modification of such shares is subject to authorization from the government.

7. The Subconcessionaire undertakes to take necessary measures to ensure that all share capital of legal persons that hold shares of the Subconcessionaire, legal persons that hold capital contributions of the above legal person shareholders, up to the ultimate shareholders (both natural persons and legal persons) that hold capital contributions of the above shareholders are represented only by nominative shares, save for those legal persons that are listed companies with regard to the shares that are traded on a stock market.

## Article 16
## Transfer of Shares and Creation of Encumbrances

1. Any *inter vivos* transfer of or creation of encumbrances over the ownership of or rights over shares representing the share capital of the Subconcessionaire, as well as any act involving the granting of voting rights or other shareholders' rights to persons other than the original owners, are subject to authorization of the government.

2. For the applicability of the provisions of the preceding paragraph, the Subconcessionaire shall have the obligation to refuse, under any circumstances, to record or recognize the shareholding of any entity which possesses or owns shares representing its shareholding in the share capital in violation of the provisions contained herein or the law, and it shall not expressly or implicitly recognize any effect to the above mentioned inter vivos transfer or creation of encumbrances.

3. Any transfer *mortis causa* of the ownership of or rights over shares representing the share capital of the Subconcessionaire shall be promptly notified to the government. The Subconcessionaire at the same time undertakes to take the necessary measures to record such transfer in its share register book.

4. Upon obtaining the permission referred to in the first paragraph, if an owner of shares representing the ownership of the share capital of the Subconcessionaire or other rights relating to such shares transfers or creates encumbrance over such ownership or rights, or grants the voting rights or other shareholders' rights to other persons, he shall promptly notify the Subconcessionaire of the relevant fact. After the Subconcessionaire makes the relevant record in its registers or completes similar procedures, it shall notify the GICB within 30 days and shall submit a copy of the document legalizing the relevant legal acts and provide detailed information relating to any other stipulated provisions and terms.

5. The Subconcessionaire shall also take measures to obtain the permission of the government with regard to the following acts: any transfer inter vivos of the ownership of shares or other rights relating to such shares of its shareholders (both natural persons and legal persons), any transfer inter vivos of shares of the above legal person company (both natural persons and legal persons), and so on up to the transfer inter vivos of the shares of ultimate shareholders (both natural persons and legal persons) provided that such shares shall be directly or indirectly equal to 5% or more of capital contributions of the Subconcessionaire, save that this paragraph shall not apply to a listed company's shares that are traded on a stock market.

6. The Subconcessionaire shall promptly notify the government after it is aware of the following acts: any transfer mortis causa of the ownership of 5% or more of the shares or other rights relating to such shares of its shareholders (both natural persons and legal persons), any transfer mortis causa of 5% or more of shares of the above shareholders (both natural persons and legal persons), and so on up to the transfer mortis causa of the shares of ultimate shareholders (both natural persons and legal persons).

7. The Subconcessionaire shall also promptly notify the government after it is aware of the following acts: the creation of any encumbrance over the shares representing the share capital of its shareholders, the creation of any encumbrance over the shares owned by the above shareholders, so on up to the encumbrance over the share capital of ultimate shareholders provided that such shares shall be indirectly equal to 5% or more of share capital of the Subconcessionaire, save that this paragraph shall not apply to a listed company's shares that are traded on a stock market.

8. The provisions of the preceding paragraph shall also apply to the granting of voting rights or other shareholders' rights to persons other than the original owners of such rights, save that this paragraph shall not apply to a listed company's shares that are traded on a stock market.

9. The provisions of the paragraph 4, after necessary amendments, shall apply to the act of transfer of the ownership of capital contributions of share capital or other rights relating to such contributions as referred to in paragraph 5.

10. If a dominant shareholder of the Subconcessionaire, having received written instructions of a gaming control entity in another jurisdiction in which such dominant shareholder is licensed to operate casino games of chance or games of other forms, does not wish to continue to be a shareholder of the Subconcessionaire, then, the Government may authorize the dominant shareholder to transfer its shares on the Subconcessionaire share capital, provided that the written instructions received by the dominant shareholder are not due to any facts for which both the Subconcessionaire or its dominant shareholder are liable. Still, permission of the Government for the acquisition of those shares needs to be obtained.

## Article 17
## Issue of Bonds

Issue of bonds by the Subconcessionaire is subject to authorization from the government.

## Article 18
## Listing on a Stock Exchange

1. The Subconcessionaire or a company in which the Subconcessionaire holds majority shares may not be listed on the stock exchange, except with the permission of the government.

2. The Subconcessionaire shall also have the obligation to take measures to ensure that legal persons that are controlling shareholders of the Subconcessionaire and whose major business is to directly or indirectly implement projects set forth in the investment plans attached hereto will not, without prior notice given to the government, apply for listing on a stock exchange or conduct any act aiming at being accepted for listing on a stock exchange.

3. An application requesting the permission referred to in the paragraph 1 above and the prior notice referred to in paragraph 2 above shall be made by the Subconcessionaire and all the necessary documents shall be attached thereto, and the government shall not be prevented from requesting the provision of additional documents, material and information.

## Article 19
## Shareholding Structure and Share Capital

1. The Subconcessionaire must submit to the government in December of each year a document with the latest information of its shareholding structure and the structure of the share capital of a legal person, especially the companies owning 5% or more of the share capital of the subconcessionaire, the share capital of a legal person owning 5% or more of the share capital of such legal person, and so on up to the share capital of a natural person or legal person that is an ultimate shareholder, save that this paragraph shall not apply to a listed company's shares that are traded on a stock market, or it must submit a statement evidencing that there is no change in the structure of such shareholders or the share capital.

2. The Subconcessionaire shall also take measures to obtain and submit to the government properly-certified statements that are signed by each of the shareholders of the Subconcessionaire and the persons mentioned in the preceding paragraph. The contents of such statements shall state the amount of share capital owned by such shareholders and shall also state that such share capital is represented by nominative shares. Such statements shall be submitted together with copies of certificate evidencing capital contributions, as well as the latest information or statement set forth in the preceding paragraph 1.

## Article 20
## Forbiddance of Holding Being Concurrent Member in Corporate Bodies

1. As to the operation of casino games of chance or games of other forms, the Subconcessionaire shall have the obligation not to appoint a person holding posts in the offices of the other concessionaire, or of any subconcessionaire operating in the Macau SAR or the management company of a certain concessionaire operating in the Macau SAR to serve on the Board, the shareholders' meetings, the supervisory board or other corporate bodies of the above referred companies.

2. The Subconcessionaire must promptly notify the government of the appointment of any person to the Board, the shareholders' meetings, the supervisory board or other corporate bodies.

3. As to the operation of casino games of chance or games of other forms, the government must promptly notify the Subconcessionaire of the appointment of any person to boards of directors, shareholders' meetings, supervisory boards or other corporate bodies of other concessionaires operating casino games of chance or games of other forms, or of other subconcessionaires or of other managing companies operating casino games of chance or games of other forms in Macao SAR.

**Article 21**
**Management**

1. Granting of the management power of the Subconcessionaire, including the appointment and the scope of authority of the managing director, the term of such delegation and any amendment to such delegation, especially amendments involving the temporary or definitive replacement of the managing director, shall be subject to the permission of the government. For such purpose, the Subconcessionaire shall submit a draft of the resolution of the Board of Directors of the Subconcessionaire to the government including the proposal of the Subconcessionaire on the granting of management power, including identity information of the managing director, the scope of authority of the managing director and the term of delegation, also a description regarding the replacement in case of failure of the managing director to perform his duties for any reason and any resolution regarding the temporary replacement or the definitive replacement of the managing director. The granting of the management power to the managing director of the Subconcessionaire shall not take effect prior to the permission by the government in connection with the management power.

2. If the government does not approve one or several matters of the above delegation, the Subconcessionaire shall submit a newly drafted resolution within 15 days upon its receipt of the non approval of the government and, if the Government does not accept the Managing Director appointed by the Subconcessionaire, the Subconcessionaire shall submit to the Government Annex II of the Administrative Regulation 26/2001 dully compiled by the new Managing Director.

3. Unless it is permitted by the government, the Subconcessionaire shall have the obligation not to give a power of attorney or to appoint a representative so as to grant, on the basis of a stable relationship, the right to establish the legal acts relating to the operation of the enterprise in the name of the Subconcessionaire, save that this paragraph shall not apply to the power to handle daily matters, especially with public departments or authorities.

**Article 22**
**Articles of Association and Shareholders' Agreements**

1. Any amendment to the Articles of Association *(the "Articles")* of the Subconcessionaire is subject to approval from the government.

2. The draft amendments to the Articles of the Subconcessionaire shall be submitted to the government for its approval at least 30 days prior to the date of the shareholders' meeting for reviewing the relevant amendments.

3. The Subconcessionaire shall submit to the government a copy of the certified notarization of the document within 30 days after its approval on the said meeting regarding any amendments to the Articles.

4. The Subconcessionaire shall inform the government of any proposed shareholders agreement that it has knowledge of. For such purpose, apart from taking other necessary measures, the Subconcessionaire shall also make inquiries to its shareholders whether there is any proposed agreement, especially the proposed agreement regarding the exercise of voting rights or other shareholders' rights, 15 days prior to any shareholders' meeting or during a shareholders' meeting in case that such shareholders' meeting is convened without a prior notice, and it shall inform the government of the results of taking such measures.

5. Within sixty days, the Government shall notify the Subconcessionaire whether it approves the amendments to the Articles of Association of the Subconcessionaire as well as its shareholders agreements.

**Article 23**
**Obligation to Provide Information**

1. Apart from the obligation to provide information as stipulated for the Concessionaires in the concession system set forth in Article 6, the Subconcessionaires shall have the obligations:

(1) to promptly notify the government of any situation of which it has actual knowledge that will materially affect the normal operation of the Subconcessionaire, e.g. situations regarding the liquidity and solvency of the Subconcessionaire, any material court cases instituted against the Subconcessionaire, any of its directors, any shareholders holding 5% or more of the share capital of the Subconcessionaire or any key employees of casinos, any criminal behaviors or administrative violations in its casinos and other gaming areas that the Subconcessionaire is aware of, any hostile behaviors of any senior officer or staff of the public administrative authority of the Macau SAR, including officers of the security team and law enforcement office, towards the Subconcessionaire or senior officers of its corporate bodies;

(2) to promptly notify the government of the following events: all events that may materially affect or hinder the punctual and complete performance of any obligations or that may impose exceedingly onerous liabilities under this Subconcession Contract or all events which may constitute a reason for termination of the subconcession in accordance with the provisions of Chapter 19;

(3) to promptly notify the government of any of the following facts or matters:

1. the fixed or contingent, regular or special reward received by the directors of the Subconcessionaire, financiers of the Subconcessionaire and major employees who hold key posts in the casinos in the form of wages, remuneration, salaries or service fees or in other forms and the mechanism of profit sharing of the Subconcessionaire by the aforesaid entities (if any);

2. the benefits existing or to be established, including profit distribution;

3. the management contracts and services contracts existing or offered by the Subconcessionaire.

(4) to promptly submit to the government certified copies of the following documents:

1. evidence or contracts or other documents describing the reward set forth in the preceding subparagraph 1;

2. evidence or contracts or other documents describing the benefits existing or to be established or profit distribution;

3. the management contracts and services contracts existing or offered by the Subconcessionaire.

(5) to promptly notify the Government of any imminent or predictable material adverse changes in the economic and financial situation of the Subconcessionaire of which it has knowledge as well as material changes in the economic and financial aspects of any of the following entities:

1. the controlling shareholders of the Subconcessionaire;

2. the entities having closely associated with the Subconcessionaire, especially those undertaking or warranting that they will provide finance to the investment to be made or obligations to be borne by the Subconcessionaire in accordance with the provisions of contracts;

3. the shareholders owning 5% or more of the Subconcessionaire's share capital who undertook or warrant to provide finance to the investment to be made or obligations to be borne by the Subconcessionaire.

(6) to promptly notify the Government that the annual turnover between the Subconcessionaire and a third party has reached MOP 250 million or above;

(7) to submit to the GICB in January of each year documents setting forth all bank accounts of the Subconcessionaire and their balances;

(8) to promptly provide supplemental or additional information as requested by the government;

(9) to promptly provide the GICB and the Finance Department with materials and information as required for the full performance of their duties.

2. The government may determine that the obligations set forth in subparagraphs (3) and (4) should be performed once a year.

## CHAPTER 4
## MANAGEMENT COMPANY

### Article 24
### Notification Obligation

1. The Subconcessionaire shall inform the Government, with a minimum 90 (ninety) days prior notice, of its intention to contract a Management Company to manage activities not related to casino games of chance or games of other forms.

2. For the applicability of the preceding paragraph, the Subconcessionaire shall send to the Government a certified copy of the Articles of Association of the Management Company or similar document as well as a copy of the draft of the Management Contract.

3. The Subconcessionaire shall not celebrate contracts under the provisions of which another company gains management powers over the Subconcessionaire as to the operation of casino games of chance or games of other forms.

4. Non-compliance with number three above, without prejudice of other sanctions or penalties, shall imply the payment of a penalty of MOP 500.000.000,00 (five hundred million patacas) to the Macau SAR.

## CHAPTER 5
## APPROPRIATE QUALIFICATIONS

### Article 25
### Suitability of the Subconcessionaire

1. The Subconcessionaire shall maintain its suitability during the subconcession term, in accordance with the law.

2. For the applicability of the provisions of the preceding paragraph, the Subconcessionaire shall accept the permanent and continuous monitoring and supervision of the government, in accordance with the law.

3. The Subconcessionaire will promptly pay the costs of the suitability processes; for such purpose, GICB will issue a document with the referred costs. This document will be considered as enough evidence of such costs.

### Article 26
### Suitability of the Shareholders, Directors and Major Employees of the Subconcessionaire

1. Shareholders who own 5% or more of the share capital of the Subconcessionaire, directors of the Subconcessionaire and key employees holding important posts in the casinos shall maintain their suitability during the subconcession term, in accordance with the law.

2. For the applicability of the provisions of the preceding paragraph, shareholders who own 5% or more of the share capital of the Subconcessionaire, directors of the Subconcessionaire and key employees holding important posts in the casinos shall accept the permanent and continuous monitoring and supervision exercised by the government, in accordance with the law.

3. The Subconcessionaire shall take measures to cause shareholders who own 5% or more of the share capital of the Subconcessionaire, directors of the Subconcessionaire and key employees holding important posts in the casinos to maintain their suitability during the subconcession term, and is fully aware that the said suitability reflects on the suitability of the Subconcessionaire.

4. The Subconcessionaire shall request shareholders who own 5% or more of the share capital of the Subconcessionaire, directors of the Subconcessionaire and key employees holding important posts in the casinos to notify the government promptly of any facts which may materially affect the suitability of the Subconcessionaire or of the above shareholders, directors and key employees.

5. For the applicability of the provisions of the preceding paragraph, the Subconcessionaire shall question shareholders who own 5% or more of the share capital of the Subconcessionaire, directors of the Subconcessionaire and key employees holding important posts in the casinos every six months if they are aware of any facts that may materially affect their suitability or that of the Subconcessionaire. This shall not prevent the Subconcessionaire from notifying the government immediately upon obtaining knowledge of any material facts.

6. The Subconcessionaire undertakes to promptly notify the Government of any facts that may materially affect the suitability of shareholders who own 5% or more of the share capital of the Subconcessionaire, directors of the Subconcessionaire and key employees holding important posts in the casinos.

7. Number 3 of the preceding Clause is applicable to the suitability process of the shareholders who own 5% or more of the share capital of the Subconcessionaire, and to those of its directors and its key employees on the casino.

## Article 27
## Special Obligations of Cooperation

In addition to the general obligation of cooperation of Article 67, the Subconcessionaire shall have the obligation to provide promptly any documents, information or materials that the government deems necessary to examine whether the Subconcessionaire has appropriate suitability.

## Article 28
## Special Obligations of Notification

1. The Subconcessionaire shall promptly notify the government in case of any termination of license or concession to operate casino games of chance or games of other forms in any other jurisdiction held by any shareholders who own 5% or more of the share capital of the Subconcessionaire.

2. The Subconcessionaire shall promptly notify the government, after receiving knowledge of the same, of any investigation relating to a fact that may give rise to the possibility of a gambling regulator in another jurisdiction to punish, suspend or affect in any other way the license or concession to operate casino games of chance or games of other forms held by any of the shareholders holding 5% or more of the share capital of the Subconcessionaire in such jurisdiction.

## CHAPTER 6
## FINANCIAL CAPACITY AND FINANCING

### Article 29
### Financial Capacity of the Subconcessionaire

1. The Subconcessionaire shall maintain its financial capacity to operate the subconcession, and to fully and punctually perform its obligations relating to its business, to the investment and obligations provided herein or that the Subconcessionaire undertook, in particular the investments plan attached to this Subconcession Contract.

2. For the applicability of the provisions of the preceding paragraph, the Subconcessionaire and its shareholders who own 5% or more of the share capital are subject to the permanent and continuous monitoring and supervision of the government, in accordance with the law.

3. The Subconcessionaire shall promptly pay the costs of its financial suitability process and the financial suitability process of its shareholders who own 5% or more of its share capital; for such purpose, GICB will issue a document with the referred costs. This document will be considered as enough evidence of those costs.

### Article 30
### Loans and Similar Contracts

1. The Subconcessionaire shall inform the government of any loans given to a third party and of any contracts of the same kind that exceed the amount of MOP30 million.

2. The Subconcessionaire undertakes not to give any loans or to enter into similar contracts with its directors, shareholders or key employees holding important posts in the casinos, unless otherwise permitted by the government.

3. The Subconcessionaire undertakes not to enter into any contract with commercial enterprise owners, which will vest in them the power to manage or participate in the management of the Subconcessionaire, including “step in rights” contracts, except as permitted by the government.

### Article 31
### Risk Undertaking

1. The Subconcessionaire expressly undertakes all the obligations and full and exclusive liability incurred in connection with all inherent risks of the subconcession in connection with the financial capacity and financing of the Subconcessionaire, without prejudice to the applicability of the provisions of Article 40.

2. The Macau SAR is not subject to any obligation, does not undertake any responsibility or risk in connection with the financing of the Subconcessionaire.

### Article 32
### Financing

1. The Subconcessionaire undertakes to obtain the necessary financing to fully and punctually perform its obligations related to any of its activities, investments and to any obligations that it has validly assumed or for which the Subconcessionaire is, under this contract, obliged to perform, in particular for the investment plans attached to this Subconcession Contract.

2. Any defense or counterplea resulting from contractual relations between the Subconcessionaire and third parties (including entities that provide financing and shareholders of the Subconcessionaire) in connection with the above financing shall not be evocable against the Macau SAR.

**Article 33**
**Legal Reserves**

The Subconcessionaire undertakes to keep reserves as required by the law.

**Article 34**
**Special Obligations of Cooperation**

1. Without prejudice of the general obligation of cooperation stipulated in Article 67, the Subconcessionaire undertakes to provide promptly any documents, information or materials that the government deems necessary to determine whether the Subconcessionaire has appropriate financial capacity.

2. The Subconcessionaire undertakes to promptly inform the government of any loan, mortgage, debt instrument, guarantee or other obligation that equals or exceeds the amount of MOP8 million assumed or to be assumed in order to obtain financing for any aspect of its business.

3. The Subconcessionaire shall promptly provide the government with certified copies of documents relating to any loan, mortgage, debt instrument, guarantee or obligation assumed or to be assumed in order to obtain financing for any aspect of its business.

4. The Subconcessionaire undertakes to take the necessary measures to obtain and submit to the government a statement signed by each of its controlling shareholders (including ultimate controlling shareholders), pursuant to which each of such shareholders agrees to be bound by the above special obligations of cooperation. Accordingly, upon the request of the government, each of such shareholders shall provide all documents, information, materials or evidence and give any permission.

## CHAPTER 7
## INVESTMENT PLANS

**Article 35**
**Investment Plans**

1. The Subconcessionaire undertakes to implement the investment plan attached to this Subconcession Contract under the terms therein stated.

2. The Subconcessionaire undertakes, *inter alia*, to:

(1) use qualified labour in all its projects;

(2) give priority to corporations with permanent activity or incorporated in the Macau SAR and to Macau SAR residents when retaining enterprises and recruiting workers for implementing the projects set forth in the investment plan attached to this Subconcession Contract;

(3) comply with technical rules and regulation applicable in the Macau SAR, in particular the Land Technical Rules approved by Decree No. 47/96/M of August 26, and the Rules for Safety and Loading of Building Structure and Bridge Structure approved by Decree No. 56/96/M of September 16, as well as the specifications and homologations issued by the official authorities and instructions from the manufacturers or patent owners during its conception of the construction projects related with the projects set forth in the investment plan attached to this Subconcession Contract,;

(4) submit the projects set forth in the investment plan attached to this Subconcession Contract to the Land and Public Works and Transportation Department ("DSSOPT") together with a quality control manual prepared by an entity with recognized experience in identical services of the same type, and recognized and approved by such Department, in addition to a operating plan and a financial and operating records works and the resumes of professionals in charge of each construction area, further to all other documents required by the applicable legislation (in particular the Decree No. 79/85/M of August 21). If the Subconcessionaire fails to submit a quality control manual or the quality control manual submitted is not approved, the Subconcessionaire must comply with the quality control manual prepared by a professional entity designated by the DSSOPT;

(5) complete the construction strictly based on the approved projects and in accordance with applicable laws and regulations and in accordance with internationally recognized standards for similar construction work or supplies and the industry best practice;

(6) comply with the construction and opening periods for the projects set forth in the investment plans attached to this Subconcession Contract;

(7) use materials, systems and equipment certified and approved by recognized entities and in accordance with international standards and generally recognized as having high international quality during the implementation of the projects set forth in the investment plan attached to this Subconcession Contract;

(8) maintain the quality of all projects set forth in the investment plans attached to this Subconcession Contract according to a high international quality standard;

(9) ensure that the quality standard of the commercial facilities therein is of high international quality standard;

(10) maintain a modern, high efficient and high-quality management according to a high international quality standard;

(11) promptly inform the Government of any situation that causes or may cause material changes to the normal development of construction or operation of the facilities of the Subconcessionaire, or in the case of structural anomalies relating to the building structure of the facilities of the Subconcessionaire or any other unusual conditions by submitting a detailed report stating such conditions and reasons. The report shall state the assistance provided by other entities that are generally recognized as qualified and prestigious and the measures taken or to be taken to solve the relevant situatuations or anomalies.

3. The Subconcessionaire shall be liable to the Macau SAR and third parties for any damage caused by error or serious negligence and for which the Subconcessionaire is responsible in the design and dimension of the project, implementation of construction work, and maintenance of the constructions set forth in the investment plan attached to this Subconcession Contract.

4. The government may authorize that the periods mentioned in subparagraph (6) be amended without amending this Subconcession Contract.

5. The government undertakes to enable the Subconcessionaire to directly or indirectly implement the projects set forth in the investment plan attached to this Subconcession Contract in accordance with laws.

**Article 36**
**Amendments to the Projects set forth in the Investment Plans**

1. During the implementation of the investment plan attached to this Subconcession Contract, the government may request the Subconcessionaire to provide any document or to amend the implementation of projects contained in the investment plans to ensure compliance with current technical norms or rules and the required quality standard.

2. The government may not impose any amendment to the above projects that may result in an increase of the total amount mentioned in Article 39.

**Article 37**
**Inspection**

1. In accordance with the contents of the investment plan attached to this Subconcession Contract and the applicable regulations, the government may, in particular through the DSSOPT, supervise and inspect the implementation of the construction work, in particular the implementation of work plans and the quality of materials, systems and equipment.

2. The DSSOPT shall inform the Subconcessionaire of the representative designated by it for supervision and inspection purpose. If more than one representative is designated to supervise and inspect the implementation of construction work, one of them shall be appointed as the supervisor.

3. For the purposes of the above paragraph no. 1, the Subconcessionaire must provide a detailed report on a monthly basis regarding the progress of implementing the investment plan attached to this Subconcession Contract. Such monthly report shall include at least the following:

(1) important events, number of personnel and quantity of relevant materials, systems and equipment involved;

(2) work progress of various work plans (progress control);

(3) updated financial records and implementation records;

(4) demand for projects, supply, resources, materials, systems and equipment;

(5) major measures to be taken to ensure the compliance with the work plans; and

(6) things to be done to correct errors.

4. When necessary, especially when the normal work progress of the investment plan attached to this Subconcession Contract is affected, the Subconcessionaire undertakes to submit a detailed special written report.

5. Upon the request of the government, the Subconcessionaire undertakes to submit any document within a stipulated period, especially written and graphic information relating to the investment plan attached to this Subconcession Contract.

6. The Subconcessionaire shall also provide all required supplemental statements and information relating to the documents referred to in the preceding paragraph.

7. If the government has any doubt about work quality, it may force the Subconcessionaire to conduct any tests in addition to scheduled tests. When necessary, the government may seek the opinion of the Subconcessionaire about the decision-making rules applicable to such tests.

8. The expenses for conducting the above tests and correcting the defects found during such tests shall be borne by the Subconcessionaire.

9. Orders, circulars or notices with a technical nature in connection with the implementation of construction work may be directly sent by the government, namely through the DSSOPT, to the chief technical officer of the construction site.

10. The chief technical officer shall constantly monitor the relevant work and shall arrive at the construction site upon request.

11. If it is found that the implementation of construction work is not in compliance with the approved project plan or is in breach of applicable laws, regulations or contracts, the government may, through the DSSOPT suspend and ban the implementation of construction work in accordance with the law.

12. The right to inspect the performance of obligations provided hereunder shall not result in any liability to the Macau SAR in connection with the implementation of construction work. The Subconcessionaire shall be solely liability for all imperfections or defects in connection with the planning, implementation or performance of construction work, unless such imperfections or defects are caused by decisions of the government.

## Article 38
## Contracting and Subcontracting

Third parties contracting and subcontracting shall not exempt the Subconcessionaire from performing its statutory obligations or contractual obligations.

## Article 39
## Use of Outstanding Amount of the Investment set forth in the Investment Plan

If, after the completion of construction set forth in the investment plan attached to this Subconcession Contract, the total amount of expenses made directly or, subject to prior approval from the Government, indirectly by the Subconcessionaire is lower than MOP 4.000.000.000,00, the Subconcessionaire must use the remaining amount on correlated projects to be designated by the Subconcessionaire and accepted by the government and or on projects that are designated by the government with significant public benefit to the Macau SAR.

**Article 40**
**Insurance**

1. The Subconcessionaire must enter into and renew the necessary insurance contracts to ensure that inherent risks of the subconcesssion are effectively and fully covered by insurance. The relevant insurance contracts must be entered into with insurance companies permitted to operate in the Macau SAR. If it is not feasible to purchase insurance with such kind of insurance companies or such purchase brings an excessive burden to the Subconcessionaire, upon permission of the government, the relevant insurance contracts may be entered into with insurance companies outside the Macau SAR.

2. The Subconcessionaire shall especially ensure that the following insurance contracts shall be entered into and the effectiveness of such contracts shall be maintained:

(1) work-related accidents and occupational illnesses insurance for workers of the Subconcessionaire;

(2) vehicles civil liability insurance for all the vehicles owned by the Subconcessionaire;

(3) ships, planes or other aeronautical devices civil liability insurance for those owned by the Subconcessionaire or leased to the Subconcessionaire;

(4) civil liability insurance for fixing advertising material;

(5) general civil liability insurance in connection with the operation of casino games of chance or games of other forms in the Macau SAR and the development of other businesses covered in the subconcession, but not covered by any other insurance contracts;

(6) other insurance for loss and damages in buildings, furniture, equipment and other assets used in the subconcession;

(7) construction insurance (all risks, including civil liability) in relation to conducting any work in buildings related to the subconcession or conducting any work in such buildings.

3. The insurance policies referred in paragraph (6) above shall be “multi-risk”, including, at least, the following:

(1) fire, thunder and lightning, or explosion (of any kind);

(2) pipe rupture or leakage or spillage of water storage tanks, boilers, water pipes, underground water storage, sinks or other water-conveying equipment;

(3) flood, typhoons, tropical storms, volcano eruptions, earthquake, or any other natural disaster;

(4) crash or impact of planes or other flying devices or objects fallen or thrown from planes or other flying devices;

(5) impact of vehicles;

(6) burglary or robbery;

(7) strikes, assaults, riots, public disorder or any other acts of the same nature.

4. The insurance amount or the minimum protection for the insurance referred to in paragraph 2 above, shall be:

(1) in accordance with the applicable laws and regulations for the insurance referred to in paragraphs (1) to (4);

(2) the amount to be determined by the government after considering the volume of business of the subconcession and incidence rate for the previous year and other parameters, for the insurance referred in paragraph (5) above;

(3) equal to the net value of the assets, for insurance referred to in paragraph 2(6) above, the net value shall mean the gross value minus accumulated depreciation; and

(4) the total value of the construction, for insurance referred to in paragraph 2(7).

5. The Subconcessionaire shall ensure that any entity with which the Subconcessionaire concludes a contract has purchased valid insurance for work-related accidents and occupational illnesses.

6. The Subconcessionaire shall submit evidence to the government of that fully effective insurance contracts have been entered into. Upon execution of insurance contracts or renewal of such insurance contracts, the Subconcessionaire shall deliver copies of such insurance contracts to the government.

7. Before copies of insurance contracts set forth in the preceding paragraph are delivered to the government, the Subconcessionaire shall have the obligation not to start any construction or work.

8. The Subconcessionaire may not cancel, suspend, amend or replace any insurance except with the permission of the government. However, if it is only a case of change of insurance company, the Subconcessionaire shall promptly inform the government of such circumstances.

9. If the Subconcessionaire fails to pay its insurance premium, the government may directly pay such insurance premium on behalf of the Subconcessionaire by using the guarantee deposit made for the compliance of the Subconcessionaire’s statutory or contractual obligations.

10. The insurance policies that the Concessionaire is responsible for to provide under the Concession Contract signed between the Government and the Concessionaire, do not include nor replace those referred to in this Clause.

## CHAPTER 8
## ASSESTS

### Article 41
### Assets of the Macau SAR

1. The Subconcessionaire shall ensure that the assets of the Macau SAR obtained or to be obtained for the operation of the subconcession by means of the temporary transfer of the right to interest, income and use are in perfect condition or replaced in accordance with the instructions of the GICB.

2. The Subconcessionaire shall ensure that the land and natural resources under the administration of the government in accordance with the provisions of Article 7 of the Basic Law of the Macau SAR provided or to be provided through leases or concessions due to the operation of the subconcession are in perfect conditions.

### Article 42
### Other Assets

1. The casinos, as well as the equipment and utensils used for gaming business shall be located in properties owned by the Subconcessionaire. No encumbrances shall be created over such casinos, equipment and utensils, except for those authorized by the government.

2. Notwithstanding the authorization specified in the preceding paragraph, the Subconcessionaire shall cause the casinos and the equipment and utensils used for gaming business, including the equipment and utensils located outside the casinos, not to be charged or encumbered upon the termination of this Subconcession Contract.

3. Except when authorized by the Government, the casinos shall not be located at any properties where the right of use is created by lease contracts or contracts of similar nature or by any other type of contracts which do not grant the full ownership of the property to the Subconcessionaires, even if such contracts are non-typical contracts. The mentioned authorization may stipulate as condition precedent that the Subconcessionaire acquires the units where the casinos are located 180 prior to the date set out in paragraph 1 of clause 43, unless the subconcession terminates prior to such date and in such case, that such units shall be acquired by the Subconcessionaire in the shortest time possible, namely to allow the transfer of ownership of the casinos to the Macau SAR.

4. When duly authorized, the Subconcessionaire shall submit to the government copies of the contracts specified in the preceding paragraph and all amendments to and alternations of such contracts, notwithstanding that such amendments and alternations may have a retroactive effect.

5. The Subconcessionaire shall locate all of its casinos in buildings or complex of buildings with registered strata title even though such buildings or complex of buildings constitute one economic and functional unit, so that the casinos constitute one or more independent units, which area should be precisely identified and defined.

6. For the applicability of the provisions of the preceding paragraph, the Subconcessionaire shall promptly submit to the government the property registration certificate regarding strata title of the property, which shall set forth the description of all individual units and enclose a plan confirming and defining the relevant areas.

7. The Subconcessionaire shall register any amendments to the strata title and promptly submit the relevant property registration certificate to the government through the Finance Services Bureau.

8. The Subconcessionaire shall also submit to the government the rules and regulations of the condominium applicable to the units registered under strata title for approval.

**Article 43**
**Reversion of the Casinos and of the Equipment and Utensils used for Gaming Business**

1. On June 26th 2022, except when termination occurs prior to that date, the casinos and the equipment and utensils used for gaming business, including the equipment and utensils located outside the casinos, shall automatically revert to the Macau SAR without compensation. Upon the delivery of the aforesaid assets, the Subconcessionaire shall ensure that such assets are good maintenance and operation condition except for fair wear and tear resulting from the use in compliance with the provisions of this subconcession Contract and free from charge or encumbrance.

2. The Subconcessionaire shall immediately deliver the assets specified in the preceding paragraph.

3. In case that the Subconcessionaire does not deliver the assets specified in paragraph 1, the government shall immediately have administrative possession over such assets. The relevant expenses shall be paid from the guarantee deposit provided by the Subconcessionaire to guarantee performance of statutory or contractual obligations.

4. On the date referred to in number 1 above, the government shall inspect the assets as specified in Articles 41 and 42 to examine the conditions of custody and maintenance of such assets and prepare a record note of the inspection. At the time of inspection, a representative of the Subconcessionaire may participate in such inspection.

5. Upon the dissolution or liquidation of the Subconcessionaire, the division of assets of the Subconcessionaire shall not be carried out if the government has not proved that the assets are in good maintenance and operation condition through the mandatory listing of assets procedures specified in the following article or if the Subconcessionaire fails to ensure that the payment of damages or any amounts payable to the Macau SAR may be satisfied by any guarantees acceptable to the government.

6. The provision of the last part of paragraph 1 shall not interfere with the normal renovation of the equipment and utensils used in the gaming business.

**Article 44**
**List of Assets Used in the Subconcession**

1. The Subconcessionaire shall prepare a list in triplicate of all assets and rights belonging to the Macau SAR and used for the conceded business and all revertible assets and update such list of assets. Accordingly, the Subconcessionaire shall update the relevant list in case of any changes by no later than May 31 of each year, and submit copies of such list to the GICB and the Finance Department respectively.

2. In the year of the termination of the subconcession, the aforesaid list shall be mandatorily prepared sixty days prior to the termination of the subconcession.

3. Under other situations of termination of the Subconcession Contract, the listing of assets specified in the first paragraph shall be conducted on the date and at the time as specified by the government.

**Article 45**
**Improvement**

The improvements of whatever nature made to the assets mentioned in Article 41 as well as the revertible assets do not entitle the Subconcessionaire and/or the Concessionaire to any compensation or damages and do not need to be removed.

**Article 46**
**Concession of Land to be used by the Subconcessionaire**

1. The regime of the concession of land to be used by the Subconcessionaire especially for the operation of the conceded business shall be stipulated in the relevant land concession contract.

2. The terms of the land concession contract to be executed between the government and the Subconcessionaire shall be subject to the provisions of this Subconcession Contract, to the applicable extent.

## CHAPTER 9
## PREMIUM

**Article 47**
**Premium**

1. The subconcessionaire undertakes to pay to the Macau SAR during the term of the Subconcession an annual premium, in return for the grant of the Subconcession for operating casino games of chance or games of other forms.

2. The annual amount of the premium to be paid by the Subconcessionaire has a variable portion and a fixed portion.

3. The fixed portion of the annual premium payable by the Subconcessionaire shall be of MOP30 million per year.

4. The variable portion of the premium payable yearly by the Subconcessionaire will be calculated in accordance with the number of gaming tables and the number of electrical or mechanical gaming machines, including slot machines operated by the Subconcessionaire.

5. For the applicability of the provisions of the preceding paragraph:

(i) For each gaming table located in special gaming halls or areas reserved exclusively to certain kind of games or to certain players, the Subconcessionaire shall pay MOP300,000;

(ii) For each gaming table not reserved exclusively to certain kind of games or to certain players, the Subconcessionaire shall pay MOP 150,000;

(iii) For each electrical or mechanical gaming machine, including the slot machine, the Subconcessionaire shall pay MOP1,000 each year;

6. Independently of the number of gaming tables that the Subconcessionaire has in each moment in operation, the amount of the variable portion of the annual premium may not be less than the amount for the permanent operation of 100 gaming tables located in special gaming halls or areas reserved exclusively to certain kinds of games or to certain players and the permanent operation of 100 gaming tables not reserved exclusively to certain kind of games or to certain players.

7. The Subconcessionaire shall pay the fixed portion of the annual premium by no later than January 10th of the relevant year. The government may also provide payment by monthly installments.

8. The Subconcessionaire shall pay the variable portion of the annual premium monthly by no later than the 10th day of the month immediately following the relevant month in connection with the operation of the gaming tables and the electrical and mechanical gaming machines including the "slot machines" in the previous month.

9. For the purpose of calculating the amount of variable portion of the annual premium referred to in the preceding paragraph, the number of days in the relevant month in which the Subconcessionaire operates each gaming table and each electrical and mechanical gaming machine including the "slot machines" shall be taken into consideration.

10. The payment of premium shall be made by submission of the relevant payment slip to the cashier of the Finance and Tax Department of the Macau SAR.

## CHAPTER 10
## CONTRIBUTIONS

### Article 48
### Contribution for a Public Foundation

1. The Subconcessionaire shall contribute to the Macau SAR an amount equivalent to 1.6% of the gross revenue of the gaming business. Such contribution shall be delivered to a public foundation designated by the government which scope is to promote, develop or study culture, society, economy, education and science and engage in academic and charity activities.

2. The contribution referred to in the preceding paragraph shall be paid monthly by the Subconcessionaire with the relevant payment slip given to the cashier office of the Finance and Tax Department of the Macau SAR by no later than the tenth day of the month immediately following the relevant month.

3. The contribution referred to in the first paragraph shall have its own budget record made by the Macau SAR.

## Article 49
## Contribution for Urban Development, Tourism Promotion and Social Security

1. The Subconcessionaire shall contribute to the Macau SAR with an amount equivalent to 2.4% of the gross revenue of the gaming business for the development of urban construction and tourism promotion of and the provision of social security to the Macau SAR.

2. The contribution referred to in the preceding paragraph shall be paid monthly by the Subconcessionaire with the relevant payment slip given to the cashier office of the Finance and Tax Department of the Macau SAR by no later than the tenth day of the month immediately following the relevant month.

3. The contribution referred to in the first paragraph shall have its own budget record made by the Macau SAR.

4. The government may designate one or more entities as the beneficiary entities to receive the paid contributions in part or in whole.

5. The government and the Subconcessionaire may agree to the direct contribution of an amount up to 1.2% of the gross revenue resulting from the operation of casinos games of chance or games of other forms to be used in one or more specific projects or by one or more specific entities. In such a case, the amount of contribution to be delivered directly to the relevant entity, and the contribution mentioned in paragraph one above to be paid with the finance and tax department of the Macau SAR shall be reduced accordingly.

# CHAPTER 11
# TAXATION OBLIGATIONS AND DELIVERY OF DOCUMENTS

## Article 50
## Special Gaming Tax

1. The Subconcessionaire shall pay special gaming tax to the Macau SAR in accordance with the law. Such tax shall be paid by twelve installments, which shall be paid to the government monthly by no later than the 10th day of the month immediately following the relevant month.

2. Special gaming tax may be paid in patacas or in other currency accepted by the government.

3. Special gaming tax paid in patacas shall be paid directly to the treasury of the Macau SAR.

4. Special gaming tax paid in a currency other than pataca accepted by the government shall be paid to the Macau Monetary Authority. Macau Monetary Authority will deliver the exchanged amount in patacas to the treasury of the Macau SAR.

## Article 51
## Withholding Taxes

1. The Subconcessionaire shall collect and pay the statutory taxes on junket commissions or other remuneration paid to the gaming intermediaries through withholding the definitive amount of such taxes. The relevant taxes shall be paid monthly to the cashier office of the finance and taxation department of the Macau SAR by no later than the tenth day of the month immediately following the relevant month.

2. The Subconcessionaire shall collect and pay the employment tax provided by law in connection with the staff of the Subconcessionaire through withholding the definitive amount of such taxes. The relevant tax shall be paid to the cashier office of the finance and taxation department of the Macau SAR in accordance with the law.

**Article 52**
**Payment of Other Due Taxes, Levies, Expenses and Fees**

The Subconcessionaire shall pay the due and non-exempted taxes, levies, expenses and fees provided by the laws and regulations of the Macau SAR.

**Article 53**
**Document Evidencing that no Liabilities are due to the Treasury of the Macau SAR**

1. The Subconcessionaire shall annually submit to the government a certificate issued by the Finance Services Bureau by no later than March 31, to prove that the Subconcessionaire does not owe the Macau SAR any levies, taxes, penalties or additional payments of the precedent year. Additional payments shall include compensatory interest, default interest and 3% over debts.

2. The Subconcessionaire shall annually submit by no later than March 31 the document stating the tax status of the precedent year of its managing director, the member of its corporate bodies and shareholders holding 5% or more of the share capital of the Subconcessionaire to the government.

**Article 54**
**Document Evidencing that no Liabilities are due to Social Security Fund of the Macau SAR**

The Subconcessionaire shall submit to the government certifying documents issued by the social security fund of the Macau SAR to evidence that the contributions made by the Subconcessionaire to the social security fund of the Macau SAR are in compliance with the law, by no later than March 31 of each year.

**Article 55**
**Duty to Provide Information**

1. The Subconcessionaire shall submit quarterly a trial balance of the previous quarter to the government by no later than the last day of the month immediately following the end of the relevant quarter, and the trial balance of the last quarter of each year shall be submitted by no later than the last day of February in the following year.

2. The Subconcessionaire shall also submit the following information to the government at least 30 days before the date of the annual shareholders' meeting to approve the accounts:

(1) All the accounting and statistic statements of the previous year;

(2) Full names of members who served on the Board or the supervisory board, of any representatives appointed and of the person in charge of the accounting department in the relevant business year and the various language versions of such names;

(3) A copy of the report and accounts of the Board enclosed with the opinion of the supervisory board and external auditors.

**Article 56**
**Accounting and Internal Audit**

1. The Subconcessionaire shall establish its own accounting system, sound administrative organization and appropriate internal auditing procedures, and shall comply with the instructions of the government issued on such matters, especially through instructions issued by the GICB and the Finance Department.

2. The Subconcessionaire shall only adopt the Official Accounting Plan applicable in the Macau SAR in its compilation and submission of the accounts. Notwithstanding, the Chief Executive, upon the proposal of the head of the GICB or the Finance Department, may stipulate special accounting rules to be complied with by the Subconcessionaire as well certain accounting books, documents or other information required to be adopted by the Subconcessionaire in recording its business activities and compilation and submission of the accounts.

**Article 57**
**External Audit of Annual Accounts**

The Subconcessionaire shall submit its accounts to an independent external entity with internationally recognized reputation and previously approved by the GICB and the Finance Department for auditing, and shall provide to such entity in advance all necessary documents, namely the documents referred to in Article 34 of Law 16/2001.

**Article 58**
**Special Audit**

When the GICB or the Finance Services Bureau think necessary or appropriate, at any time and with or without prior notice, the Subconcessionaire shall accept a special audit conducted by an independent external entity or other entities with internationally recognized reputation.

**Article 59**
**Compulsory Announcement**

1. The Subconcessionaire undertakes to publish the following information referring to the previous business year ended December 31 on the Official Gazette of the Macau SAR and two newspapers that have the largest circulation among other newspapers (one in Chinese and the other in Portuguese) published in the Macau SAR by no later than April 30 each year:

(1) The balance sheet, the profit and loss account and annexes;

(2) The business consolidation report;

(3) The opinion of the supervisory board;

(4) The consolidated opinion of external auditors;

(5) The list of qualified shareholders holding 5% or more of the share capital of the Subconcessionaire and the numerical value of the relevant percentage during any period of that year;

(6) The names of members of its corporate bodies.

2. The Subconcessionaire shall submit to the government copies of all the information referred to in the preceding paragraph and other information required to be published under the concession legal regime as set forth in Article 6 by no later than 10 days prior to the of publication.

3. The Concessionaire and the Subconcessionaire undertake to publish jointly the information referred to in number 1 above.

**Article 60**
**Special Duty of Cooperation**

In addition to the general duty of cooperation foreseen in Article 67, the Subconcessionaire shall have the obligation to cooperate with the government, especially with the GICB and the Finance Department, and provide the material and information required for conducting special audits, assist such departments in analyzing or examining its accounts and perform all the obligations provided by the concession legal regime as set forth in Article 6.

## CHAPTER 12
## GUARANTEE

**Article 61**
**Guarantee Deposit as Performance Guarantee of the Subconcessionaire's Statutory and Contractual Obligations**

1. The guarantee deposit to guarantee the performance of legal and contractual obligations by the Subconcessionaire shall be provided by any means as specified by law and acceptable to the government.

2. In order to ensure the performance of the following obligations, the Subconcessionaire must maintain a "first demand" bank guarantees issued by Banco Nacional Ultramarino, S.A. with the government as the beneficiary:

(1) accurate and punctual performance its statutory and contractual obligations;

(2) accurate and punctual payment of the premium, payable by the Subconcessionaire to the Macau SAR under Article 47;

(3) payment of fines or other monetary penalties that may be imposed on the Subconcessionaire in accordance with the law or the provisions contained herein; and

(4) payment of any damages arising from the contractual obligation in connection with any damage or loss of benefits caused by its failure to perform all or a part of its obligations under this Subconcession Contract.

3. The Subconcessionaire must maintain in favour of the Government the “first demand” bank guarantee set forth in the preceding paragraph in a maximum amount of MOP 500,000,000 from the date hereof to 8th September, 2011 and in a maximum amount of MOP 300,000,000 from that date until the 180th day after the termination date of this Subconcession, referred to in Clause 8..

4. The Subconcessionaire must take all necessary actions and to perform all obligations necessary to maintain the validity of the “first demand” bank guarantee mentioned in paragraph 2 above.

5. If the Subconcessionaire fails to perform any of its statutory and contractual obligations, accurately and timely pay the premium payable by it or pay fines or other monetary penalties imposed in accordance with the law or the provisions contained herein, and it fails to raise its objection within a legally-prescribed period, the government may draw on the “first demand” bank guarantee set forth in paragraph 2 of this Article, regardless whether or not a judicial award has been made. In case of any damages arising from the contractual obligation in connection with any damage or loss of benefits caused by the Subconcessionaire’s failure to perform all or a part of its obligations hereunder, the government may also draw on the “first demand” bank guarantee set forth in paragraph 2 of this Article.

6. If the government draws on the “first demand” bank guarantee set forth in paragraph 2 of this Article, the Subconcessionaire must, within fifteen days after the date on which it receives a notice in connection with the draw of such “first demand” bank guarantee, take all necessary measures to restore the full validity of such “first demand” bank guarantee.

7. The “first demand” bank guarantee set forth in paragraph 2 of this Article may be discharged only upon the permission of the government.

8. The government may permit amendments made to the provisions or terms set forth in paragraphs 3 to 6, and may also permit other means stipulated by the law in lieu of the “first demand” bank guarantee referred to in paragraph 2 for the provision of a guarantee to secure the performance of statutory and contractual obligations by the Subconcessionaire.

9. All expenses incurred in connection with the issuance, maintenance and discharge of the guarantee to secure the performance of statutory and contractual obligations by the Subconcessionaire shall be borne by the Subconcessionaire.

**Article 62**
**Special Bank Guarantee for the Payment of Special Gaming Tax**

1. If the government has reasons to believe that the Subconcessionaire will not pay the special gaming tax anticipated to be payable each month, the Subconcessionaire shall provide a “first demand” bank guarantee in accordance with the time limit, provisions, terms and amounts stipulated by the government with the government as the beneficiary in order to guarantee the payment of the above-mentioned amount.

2. Without the permission of the government, the terms and conditions of the first demand guarantee set forth in the preceding paragraph of this Article must not be amended. The Subconcessionaire shall strictly comply with the terms as stipulated in providing the guarantee and to perform all obligations undertaken or to be undertaken in maintaining the validity of the guarantee.

3. If the Subconcessionaire fails to pay the special gaming tax payable to the Macau SAR in accordance with the laws and the provisions contained herein, the government may draw on the first demand guarantee set forth in the first paragraph of this Article, regardless whether or not a judicial award has been made.

4. If the government draws on the first demand bank guarantee set forth in the first paragraph of this Article, the Subconcessionaire must, within fifteen days after the date on which it receives a notice in connection with the use of such first demand guarantee, take all necessary measures to restore the full validity of such guarantee.

5. The guarantee set forth in the first paragraph of this Article may be discharged by the Subconcessionaire only 180 days after the termination of the subconcession and upon authorization from the government.

6. All expenses incurred in connection with the issuance, maintenance and discharge of the first demand guarantee set forth in the first paragraph of this Article shall be borne by the Subconcessionaire.

**Article 63**
**Guarantee to be provided by the Controlling Shareholders or Shareholders of the Subconcessionaire**

1. The government may request a guarantee to be provided by the controlling shareholder of the Subconcessionaire, in terms acceptable by the government, to ensure that the Subconcessionaire performs its undertakings and obligations; in case there is no controlling shareholder, the government may ask the shareholders of the Subconcessionaire to provide the same.

2. The guarantee referred to in the preceding paragraph, may be demanded, namely, when there is a justified concern that the Subconcessionaire will not be able to perform its undertakings and obligations.

3. The guarantee referred to in paragraph 1 above may be provided through cash deposit, bank guarantee, guaranteed insurance or any means specified in Article 619 of Civil Code, within the timeframe, terms and conditions and amount to be specified by the Order of the Chief Executive.

4. If the Subconcessionaire fails to perform the undertakings and obligations in accordance with the laws and the provisions contained herein, the government may draw on the guarantee provided according to this Article, regardless of any judicial award.

5. If the government draws on the guarantee provided according to this Article, the Subconcessionaire shall cause its controlling shareholder or the relevant shareholders to, within 15 days after it receives a notice regarding the approval order given with respect to the use of such guarantee, take all necessary measures to restore the full validity of such guarantee.

6. The guarantee provided according to this Article may not be amended without the permission of the government.

## CHAPTER 13
## SUPERVISION OF THE PERFORMANCE OF THE SUBCONCESSIONAIRE'S OBLIGATIONS

### Article 64
### Supervision, Monitoring and Inspection by the Government

1. The power for the supervision, monitoring and inspection of the performance of the Subconcessionaire's obligations shall be exercised by the government, especially through the GICB and the Finance Department.

2. For appropriate effectiveness and upon the request of the government, without prior notification, the Subconcessionaire shall allow the government or any other entities specifically and duly authorized and identified by the government to freely enter into any part of the facilities of the Subconcessionaire and review and examine freely the accounts or books of the Subconcessionaire, including any trading records, books, minutes, accounts and other records or documents and the management statistic materials and records used. In addition, it shall provide to the government or entities authorized by the government copies of the materials which the entities deem necessary.

3. The Subconcessionaire shall comply with and implement the decisions of the government within the scope of its power for inspection and supervision, especially the instructions made by the GICB, including the decision to suspend the operation of the casinos and other gaming area.

4. In operating the subconcession, the Subconcessionaire shall be subject to the permanent supervision and inspection of the GICB in accordance with the provisions of the applicable laws.

### Article 65
### Daily Supervision on Gross Income of Gaming Operation

The Subconcessionaire shall accept the daily supervision of the government on the gross income of the gaming operation exercised in accordance with the law by the GICB.

## CHAPTER 14
## GENERAL OBLIGATIONS OF COOPERATION

### Article 66
### Government's and Concessionaire General Obligation of Cooperation

The government and the Concessionaire shall cooperate with the Subconcessionaire so that the Subconcessionaire may fulfill its legal and contractual obligations.

### Article 67
### Subconcessionaire's General Obligation of Cooperation

1. For the applicability of the provisions of this Subconcession Contract, the Subconcessionaire undertakes to cooperate with the government, and accordingly, upon the request of the government, undertakes to provide all documents, information, materials, evidence or authorizations.

2. The Subconcessionaire shall also cooperate with the Concessionaire so that the Concessionaire may fulfill its legal or contractual obligations.

## CHAPTER 15
## OTHER OBLIGATIONS OF THE SUBCONCESSIONAIRE

### Article 68
### Operation of Casinos and Other Premises and other Adjacent Properties

The Subconcessionaire shall operate all ancillary facilities in the casinos and other premises and the adjacent properties used for operating the subconcession in a normal way and for the original purposes or authorized purposes.

### Article 69
### General Obligations of the Subconcessionaire

1. The Subconcessionaire shall undertake the special obligations to procure and require all entities retained for developing the business covered by the subconcession to abide by all rules that ensure the proper organization and operation and the special security measures designed for the customers and staff of the casinos and other gaming areas and other people holding positions in the casinos and other gaming areas of the Subconcessionaire.

2. In order to develop the business covered by the subconcession, the Subconcessionaire must retain entities that have appropriate licenses and permits and have appropriate professional and technical abilities in the relevant areas.

### Article 70
### Other Government Permissions

Any replacement, cancellation or change of certificates and records which relate to the business of the Subconcessionaire or the acquisition of the gaming equipment and instruments shall be subject to authorization of the government.

### Article 71
### Government's Authorizations and Approvals

The authorizations and approvals from the government or its refusal to grant an approval and authorization shall not exempt the Subconcessionaire's obligation to timely perform its obligations under this Subconcession Contract and shall not result in any liability to the government, except if the government's action imposes liabilities or causes special and unusual damages to the Subconcessionaire.

## CHAPTER 16
## LIABILITY OF THE SUBCONCESSIONAIRE AND OF THE CONCESSIONAIRE

### Article 72
### Civil Liability towards the Macau SAR

1. The Subconcessionaire shall be liable towards the Macau SAR for any damage caused by the non-performance of all or a part of the Subconcessionaire's legal or contractual obligations as a result of any fact for which the Subconcessionaire is responsible.

2. The Concessionaire is not liable for and does not share any liability towards the Macau SAR for the damages caused by the non-performance of all or a part of the Subconcessionaire's legal or contractual obligations as a result of any fact for which the Subconcessionaire is responsible.

### Article 73
### Exemption of the Macau SAR and of the Concessionaire from the Non-contractual Liabilities of the Subconcessionaire towards Third Parties

1. The Macau SAR shall not bear or share any liability of the Subconcessionaire as a result of an act taken by or behalf of the Subconcessionaire, involving or possibly involving civil or other liabilities.

2. The Concessionaire shall not bear any liability of the Subconcessionaire as a result of an act taken by or on behalf of the Subconcessionaire, involving or possibly involving civil or other liabilities.

3. The Subconcessionaire shall be also be liable in accordance with the general provisions governing the principal-entrusted party legal regime, and be liable for losses caused by the entities appointed by the Subconcessionaire for the development of the subconcession.

## CHAPTER 17
## CHANGE OF THE ENTITY OF THE SUBCONCESSION

### Article 74
### Assignment, Encumbrance, Conveyance and Transfer of Contract

1. Unless permission of the government is obtained, the Subconcessionaire shall have an obligation not to, expressly or implicitly, formally or informally, assign, convey or transfer or otherwise create encumbrance over the operation of a casino or over the operation of any gaming area, or carry out any legal act that will have the same effect.

2. Without prejudice to other applicable penalties or punishments, in case of an act in violation of the preceding paragraph, the Subconcessionaire shall pay the following penalties:

- for assignment, conveyance or transfer of the operation of all of its casinos or gaming area: MOP 1,000,000,000;
- for assignment, conveyance or transfer of the operation of a part of its casinos or gaming area: MOP 500,000,000; and
- for creation of encumbrance over the operation of all or part of the casinos or gaming area: MOP 300,000,000.

3. Enclosed with its application for the permission set forth in paragraph 1 shall be all required documents clearly indicating any legal act contemplated by the Subconcessionaire, without prejudice to the right of the government to request additional documents, materials or information.

**Article 75**
**Sub-Concession**

1. The Subconcessionaire undertakes not to grant a sub-concession of all or a part of the casinos granted under this subconcession or carry out any legal act that will have the same effect.

2. Without prejudice to other applicable penalties or punishments, in case of an act in violation of the preceding paragraph, the Subconcessionaire shall pay a penalty of MOP 500,000,000 to the Macau SAR.

## CHAPTER 18
## NON-PERFORMANCE OF CONTRACT

**Article 76**
**Non-performance of Contract**

1. The Subconcessionaire shall be liable to statutory or contractual punishment or penalty if the Subconcessionaire fails to perform its responsibility or obligation hereunder or under government decisions as a result of any fact that the Subconcessionaire is to blame, without prejudice to the provisions of Articles 77 and 78.

2. Under the situations of force majeure or other facts that the Subconcessionaire is proved not to blame, the Subconcessionaire shall be exempted from the responsibilities set forth in the preceding paragraph to the extent of actual hindrance of the timely and fully performance of the responsibilities or obligations.

3. Events that are unforeseeable, irresistible or beyond the control of the Subconcessionaire and that the occurrence of their consequences does not rely on the intention and personnel situations of the Subconcessionaire, especially wars, terrorism, disruption of the public order, pestilence, atomic radiation, fire, thunder and lightening, serious flood, cyclones, hurricanes, earthquake and other natural disasters directly affecting the businesses covered by the concession, shall be deemed to be the situations of force majeure and shall cause the consequences as specified in the following paragraph.

4. In case of the occurrence of force majeure events, the Subconcessionaire shall immediately notify the government and promptly indicate the hindrance of its performance of the obligations under this Subconcession Contract caused by the occurrence of such events deemed by it and shall specify the measures under the circumstances that such measures are proposed to be implemented by the Subconcessionaire for the purpose of minimizing the effects of such events and/or for the performance of such obligations in compliance with the provisions.

5. In case of the occurrence of any of the situations specified in paragraph 3, the Subconcessionaire shall promptly reconstruct the property damaged or recover the property damaged to its original status so as to resume the proper operation of the casino games of chance or games of other forms. If the Subconcessionaire does not have any economic benefit over the reconstruction and/or recovery of the aforesaid property, it shall transfer the insurance benefits to the Macau SAR.

## CHAPTER 19
## REVOCATION AND TERMINATION OF THE SUBCONCESSION

**Article 77**
**Discharge by Parties’ Agreement**

1. The Concessionaire and the Subconcessionaire may discharge this Subconcession Contract at any time by the agreement of the parties.

2. In case the government and the Subconcessionaire mutually agree to terminate this Subconcession Contract, the Concessionaire hereby agrees with such termination.

3. The Subconcessionaire shall be fully responsible for the effectiveness of the termination of contracts to which it is a party and the Macau SAR and the Concessionaire shall not bear any responsibilities in this regard unless it is agreed expressly otherwise.

**Article 78**
**Redemption**

1. From the 15th year of the Subconcession onwards, the government may redeem the subconcession by at least one year prior notice to the Subconcessionaire sent by registered post with return slip request unless the laws stipulate otherwise.

2. By redeeming the Subconcession, the Macau SAR shall enjoy all rights and undertake all obligations incurred as a result of the redemption from the lawful behaviors under any contracts effectively entered into by the Subconcessionaire before the date of notice set forth in the preceding paragraph.

3. As regards obligations created under any contracts entered into by the Subconcessionaire after the notice set forth in the first paragraph, the Macau SAR shall bear such obligations only if such contracts have obtained permission from the government before their conclusion.

4. The Macau SAR shall be responsible for the obligations created by the Subconcessionaire, without prejudice to its right to recourse against the Subconcessionaire for obligations created by the Subconcessionaire that exceeds the normal management of the conceded business.

5. Upon the redemption of the concession, the Subconcessionaire shall have the right to obtain reasonable and fair compensation/indemnity for losses due to the redemption of its Resort — Hotel — Casino facilities referred to in the Investment Plan attached to this Subconcession contract. Standards for the calculation of the amount of compensation/indemnity shall be determined according to the amount of the revenue of the said premises, generated during the tax year prior to the redemption, before deducting any amounts for interests, depreciation and redemption of equipment, multiplied by the number of years missing to the term referred to in this Subconcession contract.

**Article 79**
**Temporary Administrative Participation**

1. In case of the occurrence or possible occurrence of the situation where the Subconcessionaire terminates or suspends the operation of all or a part of the conceded business without permission and which is not caused by force majeure or in case of the occurrence of serious chaos in the overall organization and operation of the Subconcessionaire or insufficiency of facilities and equipment which may affect the normal operation of the conceded business, the government may replace the Subconcessionaire directly or through a third party during the aforesaid termination or suspension or subsistence of the aforesaid chaos and insufficiency and shall ensure the operation of the conceded business and cause the adoption of necessary measures to protect the subject matter of this Subconcession Contract.

2. During the period of temporary administrative participation, the expenses required for maintaining the normal operation of the conceded business shall be borne by the Subconcessionaire. Accordingly, the government may draw on the guarantee for the performance of the statutory obligations and contractual obligations of the Subconcessionaire and the guarantee provided by the controlling shareholder of the Subconcessionaire.

3. If the reasons for the temporary administrative participation no longer exist and if the government deems appropriate, the government shall notify the Subconcessionaire to resume the normal operation of the conceded business within a prescribed period.

4. If the Subconcessionaire does not want to or is not able to resume operation of the conceded business, or even though the operation of the conceded business is resumed, serious chaos or insufficiency continues to occur in its organization and operation, the government, may announce to discharge this Subconcession Contract unilaterally on the basis that this Subconcession Contract is not performed.

**Article 80**
**Unilateral Discharge**

1. In case of the Subconcessionaire's failure to perform its basic obligations in accordance with the laws or the provisions contained herein, the government, without having to consult the Concessionaire, may terminate the concession by unilateral discharge of this Subconcession Contract due to failure to perform.

2. Major reasons for unilateral discharge of this Subconcession Contract shall be, especially:

(1) Deviation from the subject matter of the subconcession due to operation of gaming without permission or operation of business which do not fall within the business scope of the Subconcessionaire;

(2) waiver of operation of the conceded business or. suspension of operation of the conceded business without reasonable grounds for more than seven consecutive days or more than fourteen non-consecutive days within one calendar year;

(3) temporary or definite transfer of all or part of the operation in violation of provisions concerning the concession system specified in Article 6;

(4) failure to pay the taxes, premiums, levies or other returns payable to the Macau SAR as stipulated in the concession system specified in .Article 6 and not impugned within the statutory time limit;

(5) refusal or failure of the Subconcessionaire to re-gain the subconcession in accordance with the provisions of paragraph (4) of the preceding Article or subsistence of conditions that may lead to temporary administrative participation notwithstanding that the subconcession has been re-gained;

(6) repeated objections to the implementation of supervision and inspection power by the government or repeated failure to comply with government decisions, especially the instructions of the GICB;

(7) systematic non-compliance with the basic obligations included in the concession system specified in Article 6;

(8) failure to provide or supplement guarantee deposit or guarantees specified in this Subconcession Contract as required and within the prescribed period;

(9) bankruptcy or insolvency of the Subconcessionaire;

(10) carrying out any serious fraudulent activity whose purpose is to jeopardize the public interests;

(11) serious and repeated violation of the implementation rules for carrying out casino games of chance or games of other forms or damage to the fairness of casino games of chance or games of other forms;

(12) granting to any other legal person managing powers over the Subconcessionaire in order to operate casino games of chance or any other games in casino, or granting a subconcession, in whole or in part, of this Subconcession, or entering into any agreement to obtain the same effect.

(13) The non compliance with the obligation referred to in Article 16(10) to transfer the shares, within ninety days, for which the controlling shareholder is liable for.

3. Without prejudice to the provisions of Article 83, in the occurrence of any of the situations specified in the preceding paragraph or any other situations which may cause the unilateral discharge of this Subconcession Contract in accordance with the provisions of this Article due to failure to perform, the government shall notify the Subconcessionaire to fully perform its obligations and remedy or indemnify the results caused by its behaviors within a prescribed period, except for those situations which cannot be remedied.

4. If the Subconcessionaire fails to perform its obligations or correct or indemnify the results caused by its behaviors in accordance with the provisions as stipulated by the government, the government may unilaterally discharge this Subconcession Contract upon notification to the Subconcessionaire and to the Concessionaire. The government may also notify, in writing, the entity which has undertaken to provide finance to the investment to be made and the obligations to be borne by the Subconcessionaire, in accordance with and for the purposes stated on the concessions legal framework referred to in Clause 6, related to the financial capacity.

5. Notice to the Subconcessionaire in connection with the decision to discharge this Subconcession Contract as specified in the preceding paragraph shall be effective immediately without going through any other procedures.

6. In case of emergency and where the delay in the process of remedying the non-performance as specified in paragraph 3 is unbearable, the government may immediately perform temporary administrative participation in accordance with the provisions of the preceding Article without prejudice of due compliance with such process and the provisions of paragraph 4.

7. The Subconcessionaire shall be liable for damages to the Macau SAR as a result of the unilateral discharge of this Subconcession Contract in accordance with the provisions of this Article due to failure to perform, the damages shall be calculated in accordance with the general provisions of the laws.

8. The unilateral discharge of this Subconcession Contract due to failure to perform will result in the immediate attribution of the ownership of the casinos and the equipment and utensils used for gaming, even though they do not locate at the casinos, to the Macau SAR without compensation.

**Article 81**
**Expiration/Forfeiture**

1.This Subconcession Contract shall become invalid at the expiration of the term as stipulated in Article 8 and the contractual relationship between the parties to this Subconcession Contract shall terminate, without prejudice to the survival of applicable provisions contained herein after the expiration of the subconcession term.

2. In case of the occurrence of the invalidity as stipulated in the preceding paragraph, the Subconcessionaire shall be fully responsible for the effectiveness of the termination of the contracts to which it is a party and the Macau SAR shall not bear any responsibilities in this regard.

## CHAPTER 20
## AMENDMENT AND MODIFICATION OF CONTRACT

**Article 82**
**Amendments To The Subconcession Contract**

1. Notwithstanding the authorization of the Government, this Contract may be amended after negotiations between the Concessionaire and the Subconcessionaire, in accordance with the law.

2. The Concessionaire hereby agrees with any future amendments to this Subconcession Contract agreed between the government and the Subconcessionaire provided that they do not increase the obligations of the Concessionaire.

3. The amendment to this Subconcession Contract and to any Amendments to this Subconcession Contract shall be made in compliance with the procedures set forth by the Government.

## CHAPTER 21
## PHASES PRIOR TO LEGAL PROCEEDINGS

### Article 83
### Consultation Prior to Legal Proceedings

1. The government, the Concessionaire and the Subconcessionaire, or the government and the subconcessionaire or the government and the Concessionaire shall resolve through consultation issues or disputes arising between the parties on the validity, application, execution, interpretation of the rules governing this Subconcession Contract.

2. The occurrence of issues shall not exempt the Subconcessionaire and/or the Concessionaire from timely and full performance of the provisions of this Subconcession Contract and the government decisions notified to the Subconcessionaire according to the provisions contained herein or permit the Subconcessionaire to suspend the development of any aspect of its business. The relevant development shall continue to be made according to the provisions in effect on the date the issue is brought up.

3. The provisions of the preceding paragraph regarding the performance by the Subconcessionaire and/or the Concessionaire of the government decisions shall also apply to the succeeding decisions made on the same matter even if such decisions are made after the date the consultation starts, provided that the first decision of such succeeding decisions is notified to the Subconcessionaire and/or the Concessionaire, respectively, prior to the date the consultation starts.

## CHAPTER 22
## FINAL PROVISIONS

### Article 84
### Obtaining of Approvals, Licenses or Permits

1. This Subconcession Contract shall not exempt the obligations of the Subconcessionaire to submit applications, pay fees and/or take measures for the purpose of obtaining the approvals, licenses or permits necessary for the operation of any aspect of its business or the performance of its obligations hereunder and shall not exempt the Subconcessionaire from abiding by or compliance with all requirements necessary for obtaining such approvals, licenses or permits and maintaining the effectiveness thereof.

2. If any approval, license or permit set forth in the preceding paragraph is revoked, void, suspended or abolished or no longer be effective due to any reason, the Subconcessionaire shall notify the government immediately and state the measures taken or to be taken in order to re-gain such approval, license or permit or make such approval, license or permit effective again.

3. None of the provisions contained herein shall be construed as replacing the statutory provisions or contracts on obtaining any approval, license or permit.

### Article 85
### Industrial Property Rights and Intellectual Property Rights

1. In operating its business, the Subconcessionaire shall respect the industrial property rights and intellectual property rights according to the existing laws of the Macau SAR, and independently assume liabilities for infringement upon such property rights.

2. As a condition precedent to the issuance of approvals, licenses and permits, especially those relating to the performance of the investment plans attached to this Subconcession Contract, the Subconcessionaire shall comply with all industrial property rights and intellectual property rights.

3. The Subconcessionaire shall assign to the Macau SAR free of charge, research, drafts, plans, drawings, documents or other materials of any nature that are necessary or helpful for the Subconcessionaire to perform the duties hereunder or to exercise the rights granted hereunder.

4. Upon the request of the Macau SAR, the Subconcessionaire must prepare any kind of document or declaration to confirm or register the rights set forth in the preceding paragraph.

5. If the industrial property rights or intellectual property rights transferred or to be transferred to the Macau SAR according to this Article are infringed, and the Subconcessionaire has not solved any dispute with a third person over such infringement, the Macau SAR may interfere with such dispute to safeguard such property rights. The Subconcessionaire shall provide all assistance required for such purpose.

**Article 86**
**Notices, Announcements, Permits and Approvals**

1. Unless otherwise provided, the notices, announcements, permits and approvals as referred to herein must be made in writing and delivered in the following method:

(1) delivered in person, but the signature of the recipient is a must;

(2) sent by fax, but the receipt of the fax is a must;

(3) sent by registered mail with return receipt request.

2. Permits granted by the, government shall be prior permits and may be conditional.

3. No answers to the application for permits and approvals or other requests made by the Subconcessionaire and/or the Concessionaire shall be deemed as being rejected;

4. For the applicability of the provisions of this Subconcession Contract, the following address and place for receiving faxes shall be deemed as the domicile of the Government, the Concessionaire and Subconcessionaire hereto:

The Macau SAR:

Gambling Inspection and Coordination Bureau
21st Floor, China Plaza,
No. 762-804, Av. da Praia Grande, Macau
Fax: 370296

Concessionaire: Wynn Resorts (Macau) S.A.
Address: Alameda Dr. Carlos D´Assumpção, n.ºs 335 a 341, Edificio Centro Hotline, 9º andar, Macau
Fax: 8965500

Subconcessionaire: PBL Diversôes (Macau) S.A.
Address: Av. Dr. Mario Soares, n.° 25, Edificio Montepio, Apartamento 25, 1° andar,
Comp. 13, Macau.
Fax: 713883

5. Upon prior notice to the other parties, the Government, the Concessionaire and the Subconcessionaire may amend the aforesaid address and place for receiving faxes.

**Article 87**
**Prohibition of Act Limiting Competition**

1. The Subconcessionaire must conduct its business in positive and fair competition, subject to the inherent principles of market economy.

2. The Subconcessionaire has the obligation not to execute agreements or conduct agreed acts with other concessionaires, or other Subconcessionaires or managing companies operating in Macao SAR, as to operating casino games of chance or games of other forms, or companies of the relevant group that may hinder, restrict or jeopardize competition in any manner.

3. The Subconcessionaire has the obligation not to misuse the leading position it has in the market or the considerable market share it has in order to hinder, restrict or jeopardize competition.

**Article 88**
**Gaming Intermediaries**

The Subconcessionaire must assume liabilities to the government for the activities conducted in the casinos and other gaming areas by the gaming intermediaries registered in its company, its directors and cooperative parties. Accordingly, it shall supervise the activities of such intermediaries, directors and cooperative parties.

**Article 89**
**Promotion of the Facilities of the Subconcessionaire**

1. The Subconcessionaire has the obligation to conduct publicity and marketing activities with respect to its facilities, especially the casinos, within and outside the Macau SAR.

2. The government and the Subconcessionaire shall have the obligations to coordinate the work and activities in promoting Macau outside the territory of Macau when they conduct their publicity and marketing work and activities.

3. Without permission of the government, the Subconcessionaire has the obligation not to allow the use of the image of its casinos or other places and adjacent areas, for operating the conceded business or a large amount of introductory explanations implying the same in the website or website address of the Internet or any other place used for promoting interactive gambling.

**Article 90**
**Contents Incorporated in the Subconcession Contract**

The content of the executive summary submitted by the Subconcessionaire to the Government shall be deemed as being incorporated in this Subconcession Contract, except to the extent expressly or implicitly overriden by this Subconcession Contract.

**Article 91**
**Chips Used in the Operation of Conceded Business**

1. The Subconcessionaire must abide by the guidance of the government when it issues chips of any kind or nature and puts them into circulation.

2. Without prejudice of the maximum amount being determined by the government, the amount of chips issued and put in circulation does not depend upon permission of the government.

3. The Subconcessionaire guarantees to pay by cash, check or equivalent credit proof for the chips put into circulation.

4. With respect to all chips put into circulation, the Subconcessionaire must provide cash and proof of high solvency to maintain solvency ratio, establish reserve funds and abide by the prudent rules stipulated by the government at any time in order to ensure the prompt payment for the chips.

**Article 92**
**Confidentiality**

1. Documents prepared by the Government, the Concessionaire and the Subconcessionaire for the implementation of the concessions legal framework referred to in Article 6 or performance of the provisions of this Subconcession Contract shall have the nature of confidentiality, which may be provided to a third party only upon the permission of the Government.

2. The government, the Concessionaire and the Subconcessionaire shall take necessary measures so that their staff is bound by the obligation of confidentiality.

3. The government, the Concessionaire and the Subconcessionaire shall urge others who are able to get access to or may get access to confidential documents to comply with the obligation of confidentiality, especially those being able to do so through consultant contracts, labor provision contracts or other contracts.

4. The Concessionaire and the Subconcessionaire shall keep the confidentiality of this contract, and of any other documents that may reveal its content, and shall only reveal it to third parties upon permission of the government.

5. It is not included within the confidentiality referred in number 1 and 4 above, any documents, information or materials that may be reasonably requested by judicial order, by any gaming regulator agency of other jurisdiction or by a stock regulator agency; however, the Concessionaire or the Subconcessionaire, as the case may be, must inform the government.

6. The Concessionaire and the Subconcessionaire are also exempted of this confidentiality obligation referred in number 1 and 4 above, for any documents, information or materials that they deem necessary to present to any financial institution, lawyer, accountant, or consulting entity, provided that this confidentiality is extended to those parties.

7. After obtaining authorization referred in number 4 above, the Concessionaire or the Subconcessionaire, as the case may be, shall urge to take all necessary actions in order to guarantee that anyone that has or will become aware of the content of this Subconcession Contract, including any related documents that may reveal its content, are bind to this confidentiality.

## Article 93
## Complaint Book

1. The Subconcessionaire shall set up a complaint book particularly for complaints in connection with the operation of casino games of chance or games of other forms, and ensure such complaint book for use by customers in the casinos and other gaming areas.

2. The Subconcessionaire shall post notices in the casinos and other gaming areas in an outstanding manner, stating the existence of the complaint book.

3. The Subconcessionaire shall submit a copy of the complaints written in the complaint book to the government in 48 hours, together with a report on such complaints prepared by the Subconcessionaire.

## Article 94
## Termination of the Concession

1. The termination of the concession granted to the concessionaire before the date foreseen in article 8 of this Subconcession Contract shall not determine the termination of the subconcession granted under this Subconcession contract.

2. In the case mentioned in the preceding paragraph, the Government shall use its best efforts to transfer the position of the concessionaire in this Subconcession Contract to another concessionaire for the operation of games of chance and other games in casino.

# CHAPTER 23
# TRANSITIONAL PROVISIONS

## Article 95
## Occupational Training Plan

1. The Subconcessionaire must prepare the occupational training plan for employees who hold posts in the operation of the business covered by the subconcession within the time limit prescribed by the government.

2. The Subconcessionaire must deliver to the government any other additional documents or materials with respect to the plan referred to in the preceding paragraph within the stipulated time limit.

## Article 96
## Deposit of the Company‘s Share Capital

The Subconcessionaire shall undertake to keep its share capital deposited with a local credit institution or a branch or subsidiary of a credit institution permitted to be operated in the Macau SAR and such share capital shall not be transferred before the commencement of business of the Subconcessionaire. The date which is expressly acknowledged by the government through the order of the Secretary for Economy and Finance to be the date of the commencement of business of a Subconcessionaire shall be deemed to be the date of the commencement of business of such Subconcessionaire.

**Article 97**
**Managing Director Designated**

1. The government shall, by no later than fifteen days after the conclusion of this Subconcession Contract, notify the Subconcessionaire whether to permit the candidate specified in Annex 1 of the Administrative Regulations No. 26/2001 submitted by the Subconcessionaire to act as the managing director of the Subconcessionaire.

2. The provisions of paragraphs 1 and 2 of Article 21 are applicable to the act of granting the management power of the Subconcessionaire for the first time to the managing director after the conclusion of this Subconcession Contract.

**Article 98**
**Bank Accounts**

The Subconcessionaire shall, by no later than seven days after the conclusion of this Subconcession Contract, submit to the government the documents setting forth all bank accounts and the relevant balance in the name of the Subconcessionaire to the government.

**Article 99**
**Declaration of the Obligations of Cooperation**

The Subconcessionaire shall take measures to obtain a declaration executed by every shareholder holding 5% or more of the capital of the Subconcessionaire, every director and major employee holding key post in the casinos and every controlling shareholder, including the ultimate controlling shareholders of the Subconcessionaire, stating that such persons are willing to be bound by a special obligation to cooperate with the government. Accordingly, they shall undertake to provide any documents, information, materials or evidence and give any permission upon request. The Subconcessionaire shall submit to the government such declaration by no later than fifteen days after the execution of this Subconcession Contract.

**Article 100**
**Fixed Portion and the Variable Portion of the Premium**

1. The due portion of the fixed part of the annual premium referred to in Article 47, will only be due from June 26’ of the year 2009, unless, until then, the Subconcessionaire begins to operate a casino or a gaming area within the Resort-Hotel-Casino referred to in the investment plans attached to this Subconcession contract. If so, the fixed part of the premium shall be due from that moment on.

2. The payment of the variable part of the annual premium referred to in Clause 47 will only be due after the date the Subconcessionaire begins operating either in temporary facilities or in the facility referred to in the preceding paragraph; to allow the Government to calculate the variable part of the annual premium, the Subconcessionaire shall, within ten days before opening its first casino or first gaming area, submit to the government a list which will set forth the number of gaming tables and the number of electrical or mechanical gaming machines including “slot machines” and the locations proposed to be operated by the Subconcessionaire in that year.

3. If the Subconcessionaire opens its first casino or gaming area in a temporary facility, the amount of the variable part of the annual premium cannot be less than the amount that the long-term operation of 20 gaming tables, namely of those located in special gaming halls or areas reserved exclusively to certain kinds of games or to certain players and the long-term operation of 20 gaming tables not reserved exclusively to certain kind of games or to certain players, until the opening of the casino or gaming area on the facility referred to in paragraph I above.

4. The amounts of the variable part of the annual premium referred to in Article 47(5) will be subject to renegotiations between the government and the Subconcessionaire from the third year after the conclusion of this Subconcession contract on.

**Article 101 of the Articles of Association and of the Shareholders Agreement**

The government shall, by no later than sixty days after the conclusion of this Subconcession contract, notify the Subconcessionaire whether the Articles of Association of the Subconcessionaire and its shareholders agreement have been approved.

**Article 102**
**Proxy and Powers of Attorney**

The Subconcessionaire shall, by no later than fifteen days after the conclusion of this Subconcession contract notify the government of all and any existing power of attorney or appointment of representatives for granting, on the basis of a stable relationship, the right to establish the legal acts relating to the operation of the enterprise in the name of the Subconcessionaire, so that the government may grant its permission. Save that this paragraph shall not apply to the power to handle routine matters especially with public departments or authorities, or to provide, within the same time frame referred to above, a statement certifying its non existence.

**Article 103**
**Existing Participation in the Operation of Casino Games of Chance**
**and Gaming of Other Forms in Other Jurisdiction**

The Subconcessionaire shall, by no later than fifteen days after the conclusion of this Subconcession contract notify the government of the existing participation in the operation of casino games of chance or gaming of other forms in any other jurisdiction by any of its directors and controlling shareholders, including the ultimate controlling shareholders, or all shareholders directly or indirectly holding “the equivalent of 10% or more of the share capital of the Subconcessionaire, including the participation through a management contract.

**Article 104**
**Composition of the Corporate Bodies of the Subconcessionaire**

The Subconcessionaire shall, by no later than seven days after the conclusion of this Subconcession contract notify the government of the composition of its Board of Directors, shareholders’ meetings and Supervisory Board and other corporate bodies on the day of execution of this Subconcession Contract.

**Article 105**
**Structure of Shareholders and Share Capital**

1. The Subconcessionaire shall, by no later than seven days after the conclusion of this Subconcession contract, submit to the government a document with the shareholders' structure of the Subconcessionaire on the day of execution of this Subconcession Contract.

2. The Subconcessionaire shall, by no later than seven days after the conclusion of this Subconcession contract, submit to the government the structure of share capital of a legal person, especially a company, owning 5% or more of the share capital of the Subconcessionaire, and the share capital of a legal person owning 5% or more of the share capital of such legal person, and so on up to the share capital of a natural person or legal person that is an ultimate shareholder on the day of execution of this Subconcession Contract.

3. The Subconcessionaire shall, by no later than fifteen days after the conclusion of this Subconcession contract, submit to the government a declaration for the year 2006 as specified in paragraph 2 of Article 19.

**Article 106**
**"Most favorable nation"**

If the Macau SAR grants new concessions for operating casino games of chance or games of other forms under conditions that are, in global terms, more favorable than those specified in this Subconcession Contract, then the Macau SAR shall also extend them to the Subconcessionaire by amending this Subconcession Contract.

**Article 107**
**Amendment to the Percentage of Allocation**

The percentages specified in Articles 48 and 49 shall be amended by the government and the Subconcessionaire in 2010.

**Article 108**
**Effectiveness**

This Subconcession Contract shall be written in the two official languages and become effective as of 8 September, 2006.

This Contract has been read by the signatories present and the contents of this Contract have been explained and, as it corresponds to their will, it is going to be signed.

This Subconcession Contract is going to be executed in three counterparts, one of which will be to the Concessionaire, another to the Subconcessionaire and the other to the government of the Macau SAR.

Macau, 8 September, 2006.

| For and on behalf of the Concessionaire | For and on behalf of the Subconcessionaire |
|---|---|
| Stephen Wynn | Rowen Craigie |
| *Certified Signature* | *Certified Signature* |

## ANNEX TO THE SUBCONCESSION CONTRACT

### Investment Plans

Without prejudice of Clause 39 of this Subconcession Contract, the Subconcessionaire shall implement, namely:

- One Resort-Hotel-Casino complex, to be concluded and open to the public in December 2010;
- One "City Club", in Taipa.

Total amount: 4.000.000.000,00 (Four Billion Patacas) to be invested within a maximum of 7 (seven) years counting from the signature of this Subconcession Contract.

**Exhibit 10.4**

**EXECUTION VERSION**

**REGISTRATION RIGHTS AGREEMENT**

This REGISTRATION RIGHTS AGREEMENT, dated as of July 27, 2011 (this "Agreement"), is made by and among Cyber One Agents Limited, a company incorporated in the British Virgin Islands (the "Company"), and those parties set forth on the Schedule of Shareholders attached hereto (each, a "Shareholder" and collectively, the "Shareholders").

A. The Shareholders, among other parties, are parties to an implementation agreement (the "Implementation Agreement"), dated as of [●], 2011, pursuant to which, among other things, the Shareholders and the other parties thereto have agreed, at the Effective Time of the transactions contemplated by the Implementation Agreement, to (i) enter into a shareholders' agreement (the "Shareholders' Agreement") to govern their relationship in connection with, and the conduct and operations of, the Company and its subsidiaries, and (ii) cause the Company to enter into this Agreement with the Shareholders and provide to the Shareholders (and their transferees) the registration and other rights provided herein.

B. Capitalized terms used in this Agreement are used as defined in Section 11.

Now, therefore, the parties hereto agree as follows:

1. IPO Demand. The right of Holders to require the Company to effect an IPO is set forth in clause 29 of the Shareholders' Agreement. If the conditions to effecting an IPO in such clause of the Shareholders' Agreement have been satisfied, then the notification to the Company demanding an IPO under clause 29.1(a) of the Shareholders' Agreement shall constitute an "IPO Registration Request" which shall be governed by the terms of this Agreement, including Section 2(a) hereof.

2. Demand Registrations.

(a) Requests for Registration. At any time following an IPO, the Required Holders may request in writing that the Company or IPO HoldCo (as the case may be, the "Registering Entity") effect the registration of all or any part of the Registrable Securities held by such Required Holders (a "Post-IPO Registration Request" and, together with an IPO Registration Request, a "Registration Request"). Promptly after its receipt of any Registration Request, the Registering Entity will give written notice of such request to all other Holders, and will use its reasonable best efforts to register, in accordance with the provisions of this Agreement, all Registrable Securities that have been requested to be registered by the Holders in the Registration Request or by any other Holders that have provided written notice to the Registering Entity within 30 days after the date the Registering Entity has given such Holders notice of the Registration Request, provided that, other than in connection with an IPO Registration Request, the Registering Entity will not be required to effect a registration pursuant to this Section 2(a) unless the minimum aggregate value of the Registrable Securities that are proposed to be sold in such registration by such Holders shall be at least US$50,000,000. The Registering Entity will pay all Registration Expenses incurred in connection with any registration pursuant to this Section 2.

(b) Limitation on Demand Registrations. Following an IPO, the Registering Entity will not be obligated to effect more than five registrations pursuant to this Section 2, provided that a request for registration will not count for the purposes of this limitation if (i) the Holders of a majority of Registrable Securities covered by a particular registration determine in good faith to withdraw (prior to the effective date of the Registration Statement relating to such request) the proposed registration, (ii) the Registration Statement relating to such request is not declared effective within 120 days of the date such registration statement is first filed with the Commission, (iii) if, after such Registration Statement becomes effective, such Registration Statement becomes subject to any stop order, injunction or other order or requirement of the Commission or other governmental agency or court for any reason, (iv) the Holders are not able to register and sell at least 80% of the Registrable Securities requested to be included in such registration, other than by reason of such Holders withdrawing their request or terminating the offering, (v) the conditions to closing specified in the underwriting agreement or purchase agreement entered into in connection with the registration relating to such request are not satisfied (other than as a result of a material default or material breach thereunder by the Holders), or (vi) if the Registration Statement relating to such request has not remained effective until the earlier of the time when all the Registrable Securities requested to be included in such registration is sold and the end of the period described in Section 2(g). Notwithstanding the foregoing, the Registering Entity will pay all Registration Expenses in connection with any request for registration pursuant to Section 2(a) regardless of whether or not such request counts toward the limitation set forth above. The Registering Entity shall not be required to file and cause to become effective more than one registration statement in any six month period.

(c) Shelf Registrations. At any time following a Qualified IPO, the Required Holders may request in writing that the Registering Entity effect the registration described in Section 2(a) on Form S-3 (a "Shelf Registration Statement") (provided that the Registering Entity is eligible to use such form) for an offering to be made on a continuous basis pursuant to Rule 415 under the Securities Act and to use reasonable best efforts to cause such registration statement to become effective and to maintain the effectiveness of such shelf registration statement with respect to such Registrable Securities in the Registering Entity of Holders participating in the registration for the period provided in Section 2(g) hereof (a "Shelf Demand Registration"). To the extent the Registering Entity is a well known seasoned issuer (a "WKSI") (as defined in Rule 405 under the Securities Act) at the time any Required Holders make a Shelf Demand Registration, the Registering Entity shall file a Shelf Registration Statement under procedures applicable to WKSIs. The Registering Entity shall not be obligated to file more than one Shelf Demand Registration in any twelve-month period.

(d) Restrictions on Demand Registrations. The Registering Entity may postpone for a reasonable period of time, not to exceed 90 days, the filing of a prospectus or the effectiveness of a Registration Statement for a registration pursuant to this Section 2 if the Registering Entity furnishes to the Holders a certificate signed by the Chief Executive Officer of the Registering Entity, following consultation with, and after obtaining the good faith approval of, the board of directors of the Registering Entity, stating that the Registering Entity believes that such postponement is necessary in order to avoid premature disclosure of a material matter required, as determined by the Registering Entity after consultation with outside counsel, to be otherwise disclosed in the prospectus the disclosure of which the board has determined would have a material adverse effect on any proposal or plan by the Registering Entity to engage in any acquisition of assets (other than in the ordinary course of business) or any merger, amalgamation, consolidation, tender offer or similar transaction, or otherwise would have a material adverse effect on the business, assets, operations, prospects or financial condition of the Registering Entity, provided, however, that the Registering Entity shall not be entitled to so postpone unless it shall (A) concurrently request the suspension of sales by other security holders under registration statements covering securities held by such other security holders, (B) in accordance with the Registering Entity's policies from time to time in effect, forbid purchases and sales in the open market by senior executives of the Registering Entity, and (C) itself refrain from any public offering and open market purchases during the postponement, provided further, however, that the Registering Entity may not effect such a postponement more than once in any 360-day period. If the Registering Entity so postpones the filing of a prospectus or the effectiveness of a Registration Statement, the Holders of a majority of Registrable Securities covered by a particular registration will be entitled to withdraw such request and, if such request is withdrawn, such registration request will not count for the purposes of the limitation set forth in Sections 2(b) and 2(c). The Registering Entity shall provide written notice to the Holders of the Registering Entity's decision to file or seek effectiveness of a Registration Statement following such postponement and the effectiveness of such Registration Statement. The Registering Entity will pay all Registration Expenses incurred in connection with any such postponed filing and any such postponed effectiveness of a Registration Statement.

(e) Selection of Underwriters. In connection with the IPO Registration Request and any other Registration Request in which the Required Holders intend to distribute the Registrable Securities by means of an underwritten offering, they will so advise the Registering Entity as a part of the Registration Request, and the Registering Entity will include such information in the notice sent by the Registering Entity to the other Holders with respect to such Registration Request. In such event, the Holders of a majority of the Registrable Securities covered by such Registration Request will have the right to select the managing underwriter to administer the offering; provided that (i) in the case of an IPO Registration Request, such underwriter shall be selected after consultation with Melco Crown Entertainment Limited and (ii) in the case of all other Registration Requests, such underwriter shall be subject to the Registering Entity's approval which will not be unreasonably withheld, conditioned or delayed . If the offering is underwritten, the right of any Holder to registration pursuant to this Section 2 will be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting (unless otherwise agreed by the Holders of a majority of Registrable Securities covered by a particular registration), and each such Holder will (together with the Registering Entity and the other Holders distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting. If any Holder disapproves of the terms of the underwriting, such Holder may elect to withdraw therefrom by written notice to the Registering Entity, the managing underwriter and the Required Holders.

(f) Priority on Demand Registrations. The Registering Entity will not include in any underwritten registration pursuant to Section 2(a) or 2(c) any securities that are not Registrable Securities without the prior written consent of the Holders making the Registration Request. In the case of any proposed registration that is initiated by a Holder pursuant to Section 2, if the managing underwriter in good faith advises the Registering Entity that in its opinion the number of Registrable Securities (and, if permitted hereunder, other securities requested to be included in such offering) exceeds the number of securities that can be sold in such offering without adversely affecting the marketability or price per share of securities to be sold in such offering, the Registering Entity will include in such offering only such number of securities that in the opinion of such underwriters can be sold without adversely affecting the marketability or price per share of securities to be sold in such offering, which securities will be so included in the following order of priority: (i) first, the Registrable Securities requested to be included in such registration, *pro rata* among the Holders of such Registrable Securities on the basis of the number of Registrable Securities so requested to be included therein by each such Holder, (ii) second, the securities the Registering Entity proposes to issue and sell for its own account, and (iii) third, other securities requested to be included in such registration pursuant to other registration rights agreements or otherwise.

(g) Effective Period of Demand Registrations. After any Registration Statement filed pursuant to Section 2(a) has become effective, the Registering Entity shall use its reasonable best efforts to keep such Registration Statement effective for a period of either (i) 180 days from the date on which the Commission declares such Registration Statement effective (or if such Registration Statement is not effective during any period within such 180 days or if disposition of Registrable Securities is suspended in the circumstances described in Section 7(b), such 180-day period shall be extended by the number of days during such period when such Registration Statement is not effective or is suspended as provided in Section 7(b)) or, if such Registration Statement relates to an underwritten offering, such longer period as in the opinion of counsel for the underwriters a prospectus is required by law to be delivered in connection with sales of Registrable Securities by an underwriter or dealer or (ii) such shorter period which shall terminate when all of the Registrable Securities covered by such Registration Statement have been sold pursuant to such Registration Statement. After any Shelf Registration Statement filed pursuant to Section 2(c) has become effective, the Registering Entity agrees to use its reasonable best efforts to keep the Shelf Registration Statement continuously effective and usable for the resale of the Registrable Securities registered thereunder for a period ending on the first date on which all the Registrable Securities covered by such Shelf Registration Statement shall have been sold pursuant to such Shelf Registration Statement.

(h) Other Registration Rights. Except as provided in this Agreement, the Registering Entity will not grant to any holder or prospective holder of any securities of the Registering Entity registration rights with respect to such securities which are senior or *pari passu* to the rights granted hereunder without the prior written consent of the Holders of a majority of Registrable Securities.

3. Piggyback Registrations.

(a) Right to Piggyback. Whenever the Registering Entity proposes to register any of its securities (other than a registration on Form S-4, Form S-8 or a comparable form, or a registration of securities relating solely to an offering and sale to employees pursuant to any employee stock plan or other employee benefit plan arrangement) other than pursuant to a Registration Request (each, a "Piggyback Registration"), the Registering Entity will give prompt written notice (and in any event within 15 days after its receipt of notice of any exercise of other demand registration rights or its decision to effect a primary offering, as applicable) to all Holders of its intention to effect such a registration and will include in such registration on the same terms as the Registering Entity and the other Persons selling securities in connection with such registration all Registrable Securities with respect to which the Registering Entity has received written requests for inclusion therein within fifteen (15) days after the date of the Registering Entity's notice. The Registering Entity's notice shall specify, at a minimum, the number of securities proposed to be registered, the proposed date of filing of such registration statement with the Commission, the proposed means of distribution, the proposed managing underwriter or underwriters (if any and if known) and a good faith estimate by the Registering Entity of the proposed minimum offering price of such securities. Any Holder that has made such a written request may withdraw all or any part of its Registrable Securities from such Piggyback Registration by giving written notice to the Registering Entity and the managing underwriter, if any, on or before the fifteenth (15th) day prior to the planned effective date of such Piggyback Registration. The Registering Entity may terminate or withdraw any registration under this Section 3 prior to the effectiveness of such registration, whether or not any Holder has elected to include Registrable Securities in such registration, and except for the obligation to pay Registration Expenses pursuant to Section 3(c) the Registering Entity will have no liability to any Holder in connection with such termination or withdrawal.

(b) Underwritten Registration. If the registration referred to in Section 3(a) is proposed to be underwritten, the Registering Entity will so advise the Holders as a part of the written notice given pursuant to Section 3(a). In such event, the right of any Holder to registration pursuant to this Section 3 will be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting, and each such Holder will (together with the Registering Entity and the other Holders distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Registering Entity. If any Holder disapproves of the terms of the underwriting, such Holder may elect to withdraw therefrom by written notice to the Registering Entity and the managing underwriter.

(c) Piggyback Registration Expenses. The Registering Entity will pay all Registration Expenses in connection with any Piggyback Registration, whether or not any registration or prospectus becomes effective or final.

(d) Priority on Primary Registrations. If a Piggyback Registration relates to an underwritten primary offering on behalf of the Registering Entity, and the managing underwriters advise the Registering Entity in writing that in their opinion the number of securities requested to be included in such registration exceeds the number of securities that can be sold in such registration without adversely affecting the marketability or price per share of securities to be sold in such offering, the Registering Entity will include in such registration only such number of securities that in the opinion of such underwriters can be sold without such a material and adverse effect, which securities will be so included in the following order of priority: (i) first, the securities the Registering Entity proposes to issue and sell for its own account, (ii) second, the Registrable Securities requested to be included in such registration, *pro rata* among the Holders of such Registrable Securities on the basis of the number of Registrable Securities so requested to be included therein owned by each such Holder, and (iii) third, other securities requested to be included in such registration pursuant to other registration rights agreements or otherwise.

(e) Priority on Secondary Registrations. If a Piggyback Registration relates to an underwritten secondary registration on behalf of other holders of the Registering Entity's securities, and the managing underwriters advise the Registering Entity in writing that in their opinion the number of securities requested to be included in such registration exceeds the number of securities that can be sold in such registration without adversely affecting the marketability or price per share of securities to be sold in such offering, the Registering Entity will include in such registration only such number of securities that in the opinion of such underwriters can be sold without such a material and adverse effect, which securities will be so included in the following order of priority: (i) first, the securities requested to be included therein by the holders requesting such registration and the Registrable Securities requested to be included in such registration, *pro rata* among the holders of such securities and Registrable Securities on the basis of the number of securities so requested to be included therein owned by each such holder, and (ii) second, other securities requested to be included in such registration pursuant to other registration rights agreements or otherwise.

(f) Other Registrations. If the Registering Entity files a Registration Statement with respect to Registrable Securities pursuant to Section 2 or Section 3, and if such registration has not been withdrawn or abandoned, the Registering Entity will not file or cause to be effected any other registration of any of its equity securities or securities convertible or exchangeable into or exercisable for its equity securities under the Securities Act (except on Form S-4 or S-8 or any successor or similar forms), whether on its own behalf or at the request of any holder or holders of such securities, until a period of at least 180 days have elapsed from the effective date of the effectiveness of such Registration Statement.

4. Registration Procedures. Subject to Section 2(d), whenever the Holders have requested that any Registrable Securities be registered pursuant to this Agreement, the Registering Entity will use its reasonable best efforts to effect the registration and sale of such Registrable Securities in accordance with the intended method of disposition thereof. Without limiting the generality of the foregoing, the Registering Entity will, as expeditiously as possible:

(a) prepare and (within 60 days after the end of the thirty-day period within which requests for registration may be given to the Registering Entity pursuant to Section 2(a) or 2(c)) file with the Commission a Registration Statement with respect to such Registrable Securities, make all required filings with FINRA and use its reasonable best efforts to cause such Registration Statement to become effective as soon as practicable thereafter, provided that before filing a Registration Statement or any amendments or supplements thereto, a Prospectus included in such Registration Statement (including a preliminary Prospectus) or filed under Rule 424 of the Securities Act with the Commission, the Registering Entity will furnish to the Holders covered by such Registration Statement copies of all such documents proposed to be filed, including exhibits thereto and exhibits incorporated by reference; and the Registering Entity will give one counsel selected by the Holders of a majority of the Registrable Securities covered by such Registration Statement the opportunity to participate in the preparation of such Registration Statement, each Prospectus (including preliminary Prospectus) included therein or filed under Rule 424 of the Securities Act with the Commission, and each amendment thereof or supplement thereto, in each case at the Registering Entity's reasonable expense in accordance with Section 5(b). Unless such counsel earlier informs the Registering Entity that it has no objections to the filing of such Registration Statement, Prospectus, amendment or supplement, the Registering Entity will not file such Registration Statement, Prospectus, amendment or supplement prior to the date that is five Business Days from the date that such Holders received such document. The Holders covered by such Registration Statement will have the opportunity to object to any information pertaining to such Holders that is contained in the Registration Statement, Prospectus, amendment or supplement, and the Registering Entity will make the corrections reasonably requested by such Holders with respect to such information prior to filing any Registration Statement or amendment thereto or any Prospectus or any supplement thereto. The Registering Entity will not, without the prior consent (which will not be unreasonably withheld, conditioned or delayed) of the Holders representing a majority of the Registrable Securities covered by such Registration Statement, make any offer relating to the Registrable Securities that would constitute a "free writing Prospectus," as defined in Rule 405 of the Securities Act. The Registering Entity will not file any Registration Statement or amendment or post-effective amendment or supplement to such Registration Statement or any Prospectus to which such counsel will have reasonably objected in writing on the grounds that (and explaining why) such document does not comply in all material respects with the requirements of the Securities Act or of the rules or regulations thereunder;

(b) prepare and file with the Commission such amendments and supplements to such Registration Statement as may be necessary to keep such Registration Statement effective for the period provided in Section 2(g), and to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement until such time as all of such securities have been disposed of in accordance with the intended methods of disposition by the seller or sellers thereof set forth in such Registration Statement;

(c) furnish to each seller of Registrable Securities such number of copies, without charge, of such Registration Statement, each amendment and supplement thereto, including each preliminary Prospectus, final Prospectus, all exhibits and other documents filed therewith and such other documents as such seller may reasonably request including in order to facilitate the disposition of the Registrable Securities owned by such seller;

(d) use its reasonable best efforts to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any seller and any underwriter(s) reasonably request and do any and all other acts and things that may be necessary or reasonably advisable to enable such seller and any underwriter(s) to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller (provided that the Registering Entity will not be required to (i) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subsection, (ii) subject itself to taxation in any such jurisdiction or (iii) consent to general service of process in any such jurisdiction);

(e) use its reasonable best efforts to cause all Registrable Securities covered by such Registration Statement to be registered with or approved by such other governmental agencies, authorities or self-regulatory bodies as may be necessary or reasonably advisable in light of the business and operations of the Registering Entity to enable the seller or sellers thereof to consummate the disposition of such Registrable Securities in accordance with the intended method or methods of disposition thereof;

(f) promptly notify each seller of such Registrable Securities, at any time when a Prospectus relating thereto is required to be delivered under the Securities Act, upon discovery that, or upon the discovery of the happening of any event as a result of which, the Prospectus included in such Registration Statement or filed under Rule 424 of the Securities Act with the Commission contains an untrue statement of a material fact or omits any fact necessary to make the statements therein not misleading in the light of the circumstances under which they were made, and, as promptly as practicable, prepare and furnish to such seller a reasonable number of copies of a supplement or amendment to such Prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such Prospectus will not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading in the light of the circumstances under which they were made;

(g) promptly notify each seller of any Registrable Securities covered by such Registration Statement and the underwriter(s), if any: (i) when the Registration Statement, any pre-effective amendment, the Prospectus or any Prospectus supplement or post-effective amendment has been filed and, with respect to such Registration Statement or any post-effective amendment, when the same has become effective, (ii) of any request by the Commission for amendments or supplements to such Registration Statement or to amend or to supplement such Prospectus or for additional information, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of such Registration Statement or the initiation of any proceedings for any of such purposes, (iv) of the issuance by the Commission of a notification of objection to the use of the form on which the Registration Statement has been filed, or of the happening of any event that causes the Registering Entity to become an "ineligible issuer," as defined in Rule 405 of the Securities Act, and (v) of the receipt by the Registering Entity of any notification with respect to the suspension of the qualification of any Registrable Securities for sale under the applicable securities or "blue sky" laws of any jurisdiction;

(h) use its reasonable best efforts to cause all such Registrable Securities to be listed on each Exchange on which similar securities issued by the Registering Entity are then listed or, if no similar securities issued by the Registering Entity are then listed on any Exchange, use its reasonable best efforts to cause all such Registrable Securities to be listed on the Exchange in which the IPO is to be effected as provided by and in accordance with the Shareholders' Agreement;

(i) provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such Registration Statement;

(j) enter into such customary agreements (including underwriting agreements with customary provisions) and take all such other actions as the sellers of Registrable Securities or the underwriters, if any, reasonably request in order to expedite or facilitate the disposition of such Registrable Securities (including, without limitation, effecting a share split or a combination of shares);

(k) make available for inspection by any seller of Registrable Securities, any underwriter participating in any disposition pursuant to such Registration Statement and any attorney, accountant or other agent retained by any such seller or underwriter, all financial and other records, pertinent corporate documents and documents relating to the business of the Registering Entity, and cause the Registering Entity's officers, directors, employees and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such Registration Statement; provided that each Holder will, and will use its commercially reasonable efforts to cause each such underwriter, accountant or other agent to, (i) enter into a confidentiality agreement in form and substance reasonably satisfactory to the Registering Entity and (ii) minimize the disruption to the Registering Entity's business in connection with the foregoing;

(l) otherwise use its reasonable best efforts to comply with all applicable rules and regulations of the Commission, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve months beginning with the first day of the Registering Entity's first full calendar quarter after the effective date of the Registration Statement, which earnings statement will satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

(m) in the event of the issuance of any stop order suspending the effectiveness of a Registration Statement, or of any order suspending or preventing the use of any related prospectus or ceasing trading of any securities included in such Registration Statement for sale in any jurisdiction, use its reasonable best efforts promptly to obtain the withdrawal of such order;

(n) enter into such agreements and take such other actions as the sellers of Registrable Securities or the underwriters reasonably request in order to expedite or facilitate the disposition of such Registrable Securities, including, without limitation, preparing for and participating in such number of "road shows" and all such other customary selling efforts as the underwriters reasonably request in order to expedite or facilitate such disposition;

(o) obtain one or more comfort letters, addressed to the sellers of Registrable Securities and the underwriter(s) (if any), dated the effective date of or the date of the final receipt issued for such Registration Statement (and, if such registration includes an underwritten public offering dated the date of the closing under the underwriting agreement for such offering), signed by the Registering Entity's independent public accountants in customary form and covering such matters of the type customarily covered by comfort letters as the Holders of a majority of the Registrable Securities being sold in such offering and such underwriter(s) reasonably request;

(p) provide legal opinions of the Registering Entity's outside counsel, addressed to the underwriter(s) (if any) and the Holders of the Registrable Securities being sold, dated the effective date of or the date of the final receipt issued for such Registration Statement, each amendment and supplement thereto (and, if such registration includes an underwritten public offering, dated the date of the closing under the underwriting agreement), with respect to the Registration Statement, each amendment and supplement thereto (including the preliminary prospectus) and such other documents relating thereto in customary form and covering such matters of the type customarily covered by legal opinions of such nature;

(q) promptly respond to any and all comments received from the Commission, with a view towards causing each Registration Statement or any amendment thereto to be declared effective by the Commission as soon as practicable and file an acceleration request as soon as practicable following the resolution or clearance of all Commission comments or, if applicable, following notification by the Commission that any such Registration Statement or any amendment thereto will not be subject to review;

(r) furnish each seller of Registrable Securities with a copy of all documents submitted to any Exchange and all amendments thereto. In connection with any offering of Registrable Securities pursuant to this Agreement, the Registering Entity shall instruct the transfer agent and registrar of the securities to release any stop transfer orders with respect to the securities so sold;

(s) furnish to any seller of Registrable Securities such information and assistance as such seller may reasonably request in connection with any "due diligence" effort which such seller deems appropriate; and

(t) provide a CUSIP number for the Registrable Securities and use its reasonable best efforts to take or cause to be taken all other actions, and do and cause to be done all other things, necessary or reasonably advisable in the opinion of any seller of Registrable Securities or the underwriter(s), if any, to effect the registration of such Registrable Securities contemplated hereby.

The Registering Entity agrees not to file or make any amendment to any Registration Statement with respect to any Registrable Securities, or any amendment of or supplement to the Prospectus used in connection therewith, that refers to any Holder covered thereby by name, or otherwise identifies such Holder as the holder of any securities of the Registering Entity, without the consent of such Holder, such consent not to be unreasonably withheld or delayed, unless and to the extent such disclosure is required by law.

The Registering Entity may require each Holder as to which any registration is being effected to furnish the Registering Entity with such information regarding such Holder and pertinent to the disclosure requirements relating to the registration and the distribution of such securities as the Registering Entity may from time to time reasonably request in writing.

If any such Registration Statement refers to any Holder by name or otherwise as the holder of any securities of the Registering Entity, then such Holder shall have the right to require (i) the insertion therein of language, in form and substance reasonably satisfactory to such Holder, to the effect that the holding by such Holder of such securities does not necessarily make such holder a "controlling person" of the Registering Entity within the meaning of the Securities Act and is not to be construed as a recommendation by such Holder of the investment quality of the Registering Entity's securities covered thereby and that such holding does not imply that such Holder will assist in meeting any future financial requirements of the Registering Entity, or (ii) in the event that such reference to such Holder by name or otherwise is not required by the Commission or Securities Act or any similar federal statute then in force, the deletion of the reference to such Holder.

In addition to the obligations contained in this Section 4, in connection with any Application in respect of a sale or distribution by the Holders of Registrable Securities outside the United States, the Registering Entity shall further assist and facilitate such sale or distribution, including without limitation, by providing such information as the relevant Holders may reasonably request for purposes of such Application and the related offering. Without limiting the foregoing, the assistance, documents and procedures, provisions for payment of expenses, requirement for information from Holders, indemnification and other provisions set forth in Sections 4 through 6 hereof shall apply to the Registration Statement and sale or distribution of Registrable Securities, with such reasonable and necessary adjustments as would customarily apply in the applicable jurisdictions where the public offering and the Registration Statement is made, and with all references herein to United States securities laws being deemed replaced by references to applicable provisions of local law, regulation or stock exchange requirements in such jurisdictions.

5. Registration Expenses.

(a) Except as otherwise provided for herein, all expenses incidental to the Registering Entity's performance of or compliance with this Agreement, including, without limitation, all registration and filing fees, fees and expenses of compliance with securities or blue sky laws, word processing, duplicating and printing expenses, messenger and delivery expenses, listing application fees, transfer agent's and registrar's fees, costs of distributing Prospectus in preliminary and final form as well as any supplements thereto, and fees and disbursements of counsel for the Registering Entity and all independent certified public accountants, underwriters and other Persons retained by the Registering Entity (all such expenses, "Registration Expenses"), will be borne by the Registering Entity, and the Registering Entity will also pay its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expenses of any annual audit or quarterly review, the expenses of any liability insurance and the expenses and fees for listing the securities on an Exchange. All Selling Expenses will be borne by the holders of the securities so registered *pro rata* on the basis of the number of their shares so registered.

(b) In connection with each registration initiated hereunder, the Registering Entity shall reimburse the Holders covered by such registration or sale for the reasonable fees and disbursements of one law firm (and one local counsel) chosen by Holders holding a majority of the Registrable Securities to be included in the applicable registration. The amount of reimbursement under this Section 5(b) is limited to US$1,300,000 in respect of a registration initiated in connection with an IPO, and US$800,000 in the aggregate for all other registrations initiated hereunder.

(c) The obligation of the Registering Entity to bear the expenses described in Section 5(a) and to reimburse the Holders for the expenses described in Section 5(b) shall apply irrespective of whether any sales of Registrable Securities ultimately take place.

6. Indemnification.

(a) The Registering Entity agrees to indemnify and hold harmless, and hereby does indemnify and hold harmless, to the fullest extent permitted by law, each Holder, its Affiliates and their respective officers, directors, employees and partners and each Person who controls such Holder (within the meaning of the Securities Act) against, and pay and reimburse such Holder, Affiliate, director, officer, employee or partner or controlling person for any losses, claims, damages, expenses (including but not limited to reasonable legal fees and expenses), liabilities, joint or several, to which such Holder or any such Affiliate, director, officer, employee or partner or controlling person may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages, expenses or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon (i) any untrue or alleged untrue statement of material fact contained in any Registration Statement, Prospectus or preliminary Prospectus or any “issuer free writing Prospectus” (as defined in Rule 433 under the Securities Act) or any “issuer free writing Prospectus” or any amendment thereof or supplement thereto, (ii) any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Registering Entity of any rule or regulation promulgated under the Securities Act, the Exchange Act or any state securities laws applicable to the Registering Entity, and the Registering Entity will pay and reimburse such Holder and each such Affiliate, director, officer, partner, employee and controlling person for any legal or any other expenses actually and reasonably incurred by them in connection with investigating, defending or settling any such loss, claim, damage, expense, liability, action or proceeding, provided that the Registering Entity will not be liable in any such case to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon an untrue statement or alleged untrue statement, or omission or alleged omission, made in such Registration Statement, any such Prospectus or preliminary Prospectus or any amendment or supplement thereto, or in any application, in reliance upon, and in conformity with, written information prepared and furnished to the Registering Entity by such Holder expressly for use therein. In connection with an underwritten offering, the Registering Entity, if requested, will indemnify such underwriters, their officers and directors and each Person who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above with respect to the indemnification of the Holders.

(b) In connection with any Registration Statement in which a Holder is participating, each such Holder will furnish to the Registering Entity in writing such information and affidavits as the Registering Entity reasonably requests for use in connection with any such Registration Statement or Prospectus and will indemnify and hold harmless, to the fullest extent permitted by law, the Registering Entity, its directors and officers, each underwriter and each other Person who controls the Registering Entity (within the meaning of the Securities Act) and each such underwriter against any losses, claims, damages, expenses (including but not limited to reasonable legal fees and expenses), liabilities, joint or several, to which such Holder or any such director or officer, any such underwriter or controlling person may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages, expenses, or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon (i) any untrue or alleged untrue statement of material fact contained in the Registration Statement, Prospectus or preliminary Prospectus or any "issuer free writing Prospectus" (as defined in Rule 433 under the Securities Act) or any amendment thereof or supplement thereto or (ii) any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or omission is made in such Registration Statement, any such Prospectus or preliminary Prospectus or any "issuer free writing Prospectus" or any amendment or supplement thereto in reliance upon and in conformity with written information prepared and furnished to the Registering Entity by such Holder expressly for use therein, and such Holder will reimburse the Registering Entity and each such director, officer, underwriter and controlling Person for any legal or any other expenses actually and reasonably incurred by them in connection with investigating, defending or settling any such loss, claim, damage, expense, liability, action or proceeding, provided that the obligation to indemnify and hold harmless will be individual and several, not joint and several, to each holder and will be in proportion to and limited to the net amount of proceeds received by such Holder (after underwriting discounts and commissions) from the sale of Registrable Securities pursuant to such Registration Statement.

(c) Any Person entitled to indemnification hereunder will (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party will not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld, conditioned or delayed). The indemnifying party shall not enter into any settlement of the claims so assumed without the consent of the indemnified party, provided, that the consent of the indemnified party will not be required if the settlement involves only the payment of money damages all of which are indemnifiable losses hereunder and does not involve the imposition of any equitable remedy or admission of wrongdoing. An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim. Failure to give prompt written notice shall not release the indemnifying party from its obligations hereunder except to the extent that (and only to the extent that) such failure shall have caused the damages for which the indemnifying party is obligated to be greater than such damages would have been had prompt written notice been given.

(d) The indemnification provided for under this Agreement will remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling Person of such indemnified party and will survive the registration and sale of any securities by any Person entitled to any indemnification hereunder and the expiration or termination of this Agreement.

(e) If the indemnification provided for in this Section 6 is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any loss, liability, claim, damage or expense referred to therein, then the indemnifying party, in lieu of indemnifying such indemnified party thereunder, will contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other hand in connection with the statements or omissions which resulted in such loss, liability, claim, damage or expense. The relative fault of the indemnifying party and the indemnified party will be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. Notwithstanding the foregoing, the amount any Holder will be obligated to contribute pursuant to this Section 6(e) will be limited to an amount equal to the net proceeds (after underwriting discounts and commissions) to such Holder of the Restricted Securities sold pursuant to the registration statement which gives rise to such obligation to contribute (less the aggregate amount of any damages which the Holder has otherwise been required to pay in respect of such loss, claim, damage, liability or action or any substantially similar loss, claim, damage, liability or action arising from the sale of such Restricted Securities) or the amount for which such indemnifying party would have been obligated to pay by way of indemnification if the indemnification provided for under Section 6(a) or 6(b) hereof had been available under the circumstances.

7. Participation in Underwritten Registrations.

(a) No Holder may participate in any registration hereunder that is underwritten unless such Holder (i) agrees to sell its Registrable Securities on the basis provided in any underwriting arrangements approved by the Person or Persons entitled hereunder to approve such arrangements (including, without limitation, pursuant to the terms of any over-allotment or “green shoe” option requested by the managing underwriter(s), provided that no Holder will be required to sell more than the number of Registrable Securities that such Holder has requested the Registering Entity to include in any registration), (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements, and (iii) cooperates with the Registering Entity’s reasonable requests in connection with such registration or qualification (it being understood that the Registering Entity’s failure to perform its obligations hereunder, which failure is caused by such Holder’s failure to cooperate, will not constitute a breach by the Registering Entity of this Agreement). Notwithstanding the foregoing, no Holder will be required to agree to any indemnification obligations on the part of such Holder that are greater than its obligations pursuant to Section 7(b).

(b) Each Holder that is participating in any registration hereunder agrees that, upon receipt of any notice from the Registering Entity, after consultation with outside counsel, of the happening of any event of the kind described in Section 4(f) above, such Holder will forthwith discontinue the disposition of its Registrable Securities pursuant to the Registration Statement until such Holder receives copies of a supplemented or amended Prospectus as contemplated by such Section 4(f), provided, however, that the Registering Entity shall promptly use its reasonable best efforts to file a post effective amendment or take such other action so as to obviate the need for such a notice as soon as reasonably practicable in the good faith judgment of the Registering Entity and promptly after filing such amendment (and in any event within 24 hours of such filing) deliver sufficient copies of such supplemented or amended Prospectuses pursuant to Section 4(c) to such sellers to resume such disposition, provided further, however, that such postponement of sales of Registrable Securities by the Holders shall not exceed 120 days in the aggregate in any one year. In the event the Registering Entity gives any such notice, the applicable the period of time during which a Registration Statement is to remain effective pursuant to this Agreement will be extended by the number of days during the period from and including the date of the giving of such notice pursuant to this Section 7(b) to and including the date when each seller of a Registrable Security covered by such Registration Statement will have received the copies of the supplemented or amended Prospectus contemplated by Section 4(f). In any event, the Registering Entity shall not deliver more than three notices under this Section 7(b) in any one year.

8. Rule 144 Reporting. With a view to making available the benefits of certain rules and regulations of the Commission which may permit the sale of the restricted securities to the public without registration, the Registering Entity agrees to:

(i) make and keep adequate current public information available as those terms are understood and defined in Rule 144 under the Securities Act, at all times to the extent required to enable the holders of Registrable Securities covered by a Registration Statement to sell such Registrable Securities without registration under the Securities Act within the limitations of the exemptions provided by Rule 144 thereunder, and

(ii) file with the Commission in a timely manner all reports and other documents required of the Registering Entity under the Securities Act and the Exchange Act at any time after it has become subject to such reporting requirements.

9. Certain Agreements.

(a) Lock Up Agreements. In consideration for the Registering Entity agreeing to its obligations under this Agreement, each Holder agrees in connection with any registration of the Registering Entity's securities (whether or not such Holder is participating in such registration) upon the request of the Registering Entity and the underwriters managing any underwritten offering of the Registering Entity's securities, not to effect (other than pursuant to such registration) any public sale or distribution of Registrable Securities, including, but not limited to, any sale pursuant to Rule 144, or make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any Registrable Securities, any other equity securities of the Registering Entity or any securities convertible into or exchangeable or exercisable for any equity securities of the Registering Entity without the prior written consent of the Registering Entity or such underwriters, as the case may be, for such period of time (not to exceed 180 days in the case of the Registering Entity's initial public offering, or 90 days in the case of any other offering) from the effective date of such registration unless the underwriters managing the registration otherwise agree to a shorter period.

(b) Holdback Agreement. The Registering Entity agrees not to, directly or indirectly, sell, pledge, contract to sell, grant an option to purchase or otherwise dispose of any equity securities of the Registering Entity or any securities convertible into or exchangeable or exercisable for any equity securities of the Registering Entity during the 10 days prior to and during the 90 days (or 180 days in the case of the Registering Entity's initial public offering) beginning on the effective date of any underwritten registration pursuant to Section 2 or Section 3 (except as part of such underwritten registration or pursuant to registrations on Form S-8 or S-4 or any successor forms thereto) unless the underwriters managing the registration otherwise agree to a shorter period.

10. Term. This Agreement will be effective as of the date hereof and will continue in effect thereafter until the earliest of (a) its termination by the consent of the Company and each Holder, (b) the date on which no Registrable Securities remain outstanding and (c) the dissolution, liquidation or winding up of the Registering Entity.

11. Defined Terms. Capitalized terms when used in this Agreement have the following meanings:

"Affiliate" of any Person means any other Person which directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlling," "controlled by" and "under common control with") as used with respect to any Person means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Application" means any application to any Foreign Exchange to have shares traded on such Foreign Exchange, whether or not in connection with a public offering, including copies of all documents submitted to such Foreign Exchange and all amendments thereto, any prospectus included therein (including a preliminary prospectus and all amendments and supplements thereto), in each case including all exhibits, and such other documents as may be reasonably necessary for the purposes of the proposed sale or distribution of Registrable Securities to be made in connection with such application.

"Board" means the board of directors of the Company from time to time.

"Commission" means the Securities and Exchange Commission or any other federal agency administering the Securities Act.

"Exchange" means a stock or securities exchange or quotation system.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any similar federal statute and the rules and regulations thereunder, as in effect from time to time.

"FINRA" means the Financial Industry Regulatory Authority, Inc.

"Foreign Exchange" means any Exchange outside the United States.

"Holder" means the Shareholders and any transferees of such Shareholder in accordance with the Shareholders' Agreement (if the Shareholders' Agreement has not earlier terminated).

"IPO" means the initial public offering of the Ordinary Shares (or securities of IPO Holdco, as applicable) to the general public.

"IPO Holdco" means a new holding company formed as a special purpose vehicle for the IPO; provided that, as part of, or immediately after an IPO, a Shareholder has the right, at its sole option, to cause the Company to exchange any or all of its Ordinary Shares for the securities in such new holding company.

"Ordinary Shares" means a fully paid share in the capital of the Company carrying the rights and obligations set out in the Shareholders' Agreement and in the Memorandum and Articles of Association (as defined in the Shareholders' Agreement).

"Person" means an individual, a partnership, a joint venture, a corporation, a limited liability company, a trust, an unincorporated organization or a government or department or agency thereof.

"Prospectus" means the prospectus or prospectuses forming a part of, or deemed to form a part of, or included in, or deemed included in, any Registration Statement, as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities covered by such Registration Statement and by all other amendments and supplements to the prospectus, including post-effective amendments and all material incorporated by reference in such prospectus or prospectuses.

"Register," "registered" and "registration" refers to a registration effected by preparing and filing a Registration Statement in compliance with the Securities Act, and the declaration or ordering of the effectiveness of such Registration Statement, and compliance with applicable state securities laws of the states with respect to which Holders notify the Registering Entity of their intention to offer Registrable Securities and, in the case of a sale or distribution of Registrable Securities outside the United States, "Register," "registered" and "registration" includes any Application.

"Registrable Securities" means (i) any Ordinary Shares or securities of IPO HoldCo, as applicable, (ii) any other stock or securities that the holders of the Ordinary Shares or securities of IPO HoldCo, as applicable, may be entitled to receive, or have received, or (iii) any securities issued or issuable directly or indirectly with respect to the securities referred to in the foregoing clause (i) or (ii) by way of conversion, substitution or exchange thereof or therefor or share dividend or share split or in connection with a combination of shares, recapitalization, reclassification, merger, amalgamation, arrangement, consolidation or other reorganization. As to any particular securities constituting Registrable Securities, such securities will cease to be Registrable Securities when (x) they have been effectively registered or qualified for sale by prospectus filed under the Securities Act and disposed of in accordance with the Registration Statement covering therein, or (y) they have been sold to the public through a broker, dealer or market maker pursuant to Rule 144 or other exemption from registration under the Securities Act. For purposes of this Agreement, a Person will be deemed to be a holder of Registrable Securities whenever such Person has the right to acquire directly or indirectly such Registrable Securities (upon conversion or exercise in connection with a transfer of securities or otherwise, but disregarding any restrictions or limitations upon the exercise of such right), whether or not such acquisition has actually been effected.

"Registration Expenses" has the meaning set forth in Section 5.

"Registration Request" means an IPO Registration Request or a Post-IPO Registration Request, as applicable. The term Registration Request will also include, where appropriate, a Shelf Registration request made pursuant to Section 2(c).

"Registration Statement" means the registration statement (including the Prospectus, amendments and supplements to such registration statement, including post-effective amendments, all exhibits and all materials incorporated by reference in such registration statement) filed with the Commission to effect a registration under the Securities Act and, in the case of a sale or distribution of Registrable Securities outside the United States, "Registration Statement" includes any Application.

"Required Holders" means Holders holding in aggregate at least 10% of the issued and outstanding Ordinary Shares or securities in IPO HoldCo, as applicable.

"Rule 144" means Rule 144 under the Securities Act or any successor or similar rule as may be enacted by the Commission from time to time, as in effect from time to time.

"Securities Act" means the Securities Act of 1933, as amended, or any similar federal statute and the rules and regulations thereunder, as in effect from time to time.

"Selling Expenses" means all underwriting discounts and selling commissions applicable to the sale of Registrable Securities hereunder.

"underwritten offering" or "underwritten registration" means a registration in which securities of the Registering Entity are sold to one or more underwriters (as defined in Section 2(a)(11) of the Securities Act) for resale to the public.

12. Miscellaneous.

(a) No Inconsistent Agreements. The Registering Entity will not hereafter enter into any agreement with respect to its securities which is inconsistent with or violates the rights granted to the holders of Registrable Securities in this Agreement.

(b) Adjustments Affecting Registrable Securities. The Registering Entity will not take any action, or permit any change to occur, with respect to its securities which would materially and adversely affect the ability of the holders of Registrable Securities to include such Registrable Securities in a registration or qualification for sale by prospectus undertaken pursuant to this Agreement or which would adversely affect the marketability of such Registrable Securities in any such registration or qualification (including, without limitation, effecting a share split or a combination of shares).

(c) Remedies. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that any party hereto will have the right to injunctive relief, in addition to all of its other rights and remedies at law or in equity, to enforce the provisions of this Agreement.

(d) Amendments and Waivers. Except as otherwise provided herein, the provisions of this Agreement may be amended or waived only upon the prior written consent of the Registering Entity and the Holders of a majority of the Registrable Securities held by all Holders, provided that in the event that such amendment or waiver would treat a Holder or group of Holders in a manner different from any other Holders, then such amendment or waiver will require the consent of such Holder or the Holders of a majority of the Registrable Securities of such group adversely treated.

(e) Successors and Assigns. This Agreement will be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns. In addition, and whether or not any express assignment will have been made, the provisions of this Agreement which are for the benefit of the Holders of the Registrable Securities (or any portion thereof) as such will be for the benefit of and enforceable by any subsequent holder of any Registrable Securities (or of such portion thereof), subject to the provisions respecting the minimum numbers or percentages of shares of Registrable Securities (or of such portion thereof) required in order to be entitled to certain rights, or take certain actions, contained herein. For the avoidance of doubt, if the Company is not the registering entity in an IPO, it shall cause the registering entity to assume all as the Registering Entity under this Agreement prior to commencement of such IPO.

(f) Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

(g) Counterparts. This Agreement may be executed simultaneously in two or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together will constitute one and the same Agreement.

(h) Descriptive Headings. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

(i) Governing Law. This Agreement and the rights and duties of the parties hereto hereunder shall be governed by and construed in accordance with laws of the State of New York, without giving effect to its principles or rules of conflict of laws to the extent such principles or rules are not mandatorily applicable by statute and would require or permit the application of the laws of another jurisdiction.

(j) Arbitration. For so long as the Shareholders' Agreement is in effect, if a dispute arises out of or relates to this Agreement or the transactions contemplated hereby, such dispute shall be resolved through arbitration pursuant to the procedures set out in clause 37 of the Shareholders' Agreement.

(k) Aggregation of Shares. All Registrable Securities held by or acquired by any Affiliate of a Holder will be aggregated together with the Registrable Securities held by such Holder for the purpose of determining the availability of any rights under this Agreement.

(l) Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement will be in writing and will be deemed to have been given when personally delivered or received by certified mail, return receipt requested, or sent by guaranteed overnight courier service. Such notices, demands and other communications will be sent to the Company and the Shareholders in the manner and at the addresses set forth in the Shareholders' Agreement.

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IN WITNESS WHEREOF, the undersigned have set their hands and seals as of the above date.

**CYBER ONE AGENTS LIMITED**

By: /s/ Geoffrey DAVIS
Name: Geoffrey DAVIS
Title:

**NEW COTAI, LLC**

By: /s/ Thomas R. BANKS
Name: Thomas R. BANKS
Title:

## SCHEDULE OF SHAREHOLDERS

| Name | Address |
| --- | --- |
| New Cotai, LLC | c/o New Cotai Holdings, LLC<br>PMB 145, 2654 W. Horizon Ridge Parkway, B-5<br>Henderson, Nevada 89052 |

**Exhibit 10.5**

**AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT**

This AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT, dated as of , 2018 (this "Agreement"), is made by and among Studio City International Holdings Limited (formerly known as CYBER ONE AGENTS LIMITED), an exempted company with limited liability in the Cayman Islands (the "Company"), and those parties set forth on the Schedule of Shareholders attached hereto (each, a "Shareholder" and collectively, the "Shareholders").

A. The Company (prior to its transfer by way of continuation (redomiciling) as an exempted company with limited liability in the Cayman Islands, the "Predecessor Company")) and the Shareholders entered into that certain Registration Rights Agreement dated as of July 27, 2011 (the "Existing Agreement"), pursuant to which the Predecessor Company provided registration rights to the Shareholders as set forth therein.

B. The Company is contemplating an initial public offering (the "IPO") of American Depositary Shares (the "ADS"), each ADS representing a certain number of Class A Ordinary Shares (as defined below) of the Company.

C. In connection with the IPO, the Predecessor Company and the Shareholders have entered into that certain Implementation Agreement, dated as of [●], 2018 (as such agreement may be amended from time to time, "Implementation Agreement"), pursuant to which, and subject to the conditions set forth therein, the Predecessor Company and the Shareholders have, among other things, agreed to take certain actions in anticipation of the contemplated IPO.

D. In connection with the IPO, the Company desires to amend and restate the Existing Agreement in order to provide to the Shareholders certain rights with respect to the registration of the Registrable Securities (as defined below) upon the terms and subject to the conditions set forth herein.

E. Capitalized terms used in this Agreement are used as defined in Section 9.

Now, therefore, the parties hereto agree as follows:

1. Demand Registrations.

(a) Requests for Registration. At any time following an IPO, the Required Holders may request in writing that the Company effect the registration of all or any part of the Registrable Securities held by such Required Holders (a "Registration Request"). Promptly after its receipt of any Registration Request, the Company will give written notice of such request to all other Holders, and will use its reasonable best efforts to register, in accordance with the provisions of this Agreement, all Registrable Securities that have been requested to be registered by the Holders in the Registration Request or by any other Holders that have provided written notice to the Company within 30 days after the date the Company has given such Holders notice of the Registration Request; provided that the Company will not be required to effect a registration pursuant to this Section 1(a) unless the minimum aggregate value of the Registrable Securities that are proposed to be sold in such registration by such Holders shall be at least US$50,000,000. The Company will pay all Registration Expenses incurred in connection with any registration pursuant to this Section 1.

(b) Limitation on Demand Registrations. The Company will not be obligated to effect more than five registrations pursuant to this Section 1; provided that a request for registration will not count for the purposes of this limitation if (i) the Holders of a majority of Registrable Securities covered by a particular registration determine in good faith to withdraw (prior to the effective date of the Registration Statement relating to such request) the proposed registration, (ii) the Registration Statement relating to such request is not declared effective within 120 days of the date such registration statement is first filed with the Commission, (iii) if, after such Registration Statement becomes effective, such Registration Statement becomes subject to any stop order, injunction or other order or requirement of the Commission or other governmental agency or court for any reason, (iv) the Holders are not able to register and sell at least 80% of the Registrable Securities requested to be included in such registration, other than by reason of such Holders withdrawing their request or terminating the offering, (v) the conditions to closing specified in the underwriting agreement or purchase agreement entered into in connection with the registration relating to such request are not satisfied (other than as a result of a material default or material breach thereunder by the Holders), or (vi) if the Registration Statement relating to such request has not remained effective until the earlier of the time when all the Registrable Securities requested to be included in such registration are sold and the end of the period described in Section 1(g). Notwithstanding the foregoing, the Company will pay all Registration Expenses in connection with any request for registration pursuant to Section 1(a) regardless of whether or not such request counts toward the limitation set forth above. The Company shall not be required to file and cause to become effective more than one registration statement in any six month period.

(c) Shelf Registrations. At any time following the IPO, the Required Holders may request in writing that the Company effect the registration described in Section 1(a) on Form F-3 or any successor form thereto (or, if applicable, Form S-3 or any successor form thereto) (a "Shelf Registration Statement") (provided that the Company is eligible to use such form) for an offering to be made on a continuous basis pursuant to Rule 415 under the Securities Act and to use reasonable best efforts to cause such registration statement to become effective and to maintain the effectiveness of such shelf registration statement with respect to such Registrable Securities in the Company of Holders participating in the registration for the period provided in Section 1(g) hereof (a "Shelf Demand Registration"). To the extent the Company is a well-known seasoned issuer (a "WKSI") (as defined in Rule 405 under the Securities Act) at the time any Required Holders make a Shelf Demand Registration, the Company shall file a Shelf Registration Statement under procedures applicable to WKSIs. The Company shall not be obligated to file more than one Shelf Demand Registration in any twelve-month period.

If (x) a Shelf Registration Statement filed pursuant to Section 1(c) includes securities to be issued by the Company and (y) immediately prior to the third anniversary of the initial effective date of such Shelf Registration Statement, any Registrable Securities remain unsold under such Shelf Registration Statement, the Company will, prior to such third anniversary, file a new Shelf Registration Statement relating to such unsold Registrable Securities and will use its reasonable best efforts to cause such Shelf Registration Statement to be declared effective within 180 days after such third anniversary, and will take all other action necessary or appropriate to permit the public offering and sale of the remaining Registrable Securities to continue as contemplated in the expired Shelf Registration Statement, provided that such filing of a new Shelf Registration will be limited to one time.

(d) Restrictions on Demand Registrations. The Company may postpone for a reasonable period of time, not to exceed 90 days, the filing of a prospectus or the effectiveness of a Registration Statement for a registration pursuant to this Section 1 if the Company furnishes to the Holders a certificate signed by the principal executive officer of the Company, following consultation with, and after obtaining the good faith approval of, the board of directors of the Company, stating that the Company believes that such postponement is necessary in order to avoid premature disclosure of a material matter required, as determined by the Company after consultation with outside counsel, to be otherwise disclosed in the prospectus the disclosure of which the board has determined would have a material adverse effect on any proposal or plan by the Company to engage in any acquisition of assets (other than in the ordinary course of business) or any merger, amalgamation, consolidation, tender offer or similar transaction, or otherwise would have a material adverse effect on the business, assets, operations, prospects or financial condition of the Company; provided, however, that the Company shall not be entitled to so postpone unless it shall (A) concurrently request the suspension of sales by other security holders under registration statements covering securities held by such other security holders, (B) in accordance with the Company's policies from time to time in effect, forbid purchases and sales in the open market by senior executives of the Company, and (C) itself refrain from any public offering and open market purchases during the postponement; provided further, however, that the Company may not effect such a postponement more than once in any 360-day period. If the Company so postpones the filing of a prospectus or the effectiveness of a Registration Statement, the Holders of a majority of Registrable Securities covered by a particular registration will be entitled to withdraw such request and, if such request is withdrawn, such registration request will not count for the purposes of the limitation set forth in Sections 1(b) and 1(c). The Company shall provide written notice to the Holders of the Company's decision to file or seek effectiveness of a Registration Statement following such postponement and the effectiveness of such Registration Statement. The Company will pay all Registration Expenses incurred in connection with any such postponed filing and any such postponed effectiveness of a Registration Statement.

(e) Selection of Underwriters. In connection with any Registration Request in which the Required Holders intend to distribute the Registrable Securities by means of an underwritten offering, they will so advise the Company as a part of the Registration Request, and the Company will include such information in the notice sent by the Company to the other Holders with respect to such Registration Request. In such event, the Holders of a majority of the Registrable Securities covered by such Registration Request will have the right to select the managing underwriter to administer the offering; provided that such underwriter shall be subject to the Company's approval which will not be unreasonably withheld, conditioned or delayed. If the offering is underwritten, the right of any Holder to registration pursuant to this Section 1 will be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting (unless otherwise agreed by the Holders of a majority of Registrable Securities covered by a particular registration), and each such Holder will (together with the Company and the other Holders distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting. If any Holder disapproves of the terms of the underwriting, such Holder may elect to withdraw therefrom by written notice to the Company, the managing underwriter and the Required Holders.

(f) Priority on Demand Registrations. The Company will not include in any underwritten registration pursuant to Section 1(a) or 1(c) any securities that are not Registrable Securities without the prior written consent of the Holders making the Registration Request. In the case of any proposed registration that is initiated by a Holder pursuant to Section 1, if the managing underwriter in good faith advises the Company that in its opinion the number of Registrable Securities (and, if permitted hereunder, other securities requested to be included in such offering) exceeds the number of securities that can be sold in such offering without adversely affecting the marketability or price per share of securities to be sold in such offering, the Company will include in such offering only such number of securities that in the opinion of such underwriters can be sold without adversely affecting the marketability or price per share of securities to be sold in such offering, which securities will be so included in the following order of priority: (i) first, the Registrable Securities requested to be included in such registration, *pro rata* among the Holders of such Registrable Securities on the basis of the number of Registrable Securities so requested to be included therein by each such Holder, (ii) second, the securities the Company proposes to issue and sell for its own account, and (iii) third, other securities requested to be included in such registration pursuant to other registration rights agreements or otherwise.

(g) Effective Period of Demand Registrations. After any Registration Statement filed pursuant to Section 1(a) has become effective, the Company shall use its reasonable best efforts to keep such Registration Statement effective for a period of either (i) 180 days from the date on which the Commission declares such Registration Statement effective (or if such Registration Statement is not effective during any period within such 180 days or if disposition of Registrable Securities is suspended in the circumstances described in Section 6(b), such 180-day period shall be extended by the number of days during such period when such Registration Statement is not effective or is suspended as provided in Section 6(b)) or, if such Registration Statement relates to an underwritten offering, such longer period as in the opinion of counsel for the underwriters a prospectus is required by law to be delivered in connection with sales of Registrable Securities by an underwriter or dealer or (ii) such shorter period which shall terminate when all of the Registrable Securities covered by such Registration Statement have been sold pursuant to such Registration Statement. After any Shelf Registration Statement filed pursuant to Section 1(c) has become effective, the Company agrees to use its reasonable best efforts to keep the Shelf Registration Statement continuously effective and usable for the resale of the Registrable Securities registered thereunder for a period ending on the first date on which all the Registrable Securities covered by such Shelf Registration Statement shall have been sold pursuant to such Shelf Registration Statement.

(h) Other Registration Rights. Except as provided in this Agreement, the Company will not grant to any holder or prospective holder of any securities of the Company registration rights with respect to such securities which are senior or *pari passu* to the rights granted hereunder without the prior written consent of the Holders of a majority of Registrable Securities.

2. Piggyback Registrations.

(a) Right to Piggyback. Whenever the Company proposes to register any of its securities (other than a registration on Form S-4, Form S-8 or a comparable form, or a registration of securities relating solely to an offering and sale to employees pursuant to any employee stock plan or other employee benefit plan arrangement) other than pursuant to a Registration Request (each, a "Piggyback Registration"), the Company will give prompt written notice (and in any event within 15 days after its receipt of notice of any exercise of other demand registration rights or its decision to effect a primary offering, as applicable) to all Holders of its intention to effect such a registration and will include in such registration on the same terms as the Company and the other Persons selling securities in connection with such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within fifteen (15) days after the date of the Company's notice. The Company's notice shall specify, at a minimum, the number of securities proposed to be registered, the proposed date of filing of such registration statement with the Commission, the proposed means of distribution, the proposed managing underwriter or underwriters (if any and if known) and a good faith estimate by the Company of the proposed minimum offering price of such securities. Any Holder that has made such a written request may withdraw all or any part of its Registrable Securities from such Piggyback Registration by giving written notice to the Company and the managing underwriter, if any, on or before the fifteenth (15th) day prior to the planned effective date of such Piggyback Registration. The Company may terminate or withdraw any registration under this Section 2 prior to the effectiveness of such registration, whether or not any Holder has elected to include Registrable Securities in such registration, and except for the obligation to pay Registration Expenses pursuant to Section 2(c) the Company will have no liability to any Holder in connection with such termination or withdrawal.

(b) Underwritten Registration. If the registration referred to in Section 2(a) is proposed to be underwritten, the Company will so advise the Holders as a part of the written notice given pursuant to Section 2(a). In such event, the right of any Holder to registration pursuant to this Section 2 will be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting, and each such Holder will (together with the Company and the other Holders distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company. If any Holder disapproves of the terms of the underwriting, such Holder may elect to withdraw therefrom by written notice to the Company and the managing underwriter.

(c) Piggyback Registration Expenses. The Company will pay all Registration Expenses in connection with any Piggyback Registration, whether or not any registration or prospectus becomes effective or final.

(d) Priority on Primary Registrations. If a Piggyback Registration relates to an underwritten primary offering on behalf of the Company, and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number of securities that can be sold in such registration without adversely affecting the marketability or price per share of securities to be sold in such offering, the Company will include in such registration only such number of securities that in the opinion of such underwriters can be sold without such a material and adverse effect, which securities will be so included in the following order of priority: (i) first, the securities the Company proposes to issue and sell for its own account, (ii) second, the Registrable Securities requested to be included in such registration, *pro rata* among the Holders of such Registrable Securities on the basis of the number of Registrable Securities so requested to be included therein owned by each such Holder, and (iii) third, other securities requested to be included in such registration pursuant to other registration rights agreements or otherwise.

(e) Priority on Secondary Registrations. If a Piggyback Registration relates to an underwritten secondary registration on behalf of other holders of the Company's securities, and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number of securities that can be sold in such registration without adversely affecting the marketability or price per share of securities to be sold in such offering, the Company will include in such registration only such number of securities that in the opinion of such underwriters can be sold without such a material and adverse effect, which securities will be so included in the following order of priority: (i) first, the securities requested to be included therein by the holders requesting such registration and the Registrable Securities requested to be included in such registration, *pro rata* among the holders of such securities and Registrable Securities on the basis of the number of securities so requested to be included therein owned by each such holder, and (ii) second, other securities requested to be included in such registration pursuant to other registration rights agreements or otherwise.

(f) Other Registrations. If the Company files a Registration Statement with respect to Registrable Securities pursuant to Section 1 or Section 2, and if such registration has not been withdrawn or abandoned, the Company will not file or cause to be effected any other registration of any of its equity securities or securities convertible or exchangeable into or exercisable for its equity securities under the Securities Act (except on Form S-4 or S-8 or any successor or similar forms), whether on its own behalf or at the request of any holder or holders of such securities, until a period of at least 180 days have elapsed from the effective date of the effectiveness of such Registration Statement.

3. Registration Procedures. Subject to Section 1(d), whenever the Holders have requested that any Registrable Securities be registered pursuant to this Agreement, the Company will use its reasonable best efforts to effect the registration and sale of such Registrable Securities in accordance with the intended method of disposition thereof. Without limiting the generality of the foregoing, the Company will, as expeditiously as possible:

(a) prepare and (within 60 days after the end of the thirty-day period within which requests for registration may be given to the Company pursuant to Section 1(a) or 1(c)) file with the Commission a Registration Statement with respect to such Registrable Securities, make all required filings with FINRA and use its reasonable best efforts to cause such Registration Statement to become effective as soon as practicable thereafter; provided that before filing a Registration Statement or any amendments or supplements thereto, a Prospectus included in such Registration Statement (including a preliminary Prospectus) or filed under Rule 424 of the Securities Act with the Commission, the Company will furnish to the Holders covered by such Registration Statement copies of all such documents proposed to be filed, including exhibits thereto and exhibits incorporated by reference; and the Company will give one counsel selected by the Holders of a majority of the Registrable Securities covered by such Registration Statement the opportunity to participate in the preparation of such Registration Statement, each Prospectus (including preliminary Prospectus) included therein or filed under Rule 424 of the Securities Act with the Commission, and each amendment thereof or supplement thereto, in each case at the Company's reasonable expense in accordance with Section 4(b). Unless such counsel earlier informs the Company that it has no objections to the filing of such Registration Statement, Prospectus, amendment or supplement, the Company will not file such Registration Statement, Prospectus, amendment or supplement prior to the date that is five Business Days from the date that such Holders received such document. The Holders covered by such Registration Statement will have the opportunity to object to any information pertaining to such Holders that is contained in the Registration Statement, Prospectus, amendment or supplement, and the Company will make the corrections reasonably requested by such Holders with respect to such information prior to filing any Registration Statement or amendment thereto or any Prospectus or any supplement thereto. The Company will not, without the prior consent (which will not be unreasonably withheld, conditioned or delayed) of the Holders representing a majority of the Registrable Securities covered by such Registration Statement, make any offer relating to the Registrable Securities that would constitute a "free writing Prospectus," as defined in Rule 405 of the Securities Act. The Company will not file any Registration Statement or amendment or post-effective amendment or supplement to such Registration Statement or any Prospectus to which such counsel will have reasonably objected in writing on the grounds that (and explaining why) such document does not comply in all material respects with the requirements of the Securities Act or of the rules or regulations thereunder;

(b) prepare and file with the Commission such amendments and supplements to such Registration Statement as may be necessary to keep such Registration Statement effective for the period provided in Section 1(g), and to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement until such time as all of such securities have been disposed of in accordance with the intended methods of disposition by the seller or sellers thereof set forth in such Registration Statement;

(c) furnish to each seller of Registrable Securities such number of copies, without charge, of such Registration Statement, each amendment and supplement thereto, including each preliminary Prospectus, final Prospectus, all exhibits and other documents filed therewith and such other documents as such seller may reasonably request including in order to facilitate the disposition of the Registrable Securities owned by such seller;

(d) use its reasonable best efforts to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any seller and any underwriter(s) reasonably request and do any and all other acts and things that may be necessary or reasonably advisable to enable such seller and any underwriter(s) to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller (provided that the Company will not be required to (i) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subsection, (ii) subject itself to taxation in any such jurisdiction or (iii) consent to general service of process in any such jurisdiction);

(e) use its reasonable best efforts to cause all Registrable Securities covered by such Registration Statement to be registered with or approved by such other governmental agencies, authorities or self-regulatory bodies as may be necessary or reasonably advisable in light of the business and operations of the Company to enable the seller or sellers thereof to consummate the disposition of such Registrable Securities in accordance with the intended method or methods of disposition thereof;

(f) promptly notify each seller of such Registrable Securities, at any time when a Prospectus relating thereto is required to be delivered under the Securities Act, upon discovery that, or upon the discovery of the happening of any event as a result of which, the Prospectus included in such Registration Statement or filed under Rule 424 of the Securities Act with the Commission contains an untrue statement of a material fact or omits any fact necessary to make the statements therein not misleading in the light of the circumstances under which they were made, and, as promptly as practicable, prepare and furnish to such seller a reasonable number of copies of a supplement or amendment to such Prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such Prospectus will not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading in the light of the circumstances under which they were made;

(g) promptly notify each seller of any Registrable Securities covered by such Registration Statement and the underwriter(s), if any: (i) when the Registration Statement, any pre-effective amendment, the Prospectus or any Prospectus supplement or post-effective amendment has been filed and, with respect to such Registration Statement or any post-effective amendment, when the same has become effective, (ii) of any request by the Commission for amendments or supplements to such Registration Statement or to amend or to supplement such Prospectus or for additional information, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of such Registration Statement or the initiation of any proceedings for any of such purposes, (iv) of the issuance by the Commission of a notification of objection to the use of the form on which the Registration Statement has been filed, or of the happening of any event that causes the Company to become an "ineligible issuer," as defined in Rule 405 of the Securities Act, and (v) of the receipt by the Company of any notification with respect to the suspension of the qualification of any Registrable Securities for sale under the applicable securities or "blue sky" laws of any jurisdiction;

(h) use its reasonable best efforts to cause all such Registrable Securities to be listed on each Exchange on which similar securities issued by the Company are then listed;

(i) provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such Registration Statement;

(j) enter into such customary agreements (including underwriting agreements with customary provisions) and take all such other actions as the sellers of Registrable Securities or the underwriters, if any, reasonably request in order to expedite or facilitate the disposition of such Registrable Securities (including, without limitation, effecting a share split or a combination of shares);

(k) make available for inspection by any seller of Registrable Securities, any underwriter participating in any disposition pursuant to such Registration Statement and any attorney, accountant or other agent retained by any such seller or underwriter, all financial and other records, pertinent corporate documents and documents relating to the business of the Company, and cause the Company's officers, directors, employees and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such Registration Statement; provided that each Holder will, and will use its commercially reasonable efforts to cause each such underwriter, accountant or other agent to, (i) enter into a confidentiality agreement in form and substance reasonably satisfactory to the Company and (ii) minimize the disruption to the Company's business in connection with the foregoing;

(l) otherwise use its reasonable best efforts to comply with all applicable rules and regulations of the Commission, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve months beginning with the first day of the Company's first full calendar quarter after the effective date of the Registration Statement, which earnings statement will satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

(m) in the event of the issuance of any stop order suspending the effectiveness of a Registration Statement, or of any order suspending or preventing the use of any related prospectus or ceasing trading of any securities included in such Registration Statement for sale in any jurisdiction, use its reasonable best efforts promptly to obtain the withdrawal of such order;

(n) enter into such agreements and take such other actions as the sellers of Registrable Securities or the underwriters reasonably request in order to expedite or facilitate the disposition of such Registrable Securities, including, without limitation, preparing for and participating in such number of "road shows" and all such other customary selling efforts as the underwriters reasonably request in order to expedite or facilitate such disposition;

(o) obtain one or more comfort letters, addressed to the sellers of Registrable Securities and the underwriter(s) (if any), dated the effective date of or the date of the final receipt issued for such Registration Statement (and, if such registration includes an underwritten public offering dated the date of the closing under the underwriting agreement for such offering), signed by the Company's independent public accountants in customary form and covering such matters of the type customarily covered by comfort letters as the Holders of a majority of the Registrable Securities being sold in such offering and such underwriter(s) reasonably request;

(p) provide legal opinions of the Company's outside counsel, addressed to the underwriter(s) (if any) and the Holders of the Registrable Securities being sold, dated the effective date of or the date of the final receipt issued for such Registration Statement, each amendment and supplement thereto (and, if such registration includes an underwritten public offering, dated the date of the closing under the underwriting agreement), with respect to the Registration Statement, each amendment and supplement thereto (including the preliminary prospectus) and such other documents relating thereto in customary form and covering such matters of the type customarily covered by legal opinions of such nature;

(q) promptly respond to any and all comments received from the Commission, with a view towards causing each Registration Statement or any amendment thereto to be declared effective by the Commission as soon as practicable and file an acceleration request as soon as practicable following the resolution or clearance of all Commission comments or, if applicable, following notification by the Commission that any such Registration Statement or any amendment thereto will not be subject to review;

(r) furnish each seller of Registrable Securities with a copy of all documents submitted to any Exchange and all amendments thereto. In connection with any offering of Registrable Securities pursuant to this Agreement, the Company shall instruct the transfer agent and registrar of the securities to release any stop transfer orders with respect to the securities so sold;

(s) furnish to any seller of Registrable Securities such information and assistance as such seller may reasonably request in connection with any "due diligence" effort which such seller deems appropriate; and

(t) if appropriate, use its reasonable efforts to cause to be filed, and cause to become effective, a Registration Statement on Form F-6, which registers a number of ADSs that is sufficient to allow the Holders to exercise their rights under, and sell their Registrable Securities in the manner contemplated by, Sections 1 and 2 of this Agreement; and

(u) provide a CUSIP number for the Registrable Securities and use its reasonable best efforts to take or cause to be taken all other actions, and do and cause to be done all other things, necessary or reasonably advisable in the opinion of any seller of Registrable Securities or the underwriter(s), if any, to effect the registration of such Registrable Securities contemplated hereby.

The Company agrees not to file or make any amendment to any Registration Statement with respect to any Registrable Securities, or any amendment of or supplement to the Prospectus used in connection therewith, that refers to any Holder covered thereby by name, or otherwise identifies such Holder as the holder of any securities of the Company, without the consent of such Holder, such consent not to be unreasonably withheld or delayed, unless and to the extent such disclosure is required by law.

The Company may require each Holder as to which any registration is being effected to furnish the Company with such information regarding such Holder and pertinent to the disclosure requirements relating to the registration and the distribution of such securities as the Company may from time to time reasonably request in writing.

If any such Registration Statement refers to any Holder by name or otherwise as the holder of any securities of the Company, then such Holder shall have the right to require (i) the insertion therein of language, in form and substance reasonably satisfactory to such Holder, to the effect that the holding by such Holder of such securities does not necessarily make such holder a "controlling person" of the Company within the meaning of the Securities Act and is not to be construed as a recommendation by such Holder of the investment quality of the Company's securities covered thereby and that such holding does not imply that such Holder will assist in meeting any future financial requirements of the Company, or (ii) in the event that such reference to such Holder by name or otherwise is not required by the Commission or Securities Act or any similar federal statute then in force, the deletion of the reference to such Holder.

In addition to the obligations contained in this Section 3, in connection with any Application in respect of a sale or distribution by the Holders of Registrable Securities outside the United States, the Company shall further assist and facilitate such sale or distribution, including without limitation, by providing such information as the relevant Holders may reasonably request for purposes of such Application and the related offering. Without limiting the foregoing, the assistance, documents and procedures, provisions for payment of expenses, requirement for information from Holders, indemnification and other provisions set forth in Sections 3 through 5 hereof shall apply to the Registration Statement and sale or distribution of Registrable Securities, with such reasonable and necessary adjustments as would customarily apply in the applicable jurisdictions where the public offering and the Registration Statement is made, and with all references herein to United States securities laws being deemed replaced by references to applicable provisions of local law, regulation or stock exchange requirements in such jurisdictions.

4. Registration Expenses.

(a) Except as otherwise provided for herein, all expenses incidental to the Company's performance of or compliance with this Agreement, including, without limitation, all registration and filing fees, fees and expenses of compliance with securities or blue sky laws, word processing, duplicating and printing expenses, messenger and delivery expenses, listing application fees, transfer agent's fees, and registrar's fees, costs of distributing Prospectus in preliminary and final form as well as any supplements thereto, and fees and disbursements of counsel for the Company and all independent certified public accountants, underwriters and other Persons retained by the Company (all such expenses, "Registration Expenses"), will be borne by the Company, and the Company will also pay its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expenses of any annual audit or quarterly review, the expenses of any liability insurance and the expenses and fees for listing the securities on an Exchange. All Selling Expenses will be borne by the holders of the securities so registered *pro rata* on the basis of the number of their shares so registered.

(b) In connection with each registration initiated hereunder, the Company shall reimburse the Holders covered by such registration or sale for the reasonable fees and disbursements of one law firm (and one local counsel) chosen by Holders holding a majority of the Registrable Securities to be included in the applicable registration. The amount of reimbursement under this Section 4(b) is limited to US$800,000 in the aggregate for all registrations initiated hereunder.

(c) The obligation of the Company to bear the expenses described in Section 4(a) and to reimburse the Holders for the expenses described in Section 4(b) shall apply irrespective of whether any sales of Registrable Securities ultimately take place**.**

5. Indemnification.

(a) The Company agrees to indemnify and hold harmless, and hereby does indemnify and hold harmless, to the fullest extent permitted by law, each Holder, its Affiliates and their respective officers, directors, employees and partners and each Person who controls such Holder (within the meaning of the Securities Act) against, and pay and reimburse such Holder, Affiliate, director, officer, employee or partner or controlling person for any losses, claims, damages, expenses (including but not limited to reasonable legal fees and expenses), liabilities, joint or several, to which such Holder or any such Affiliate, director, officer, employee or partner or controlling person may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages, expenses or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon (i) any untrue or alleged untrue statement of material fact contained in any Registration Statement, Prospectus or preliminary Prospectus or any "issuer free writing Prospectus" (as defined in Rule 433 under the Securities Act) or any "issuer free writing Prospectus" or any amendment thereof or supplement thereto, (ii) any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of any rule or regulation promulgated under the Securities Act, the Exchange Act or any state securities laws applicable to the Company, and the Company will pay and reimburse such Holder and each such Affiliate, director, officer, partner, employee and controlling person for any legal or any other expenses actually and reasonably incurred by them in connection with investigating, defending or settling any such loss, claim, damage, expense, liability, action or proceeding, provided that the Company will not be liable in any such case to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon an untrue statement or alleged untrue statement, or omission or alleged omission, made in such Registration Statement, any such Prospectus or preliminary Prospectus or any amendment or supplement thereto, or in any application, in reliance upon, and in conformity with, written information prepared and furnished to the Company by such Holder expressly for use therein. In connection with an underwritten offering, the Company, if requested, will indemnify such underwriters, their officers and directors and each Person who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above with respect to the indemnification of the Holders.

(b) In connection with any Registration Statement in which a Holder is participating, each such Holder will furnish to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such Registration Statement or Prospectus and will indemnify and hold harmless, to the fullest extent permitted by law, the Company, its directors and officers, each underwriter and each other Person who controls the Company (within the meaning of the Securities Act) and each such underwriter against any losses, claims, damages, expenses (including but not limited to reasonable legal fees and expenses), liabilities, joint or several, to which such Holder or any such director or officer, any such underwriter or controlling person may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages, expenses, or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon (i) any untrue or alleged untrue statement of material fact contained in the Registration Statement, Prospectus or preliminary Prospectus or any "issuer free writing Prospectus" (as defined in Rule 433 under the Securities Act) or any amendment thereof or supplement thereto or (ii) any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or omission is made in such Registration Statement, any such Prospectus or preliminary Prospectus or any "issuer free writing Prospectus" or any amendment or supplement thereto in reliance upon and in conformity with written information prepared and furnished to the Company by such Holder expressly for use therein, and such Holder will reimburse the Company and each such director, officer, underwriter and controlling Person for any legal or any other expenses actually and reasonably incurred by them in connection with investigating, defending or settling any such loss, claim, damage, expense, liability, action or proceeding; provided that the obligation to indemnify and hold harmless will be individual and several, not joint and several, to each holder and will be in proportion to and limited to the net amount of proceeds received by such Holder (after underwriting discounts and commissions) from the sale of Registrable Securities pursuant to such Registration Statement.

(c) Any Person entitled to indemnification hereunder will (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party will not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld, conditioned or delayed). The indemnifying party shall not enter into any settlement of the claims so assumed without the consent of the indemnified party; provided that the consent of the indemnified party will not be required if the settlement involves only the payment of money damages all of which are indemnifiable losses hereunder and does not involve the imposition of any equitable remedy or admission of wrongdoing. An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim. Failure to give prompt written notice shall not release the indemnifying party from its obligations hereunder except to the extent that (and only to the extent that) such failure shall have caused the damages for which the indemnifying party is obligated to be greater than such damages would have been had prompt written notice been given.

(d) The indemnification provided for under this Agreement will remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling Person of such indemnified party and will survive the registration and sale of any securities by any Person entitled to any indemnification hereunder and the expiration or termination of this Agreement.

(e) If the indemnification provided for in this Section 5 is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any loss, liability, claim, damage or expense referred to therein, then the indemnifying party, in lieu of indemnifying such indemnified party thereunder, will contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other hand in connection with the statements or omissions which resulted in such loss, liability, claim, damage or expense. The relative fault of the indemnifying party and the indemnified party will be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. Notwithstanding the foregoing, the amount any Holder will be obligated to contribute pursuant to this Section 5(e) will be limited to an amount equal to the net proceeds (after underwriting discounts and commissions) to such Holder of the Restricted Securities sold pursuant to the registration statement which gives rise to such obligation to contribute (less the aggregate amount of any damages which the Holder has otherwise been required to pay in respect of such loss, claim, damage, liability or action or any substantially similar loss, claim, damage, liability or action arising from the sale of such Restricted Securities) or the amount for which such indemnifying party would have been obligated to pay by way of indemnification if the indemnification provided for under Section 5(a) or 5(b) hereof had been available under the circumstances.

6. Participation in Underwritten Registrations.

(a) No Holder may participate in any registration hereunder that is underwritten unless such Holder (i) agrees to sell its Registrable Securities on the basis provided in any underwriting arrangements approved by the Person or Persons entitled hereunder to approve such arrangements (including, without limitation, pursuant to the terms of any over-allotment or "green shoe" option requested by the managing underwriter(s); provided that no Holder will be required to sell more than the number of Registrable Securities that such Holder has requested the Company to include in any registration), (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements, and (iii) cooperates with the Company's reasonable requests in connection with such registration or qualification (it being understood that the Company's failure to perform its obligations hereunder, which failure is caused by such Holder's failure to cooperate, will not constitute a breach by the Company of this Agreement). Notwithstanding the foregoing, no Holder will be required to agree to any indemnification obligations on the part of such Holder that are greater than its obligations pursuant to Section 6(b).

(b) Each Holder that is participating in any registration hereunder agrees that, upon receipt of any notice from the Company, after consultation with outside counsel, of the happening of any event of the kind described in Section 3(f) above, such Holder will forthwith discontinue the disposition of its Registrable Securities pursuant to the Registration Statement until such Holder receives copies of a supplemented or amended Prospectus as contemplated by such Section 3(f); provided, however, that the Company shall promptly use its reasonable best efforts to file a post-effective amendment or take such other action so as to obviate the need for such a notice as soon as reasonably practicable in the good faith judgment of the Company and promptly after filing such amendment (and in any event within 24 hours of such filing) deliver sufficient copies of such supplemented or amended Prospectuses pursuant to Section 3(c) to such sellers to resume such disposition; provided further, however, that such postponement of sales of Registrable Securities by the Holders shall not exceed 120 days in the aggregate in any one year. In the event the Company gives any such notice, the applicable the period of time during which a Registration Statement is to remain effective pursuant to this Agreement will be extended by the number of days during the period from and including the date of the giving of such notice pursuant to this Section 6(b) to and including the date when each seller of a Registrable Security covered by such Registration Statement will have received the copies of the supplemented or amended Prospectus contemplated by Section 3(f). In any event, the Company shall not deliver more than three notices under this Section 6(b) in any one year.

7. Rule 144 Reporting. With a view to making available the benefits of certain rules and regulations of the Commission which may permit the sale of the restricted securities to the public without registration, the Company agrees to:

(i) make and keep adequate current public information available as those terms are understood and defined in Rule 144 under the Securities Act, at all times to the extent required to enable the holders of Registrable Securities covered by a Registration Statement to sell such Registrable Securities without registration under the Securities Act within the limitations of the exemptions provided by Rule 144 thereunder, and

(ii) file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act at any time after it has become subject to such reporting requirements.

8. Certain Agreements.

(a) Lock Up Agreements. In consideration for the Company agreeing to its obligations under this Agreement, each Holder agrees in connection with any registration of the Company's securities (whether or not such Holder is participating in such registration) upon the request of the Company and the underwriters managing any underwritten offering of the Company's securities, not to effect (other than pursuant to such registration) any public sale or distribution of Registrable Securities, including, but not limited to, any sale pursuant to Rule 144, or make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any Registrable Securities, any other equity securities of the Company or any securities convertible into or exchangeable or exercisable for any equity securities of the Company without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days in the case of the Company's initial public offering, or 90 days in the case of any other offering) from the effective date of such registration unless the underwriters managing the registration otherwise agree to a shorter period.

(b) Holdback Agreement. The Company agrees not to, directly or indirectly, sell, pledge, contract to sell, grant an option to purchase or otherwise dispose of any equity securities of the Company or any securities convertible into or exchangeable or exercisable for any equity securities of the Company during the 10 days prior to and during the 90 days (or 180 days in the case of the Company's initial public offering) beginning on the effective date of any underwritten registration pursuant to Section 1 or Section 2 (except as part of such underwritten registration or pursuant to registrations on Form S-8 or S-4 or any successor or similar forms) unless the underwriters managing the registration otherwise agree to a shorter period.

(c) Term. This Agreement will be effective as of the date hereof and will continue in effect thereafter until the earliest of (a) the date on which this Agreement is to be terminated pursuant to the terms of the Implementation Agreement, (b) with respect to each Holder, its termination by the consent of the Company and such Holder, (c) the date on which no Registrable Securities remain outstanding and (d) following the closing of the IPO, the dissolution, liquidation or winding up of the Company.

9. Defined Terms. Capitalized terms when used in this Agreement have the following meanings:

"Affiliate" of any Person means any other Person which directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlling," "controlled by" and "under common control with") as used with respect to any Person means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Application" means any application to any Foreign Exchange to have shares traded on such Foreign Exchange, whether or not in connection with a public offering, including copies of all documents submitted to such Foreign Exchange and all amendments thereto, any prospectus included therein (including a preliminary prospectus and all amendments and supplements thereto), in each case including all exhibits, and such other documents as may be reasonably necessary for the purposes of the proposed sale or distribution of Registrable Securities to be made in connection with such application.

"Board" means the board of directors of the Company from time to time.

"Class A Ordinary Shares" means the Class A ordinary shares, par value US$0.0001 per share, of the Company.

"Commission" means the Securities and Exchange Commission or any other federal agency administering the Securities Act.

"Exchange" means a stock or securities exchange or quotation system.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any similar federal statute and the rules and regulations thereunder, as in effect from time to time.

"FINRA" means the Financial Industry Regulatory Authority, Inc.

"Foreign Exchange" means any Exchange outside the United States.

"Holder" means the Shareholders and any transferees of such Shareholder in accordance with the Shareholders' Agreement (if the Shareholders' Agreement has not earlier terminated).

"Participation Agreement" means the Participation Agreement, dated [●], 2018, by and among the Company, New Cotai, LLC and MSC Cotai Limited, as such agreement may be amended from time to time.

"Person" means an individual, a partnership, a joint venture, a corporation, a limited liability company, a trust, an unincorporated organization or a government or department or agency thereof.

"Prospectus" means the prospectus or prospectuses forming a part of, or deemed to form a part of, or included in, or deemed included in, any Registration Statement, as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities covered by such Registration Statement and by all other amendments and supplements to the prospectus, including post-effective amendments and all material incorporated by reference in such prospectus or prospectuses.

"Register," "registered" and "registration" refers to a registration effected by preparing and filing a Registration Statement in compliance with the Securities Act, and the declaration or ordering of the effectiveness of such Registration Statement, and compliance with applicable state securities laws of the states with respect to which Holders notify the Company of their intention to offer Registrable Securities and, in the case of a sale or distribution of Registrable Securities outside the United States, "Register," "registered" and "registration" includes any Application.

"Registrable Securities" means (i) any Class A Ordinary Shares, (ii) any other stock or securities that the holders of the Class A Ordinary Shares (including, after giving effect to the last sentence of this definition) may be entitled to receive or have received, or (iii) any securities issued or issuable directly or indirectly with respect to the securities referred to in the foregoing clause (i) or (ii) by way of conversion, substitution or exchange thereof or therefor or share dividend or share split or in connection with a combination of shares, recapitalization, reclassification, merger, amalgamation, arrangement, consolidation or other reorganization. As to any particular securities constituting Registrable Securities, such securities will cease to be Registrable Securities when (x) they have been effectively registered or qualified for sale by prospectus filed under the Securities Act and disposed of in accordance with the Registration Statement covering therein, or (y) they have been sold to the public through a broker, dealer or market maker pursuant to Rule 144 or other exemption from registration under the Securities Act. For purposes of this Agreement, a Person will be deemed to be a holder of Registrable Securities whenever such Person has the right to acquire directly or indirectly such Registrable Securities (upon conversion or exercise in connection with a transfer of securities or otherwise, but disregarding any restrictions or limitations upon the exercise of such right), including any Registerable Securities issuable upon exchange for Participation Interests (as defined in the Participation Agreement) pursuant to the Participation Agreement, whether or not such acquisition has actually been effected.

"Registration Expenses" has the meaning set forth in Section 4.

"Registration Request" has the meaning set forth in Section 1(a). The term Registration Request will also include, where appropriate, a Shelf Registration request made pursuant to Section 1(c).

"Registration Statement" means the registration statement (including the Prospectus, amendments and supplements to such registration statement, including post-effective amendments, all exhibits and all materials incorporated by reference in such registration statement) filed with the Commission to effect a registration under the Securities Act and, in the case of a sale or distribution of Registrable Securities outside the United States, "Registration Statement" includes any Application.

"Required Holders" means Holders holding in aggregate at least 10% of the outstanding Registrable Securities.

"Rule 144" means Rule 144 under the Securities Act or any successor or similar rule as may be enacted by the Commission from time to time, as in effect from time to time.

"Securities Act" means the Securities Act of 1933, as amended, or any similar federal statute and the rules and regulations thereunder, as in effect from time to time.

"Selling Expenses" means all underwriting discounts and selling commissions applicable to the sale of Registrable Securities hereunder.

"Shareholders' Agreement" means the Shareholders' Agreement, dated [●], 2018, by and among the Company, MCE Cotai Investments Limited, New Cotai, LLC and Melco Resorts & Entertainment Limited, as such agreement may be amended from time to time.

"underwritten offering" or "underwritten registration" means a registration in which securities of the Company are sold to one or more underwriters (as defined in Section 2(a)(11) of the Securities Act) for resale to the public.

10. Miscellaneous.

(a) No Inconsistent Agreements. The Company will not hereafter enter into any agreement with respect to its securities which is inconsistent with or violates the rights granted to the holders of Registrable Securities in this Agreement.

(b) Adjustments Affecting Registrable Securities. The Company will not take any action, or permit any change to occur, with respect to its securities which would materially and adversely affect the ability of the holders of Registrable Securities to include such Registrable Securities in a registration or qualification for sale by prospectus undertaken pursuant to this Agreement or which would adversely affect the marketability of such Registrable Securities in any such registration or qualification (including, without limitation, effecting a share split or a combination of shares).

(c) Remedies. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that any party hereto will have the right to injunctive relief, in addition to all of its other rights and remedies at law or in equity, to enforce the provisions of this Agreement.

(d) Amendments and Waivers. Except as otherwise provided herein, the provisions of this Agreement may be amended or waived only upon the prior written consent of the Company and the Holders of a majority of the Registrable Securities held by all Holders; provided that in the event that such amendment or waiver would treat a Holder or group of Holders in a manner different from any other Holders, then such amendment or waiver will require the consent of such Holder or the Holders of a majority of the Registrable Securities of such group adversely treated.

(e) Successors and Assigns. This Agreement will be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns. In addition, and whether or not any express assignment will have been made, the provisions of this Agreement which are for the benefit of the Holders of the Registrable Securities (or any portion thereof) as such will be for the benefit of and enforceable by any subsequent holder of any Registrable Securities (or of such portion thereof), subject to the provisions respecting the minimum numbers or percentages of shares of Registrable Securities (or of such portion thereof) required in order to be entitled to certain rights, or take certain actions, contained herein.

(f) Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

(g) Counterparts. This Agreement may be executed simultaneously in two or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together will constitute one and the same Agreement.

(h) Descriptive Headings. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

(i) Governing Law. This Agreement and the rights and duties of the parties hereto hereunder shall be governed by and construed in accordance with laws of the State of New York, without giving effect to its principles or rules of conflict of laws to the extent such principles or rules are not mandatorily applicable by statute and would require or permit the application of the laws of another jurisdiction.

(j) Arbitration. For so long as the Shareholders' Agreement is in effect, if a dispute arises out of or relates to this Agreement or the transactions contemplated hereby, such dispute shall be resolved through arbitration pursuant to the procedures set out in the Shareholders' Agreement.

(k) Aggregation of Shares. All Registrable Securities held by or acquired by any Affiliate of a Holder will be aggregated together with the Registrable Securities held by such Holder for the purpose of determining the availability of any rights under this Agreement.

(l) Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement will be in writing and will be deemed to have been given when personally delivered or received by certified mail, return receipt requested, or sent by guaranteed overnight courier service. Such notices, demands and other communications will be sent to the Company and the Shareholders in the manner and at the addresses set forth in the Shareholders' Agreement.

[the remainder of this page left intentionally blank]

**SIGNED** by )
)
_______________________________________________ )
**STUDIO CITY INTERNATIONAL** )
**HOLDINGS LIMITED** )

_______________________________________________
Name:
Title:

*Signature Page to the Amended and Restated Registration Rights Agreement*

**SIGNED** by )
)
________________________________________ )
**NEW COTAI, LLC** )

________________________________________
Name:
Title:

*Signature Page to the Amended and Restated Registration Rights Agreement*

**SCHEDULE OF SHAREHOLDERS**

| Name | Address |
| --- | --- |
| New Cotai, LLC | c/o New Cotai Holdings, LLC<br>Two Greenwich Plaza<br>Greenwich, Connecticut 06830 |

**Exhibit 10.7**

**EXECUTION VERSION**

**Specific terms in this exhibit have been redacted because confidential treatment for those terms has been requested. The redacted material has been separately filed with the Securities and Exchange Commission, and the terms have been marked at the appropriate place with three asterisks [***].**

# SERVICES AND RIGHT TO USE AGREEMENT

by and among

STUDIO CITY ENTERTAINMENT LIMITED
a company incorporated under the laws of
the Macau Special Administrative Region of the
People's Republic of China

and

MELCO CROWN GAMING (MACAU) LIMITED
a company incorporated under the laws of
the Macau Special Administrative Region of the
People's Republic of China

Dated: May 11, 2007

(as amended on 15 June 2012)

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THIS SERVICES AND RIGHT TO USE AGREEMENT ("**Agreement**") is made and entered into this 11th day of May, 2007, by and among STUDIO CITY ENTERTAINMENT LIMITED, formerly known as NEW COTAI ENTERTAINMENT (MACAU) LIMITED and MSC DIVERSÕES, LIMITADA, a Macau limited liability company, with head office in Macau at Avenida Dr Mario Soares, No. 25, Edificio Montepio, 1st floor, Room 13, with share capital of MOP100,000.00 (one hundred thousand patacas) (hereinafter referred to as "**MSC**"), and MELCO CROWN GAMING (MACAU) LIMITED, a limited liability company by shares, with registered office in Macau at Avenida Dr Mario Soares, No. 25, Edificio Montepio, 1st floor, Room 13, registered in the Macau Commercial and Movable Assets Registry under no. 24325, with share capital of MOP1,000,000,000.00 (one billion patacas) (hereinafter referred to as "**Operator**"),.

RECITALS

A. New Cotai, LLC ("**New Cotai**") and MCE Cotai Investments Limited ("**MCE Cotai**"), an Affiliate of Melco Crown Entertainment Limited ("**MCE**"), are the shareholders of Studio City International Holding Limited (formerly known as Cyber One Agents Limited), a company incorporated under the laws of the British Virgin Islands ("**Company**"), which is developing a multi-use destination resort (the "**Project**") situated within an area of land known as Zona de Aterro entre Taipa e Coloane, Lotes G300, G310 e G400, Estrada Flor de Lotus, Taipa, Macau (the "**Site**"). The Site is identified on the map attached hereto as Exhibit A.

B. New Cotai and MCE Cotai (the "**Shareholders**") expect that the Project may include hotels, retail, convention, performance hall, an area for cinematography industry (including supporting facilities for tourism and leisure) in the size to be agreed with the Macau Government, other tourism and entertainment areas, and areas for gaming and gaming related facilities.

C. [Not Used].

D. [Not Used].

E. It is intended by the Shareholders of the Company that MSC enters into a right to use agreement with Studio City Developments Limited, formerly known as East Asia-Televisao por Satelite Limitada and MSC Desenvolvimentos Limitada, a company incorporated under the laws of Macau with limited liability, with registered office in Macau at Avenida Dr Mario Soares, no. 25, Edificio Montepio, 1st floor, Room 13 ("**Grantor**"), (the "**Right to Use Agreement**") for the purposes of granting MSC the right to use and occupy the Project's gaming zone (the "**Casino**"). The Casino is intended to appeal to the VIP and mass markets similar to other first-rate Las Vegas style gaming resorts in downtown Macau or the Cotai. Based upon preliminary market assessments, MSC anticipates that the Casino is expected to include approximately 250 mass market tables, 150 VIP tables and 1,200 slot machines (with expansion floor space available to accommodate at least 125 additional gaming tables).

F. Operator desires to occupy and use the areas comprising the Casino, pursuant to the terms hereof, to conduct Gaming Activities and to contract with MSC for the provision of certain services as further set forth herein.

G. The parties desire to delineate the services to be performed by Operator and MSC in relation to the management and operation of the Casino and to authorize the occupation and the use of the Casino by Operator.

NOW, THEREFORE, in consideration of the hereinafter mutual promises and covenants, and for other good and valuable consideration as set forth herein, the receipt and sufficiency of which are expressly acknowledged, MSC and Operator agree as follows:

## ARTICLE I

## DEFINITIONS

Section 1.1 Definitions. As they are used in this Agreement, the terms listed below shall have the respective meanings assigned to them in this Article.

"**Accounting Systems**" has the meaning set forth in Section 4.5(a).

"**Affiliate**" or "**Affiliates**" means, with respect to a specific individual or legal entity, any other individual or legal entity that directly or indirectly through one or more intermediaries controls or is controlled by or under common control with the specific individual or legal entity.

"**Agreement**" has the meaning set forth in the introductory paragraph to this Agreement.

"**Allocated Overhead Expenses**" means the actual, out-of-pocket expenses incurred by Operator in respect of its separate operations, including rent, insurance, overhead, employee expenses and general business expenses that Operator, in its reasonable discretion, and in a fair and equitable manner, allocates to the Casino after taking into account the size of the Casino relative to the size of its consolidated operations.

"**Arbitration Notice**" has the meaning set forth in Section 15.1(b).

"**Budget**" means any Operating Budget and/or Pre-Opening Budget.

"**Budgeted Costs of Operations**" shall mean those Costs of Operations set forth in the Operating Budget anticipated to be payable for the periods determined by MSC on a line item by line item basis after consultation with Operator.

"**Casino**" has the meaning set forth in the recitals to this Agreement.

"**Casino Employees**" has the meaning set forth in Section 6.1.

"**Casino Employee Expenses**" has the meaning set forth in Section 6.3.

"**Centre**" has the meaning set forth in Section 15.1(c).

"**Change of Control Termination**" has the meaning set forth in Section 11.4.

"**Commencement Date**" means the first day upon which the Casino is open to the public to engage in Gaming Activities. The actual Commencement Date shall be reasonably determined by MSC and in no event shall be earlier than the date upon which all elements of the Casino have been substantially completed in accordance with the plans and specifications approved by MSC (including installation of all Furniture and Equipment and Gaming Assets) and are ready, in MSC's reasonable determination, for their intended use at the Casino. MSC shall provide the notice of anticipated Commencement Date contemplated by Section 3.3 hereof, and a failure of the Commencement Date to occur on or prior to the Outside Commencement Date may permit either party to terminate this Agreement pursuant to Section 11.6.

"**Competitor**" has the meaning set forth in Section 11.4.

"**Competitor Termination Event**" has the meaning set forth in Section 11.4.

"**Confidential Information**" has the meaning set forth in Section 14.18(a).

"**Costs of Operations**" means the actual expenses of operations (including expenses accrued and Allocated Overhead Expenses) attributable to the operation of the Casino, pursuant to GAAP, that are costs (as opposed to, for example, depreciation), net of costs paid by MSC, and shall include without limitation: (a) fees for background investigations of employees; (b) costs of administration, hiring, and firing of Casino Employees (but not including the Senior Managers) including the costs of necessary employee gaming authorizations for Casino Employees (other than the Senior Managers) from the Macau Government; (c) compensation and benefits to Casino Employees (but not including the Senior Managers); (d) regulatory fees imposed on the Casino by the Macau Government including per device license fees imposed by the Macau Government in respect of Gaming Devices located in the Casino but not including Gaming License Fees; (e) all costs of maintaining financial and accounting records by Operator in accordance with Operator's obligations under this Agreement, all costs of undertaking and complying with audits under this Agreement, and all costs of assisting in the preparation of budgets and reporting financial and other performance to MSC; (f) total gaming-related costs, fees and expenses, including without limitation: materials, supplies, inventory, utilities, repairs and maintenance, insurance and bonding, complimentary expenses (including without limitation complimentary rooms and amenities), annual audits, accounting, legal or other professional and consulting services, security or guard services, and such other costs, expenses or fees, customarily and reasonably incurred in the operation of the Casino in accordance with the Operating Standards, including Initial Costs of Operation and, for the avoidance of doubt, costs incurred with respect to Pre-Opening Services of the Operator set forth in section 3.4; (g) all costs related to the grant of credit to patrons and recovery of any debts (including judicial and reasonable attorney's fees); (h) any costs or

expenses in any way connected with the financing of the Project or any act, matter or thing in any way related thereto, and (i) any and all other amount stated in this Agreement to be Costs of Operations; provided, however, that notwithstanding the foregoing, "Costs of Operations" shall specifically not include (i) the Operator Consideration; (ii) the MSC Consideration; (iii) Gaming License Fees; (iv) Operator's own expenses of its separate operations, including rent, insurance, overhead, employee expenses and general business expenses that are not Allocated Overhead Expenses; (v) any obligation of Operator under Sections 8.3(g), 12.1(b), 13.3, 13.5 or 15.1(j) of this Agreement; and (vi) all costs of employing and otherwise compensating Senior Managers. Whenever this Agreement refers to a cost or expense as being reimbursable as, or constituting a "Cost of Operations" or "Costs of Operations", such right or obligation shall always be read to be qualified by the qualifications to the definition thereof contained herein.

"**Costs of Operations Account**" means a special account or accounts: (i) bearing the name of Operator (or any Lender or third party nominated by a Lender following enforcement of any Lien); (ii) established by Operator in a bank or trust company selected by Operator and MSC; and (iii) maintained solely by Operator (or any Lender or third party nominated by a Lender following enforcement of any Lien) to pay the Initial Costs of Operation and the Costs of Operations.

"**DICJ**" means the Direcção de Inspecção e Coordenação de Jogos (the Gaming Inspection and Coordination Bureau) of Macau.

"**Dispute**" has the meaning set forth in Section 15.1.

"**EBITDA**" has the meaning set forth in Section 8.3(a)

"**Effective Date**" has the meaning set forth in Section 2.2.

"**Employee Policies**" has the meaning set forth in Section 6.1.

"**Enterprise Accounts**" has the meaning described in Section 4.8(a).

"**Estimated Rent**" has the meaning set forth in Section 3.1.

"**Event of Default**" shall have the meaning described in Section 9.1.

"**Fiscal Year**" means the accounting year used for the operation of the Casino, which shall be January through December.

"**Furniture and Equipment**" means all furniture, furnishings, wall coverings, fixtures, equipment and systems located at, or used in connection with, the Casino, together with all replacements therefor and additions thereto; provided, that all Gaming Assets are excluded from this definition of "Furniture and Equipment".

"**GAAP**" means those U.S. generally accepted accounting principles defined by the Financial Accounting Standards Board consistently applied to the gaming industry practice.

“**Gaming Activities**” means the operation of table games, slot machines, electronic gaming tables, other games of fortune or chance and other casino games.

“**Gaming Assets**” means Gaming Devices and other operating equipment, gaming inventories and supplies necessary for the conduct of Gaming Activities at the Casino.

“**Gaming Authority(ies)**” means the Macau Government, the Victorian Commission for Gambling Regulation and the Western Australian Gaming and Wagering Commission, and any other gaming regulatory bodies by any other name (including any court, agency, department, commission, board, bureau or instrumentality) having jurisdiction over the gaming industry or the conduct of gaming activities (or any aspect thereof) in Australia, the United States, Macau, Singapore, the United Kingdom, or South Africa.

“**Gaming Devices**” has the meaning set forth in Section 5.1.

“**Gaming License**” has the meaning set forth in Section 2.2.

“**Gaming License Fees**” means, unless otherwise agreed in writing by the parties and the Shareholders, any subconcession/gaming authorization fees or costs of Operator or its employees who are not Casino Employees in connection with maintaining its Gaming License but does not include (i) per device license fees imposed by the Macau Government in respect of Gaming Devices located in the Casino or (ii) Macau Gaming Taxes.

“**Governmental Approvals**” means approvals of Governmental Authorities and/or Gaming Authorities, as applicable.

“**Governmental Authority(ies)**” means any court, board, agency, commission, office, department, bureau, or other instrumentality or authority of any nature whatsoever for any governmental unit (federal, state, county, district, municipal, city or otherwise) whether now or hereafter in existence, to the extent each such court, board, agency, commission, office, department, bureau, or other instrumentality or authority has legal jurisdiction over the Casino or Operator’s or MSC’s performance under this Agreement.

“**Grantor**” has the meaning set forth in the recitals to this Agreement.

“**HKD Prime**” means the prime lending rate for Hong Kong dollars as may be offered by the Hong Kong and Shanghai Banking Corporation Limited from time to time.

“**ICC**” means the International Chamber of Commerce.

“**Independent Expert**” means an independent, internationally recognized investment banking or accounting firm that is qualified to resolve the issue in question, and that is appointed in each instance by agreement of the parties, or failing agreement, by a process whereby each party shall select one (1) such internationally recognized investment banking or accounting firm and the two (2) respective firms so selected shall select another such internationally recognized investment banking or accounting firm to be the Independent

Expert. Each party agrees that it shall not appoint an individual as an Independent Expert hereunder if the firm (x) is, as of the date of appointment or within six (6) months prior to such date, engaged by such party, either directly or as a consultant, in connection with any other matter or (y) otherwise has an economic relationship that could reasonably be expected to impair its independence or objectivity. In the event that either party calls for an Independent Expert determination pursuant to the terms hereof, the parties shall have ten (10) days from the date of such request to agree upon an Independent Expert and, if they fail to agree, each party shall have an additional ten (10) days to make its respective selection of a firm, and within ten (10) days after such respective selections the two (2) respective firms so selected shall select another such internationally recognized investment banking or accounting firm to be the Independent Expert. If either party fails to make its respective selection of a firm within the ten (10) day period provided for above, then the other party's selection shall be the Independent Expert. Also, if the two (2) respective firms so selected shall fail to select a third internationally recognized investment banking or accounting firm to be the Independent Expert, then such Independent Expert shall be appointed by the ICC and shall be a qualified person having at least ten (10) years recent professional experience as to the subject matter in question.

"**Initial Costs of Operation**" means all Costs of Operations of the Casino prior to the Commencement Date pursuant to this Agreement.

"**Intellectual Property**" means all trademarks, service marks, trade dress, copyrights, trade secrets, slogans, advertisements, promotions, proprietary information and know-how relating to operating methods, procedures and policies, inventions (whether patentable or not), software and all object and source code versions thereof and all related documentation, flow charts, and user/service/operating manuals, and any other intangible right protectable under any Law.

"**Interest**" on any amounts means an interest at a rate which is the lower of (i) a rate equal to the average annual rate of return earned on Permitted Investments during the six (6) month period prior to such amounts becoming payable; provided, that, if no Permitted Investments were made during such six (6) month period, the applicable rate pursuant to this clause (i) shall be the rate equal to HKD Prime on the date such amount becomes payable; and (ii) the maximum rate permitted by applicable Law.

"**Junket Operators**" means operators duly licensed by the Macau Government to act in such capacity, and whose activity is to promote games of fortune or chance and other games in casinos in Macau providing amenities such as transport, lodgment, food and beverage and entertainment to patrons and receiving for such activity, as consideration, a commission or other remuneration.

"**Law**" means any laws, ordinances, rules, regulations, permits, licenses and certificates and orders, judgments, and decrees of courts and administrative bodies of competent jurisdiction.

"**legal requirements**" has the meaning set forth in Section 14.18(b).

"**Lender**" or "**Other Lender**" means any third party that provides a Loan to the Company or its subsidiaries or that acts as agent, security agent, trustee or in any similar role in respect of a Loan.

"**Licenses**" means all permits, authorizations, and licenses necessary to operate the Casino in accordance with Macau Law.

"**Lien**" means any mortgage, pledge, lien, security interest, conditional or installment sale agreement, option, right of first refusal, restriction, exaction, imposition, charge or other claims of third parties of any kind or nature.

"**Loan**" or "**Loans**" means any loan or loans or other indebtedness incurred by the Company or any of its subsidiaries secured by the Project (or any part thereof) and/or any of the revenues of the Project (or any part thereof).

"**Macau**" means the Macau Special Administrative Region of the People's Republic of China.

"**Macau Gaming Taxes**" means (a) the direct tax imposed by the Macau Government on the Casino's Total Gaming Revenues or gaming receipts or any successor direct tax to such direct tax, (b) any contributions or revenue sharing payments payable to the Macau Government in relation to the Casino's Total Gaming Revenues (in particular to a public foundation pursuing social, cultural and scientific interests, and to urban infrastructural development undertakings, which are currently set at a maximum of two percent (2%) and three percent (3%), respectively, of Total Gaming Revenues, pursuant to Law nº 16/2001, of 24 September 2001) or any successor contributions or revenue sharing payments payable to the Macau Government and used for similar purposes as the current contributions or revenue sharing payments or any other purposes to be determined by the Macau Government, and (c) any additional or replacement taxes imposed on or in relation to the Casino's Total Gaming Revenues at any future time; provided, that, for the avoidance of doubt, "Macau Gaming Tax" shall not include Gaming License Fees or any tax, whether income, profits, branch profits, franchise, complementary or other tax, however characterized, on Operator's income from the operation of the Casino (as distinguished from the Total Gaming Revenues derived from the operation of the Casino).

"**Macau Government**" means the government of Macau.

"**Mass Market Operations**" means all Gaming Activities, including tables and slot machines, other than VIP Operations.

"**Mass Market Revenues**" means gross gaming revenues, defined as the difference between gaming wins and losses before deducting (i) all costs and expenses and (ii) Macau Gaming Taxes, from the Mass Market Operations of the Casino. Mass Market

Revenues shall not include VIP Revenues; provided, that revenue from slot machines is considered part of Mass Market Operations (and shall not be considered part of VIP Operations). Mass Market Revenues shall be determined in accordance with the books and records of Operator maintained in accordance with GAAP.

"**MCE**" means Melco Crown Entertainment Limited (formerly Melco PBL Entertainment (Macau) Limited), a company incorporated in the Cayman Islands.

"**MCE Control**" has the meaning set forth in Section 11.9.

"**Minimum Balance**" has the meaning set forth in Section 8.1(c).

**"Minimum Internal Control Requirements**" means minimum internal control requirements set out in Instruction no. 1/2006 dated 1st August, 2006 issued by DICJ, as amended from time to time.

"**Monthly Fee**" has the meaning provided therefor in the Right to Use Agreement.

"**MOP**" means the lawful currency of Macau.

"**MSC**" has the meaning set forth in the introductory paragraph to this Agreement.

"**MSC Account**" means an account designated by MSC.

"**MSC Change of Control**" means any event as a result of which any person or group of persons acting in concert, other than the Shareholders (and the direct and indirect equity owners of each of the Shareholders on the date hereof) and each of their Affiliates (i) directly, or indirectly, through one or more interposed entities, holds or is capable of exercising a majority of the voting power of MSC; or (ii) has and is capable of exercising the right to appoint a majority of the board of directors or similar governing body of MSC.

"**MSC Change of Control Notice**" has the meaning set forth in Section 14.1(b).

"**MSC Change of Control Transaction**" has the meaning set forth in Section 14.1(a).

"**MSC Consideration**" has the meaning set forth in Section 8.3(a).

"**MSC Services**" means (i) the Pre-Opening Services to be performed by MSC and (ii) the services to be performed by MSC pursuant to ARTICLE V, ARTICLE VII, and Section 12.1(b) hereof.

"**MSC's Intellectual Property**" means all Intellectual Property utilized by MSC in connection with the Project and in the performance of its obligations pursuant to the

Transaction Documents, including Intellectual Property previously used by MSC, and Intellectual Property used at any time during the Term by MSC, unless licensed by MSC from Operator or a third party.

“**New Cotai**” has the meaning set forth in the recitals to this Agreement.

“**Non-Reimbursable Expenses**” means costs and expenses of Operator that are not to be funded or reimbursed by MSC (whether as Costs of Operations or otherwise) nor may amounts in respect thereof be withdrawn from the Costs of Operations Account, unless otherwise agreed in writing by the parties and the Shareholders.

“**Operating Budget**” has the meaning set forth in Section 8.1.

“**Operating Standards**” has the meaning set forth in Section 4.1(a).

“**Operator**” has the meaning set forth in the introductory paragraph to this Agreement.

“**Operator’s Developed Intellectual Property**” has the meaning set forth in Section 4.14(a).

“**Operator’s Intellectual Property**” has the meaning set forth in Section 4.14(a).

“**Operator’s Own Intellectual Property**” has the meaning set forth in Section 4.14(a).

“**Operator Consideration**” has the meaning set forth in Section 8.3(a).

“**Operator Regulated Affiliates**” means any of (a) Operator, (b) Melco International Development Limited (“**Melco**”), (c) Crown Limited (“**Crown**”), (d) MCE, (e) any Affiliate of Operator, Melco, Crown or MCE, and (f) any entity in the equity of which any of Operator, Melco, Crown, MCE or any Affiliate of any of them has any direct or indirect interest.

“**Operator Services**” means services to be provided by and other duties and obligations of Operator pursuant to this Agreement, including without limitation (i) the Pre-Opening Services to be performed by Operator and (ii) Operator’s duties and obligations pursuant to ARTICLE IV, ARTICLE VI, ARTICLE VII, and ARTICLE VIII hereof.

“**Outside Commencement Date**” has the meaning set forth in Section 11.6.

“**Permitted Investments**” has the meaning set forth in Section 4.8(b).

“**Pre-Opening Budget**” has the meaning set forth in Section 3.5(a).

“**Pre-Opening Services**” has the meaning set forth in Section 3.4.

“**Project**” has the meaning set forth in the recitals to this Agreement.

“**Regulatory Review**” has the meaning set forth in Section 12.3.

“**Rent**” means the monthly consideration paid to MSC by Operator for occupancy of the Casino, pursuant to Section 3.1, which Rent is intended to equal the sum of the Right to Use Agreement Payments for the same month.

“**Representatives**” has the meaning set forth in Section 14.18(b).

“**Right to Use Agreement**” means a right to use agreement to be entered into by MSC and the Grantor pursuant to which MSC shall be entitled to use and occupy the Casino.

“**Right to Use Agreement Payments**” means actual Monthly Fee and other costs and expenses paid by MSC under the Right to Use Agreement.

“**Sale**” means with respect to any person, the sale, assignment, conveyance, or other transfer of (A) all or substantially all assets of such person or (B) a controlling interest in such person (i.e., the possession directly or indirectly of the power to direct or cause the direction of management and policies of such, whether through the ownership of voting securities, or partnership interests, by contract or otherwise).

“**Security Plan**” has the meaning set forth in Section 3.4(g).

“**Senior Managers**” has the meaning set forth in Section 6.3.

“**Shareholders**” has the meaning set forth in the recitals to this Agreement.

“**Side Letter**” has the meaning set forth in Section 14.11(e).

“**Site**” has the meaning set forth in the recitals to this Agreement.

“**Subconcession Agreement**” has the meaning set forth in Section 14.11(e).

“**Tax**” means all taxes, duties, levies, fees, tariffs, imposts, deficiencies, or other charges or assessments of any kind whatsoever, including net income, gross income, franchise, gross receipts, property, payroll, employment, occupation, capital gains, gains, profits, net worth, or other taxes, and any interest, penalties, additions to tax, or additional amounts with respect thereto imposed by any Governmental Authority(ies).

“**Tax Account**” means an account or accounts: (i) bearing the name of Operator (or any Lender or other third party nominated by a Lender following enforcement of Lien); (ii) established by Operator in a bank selected by Operator; and (iii) maintained by Operator (or any Lender or other third party nominated by a Lender following enforcement of Lien) to hold the funds for and to pay all Macau Gaming Taxes pursuant to Section 8.3.

“**Taxed Party**” has the meaning set forth in Section 8.6.

“**Term**” has the meaning set forth in Section 2.2.

“**Total Gaming Revenues**” means Mass Market Revenues plus VIP Revenues.

“**Total Gaming Receipts**” means cash and cash equivalents effectively received from patrons less amounts paid to patrons in relation to Total Gaming Revenue less amounts held on behalf of patrons in patrons deposit or safekeeping accounts.

“**Transaction**” has the meaning set forth in Section 14.18(a).

“**Transaction Documents**” has the meaning set forth in Section 14.11(b).

“**Transition Services**” has the meaning set forth in Section 10.3.

“**Trust Account**” means a trust account or accounts: (i) for the benefit of MSC and Operator (or any Lender or other third party nominated by a Lender following enforcement of Lien); (ii) established pursuant to the Trust Account Agreement in a bank or trust company selected by MSC and Operator; and (iii) maintained solely to accept deposits of Total Gaming Receipts by Operator and disburse out of such deposits in accordance with the Trust Agreement and this Agreement.

“**Trust Account Agreement**” means the account agreement governing the Trust Account to be executed by MSC, Operator and the bank or trust company with which the Trust Account is established, in form and substance reasonably acceptable to such parties.

“**U.S.**” means the United States of America.

“**VIP Operations**” means Gaming Activities that generate VIP Revenues.

“**VIP Players**” has the meaning set forth in the definition of VIP Revenues.

“**VIP Revenues**” means gross gaming revenues, defined as the difference between gaming wins and losses before deducting (i) all costs and expenses and (ii) Macau Gaming Taxes, received from patrons of the Casino who place bets at VIP Tables with non-negotiable chips or are introduced by one or more Junket Operators who, on average, are paid commissions, rebates or similar incentives which are generally consistent with or lower than rates paid by other casinos in Macau (such patrons, “**VIP Players**”). VIP Revenues shall be determined in accordance with the books and records of Operator maintained in accordance with GAAP.

“**VIP Tables**” means those tables designated by MSC pursuant to Section 5.1 for use by VIP Players.

Section 1.2 Terminology. All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all genders; and the singular shall include the plural and the plural shall include the singular. The Table of Contents

and titles of Articles, Sections and paragraphs in this Agreement are for convenience only and neither limit nor amplify the provisions of this Agreement, and all references in this Agreement to Articles, Sections, paragraphs, clauses, exhibits, addenda or riders shall refer to the corresponding Article, Section, paragraph, clause of, or exhibit, addendum or rider attached to this Agreement, unless otherwise specified. "Including" and any other words or phrases of inclusion shall not be construed as terms of limitation, so that references to "included" matters shall be regarded as non-exclusive, non-characterizing illustrations.

Section 1.3 Exhibits, Addenda and Riders. All exhibits, addenda and riders attached hereto are by reference hereby made a part hereof.

## ARTICLE II

## SCOPE AND TERM

Section 2.1 Scope. This Agreement outlines the services to be performed by MSC and Operator in relation to the management and operation of the Casino and terms and conditions of occupation and use of the Casino by Operator.

Section 2.2 Term. This Agreement shall become effective upon execution and delivery of this Agreement by the parties hereto (such date, the "**Effective Date**"). The initial term of this Agreement (the "**Term**") shall be from the Effective Date until June 26, 2022; provided that if Operator obtains a gaming concession, subconcession or other right to legally operate gaming in Macau, inter alia the Casino (a "**Gaming License**"), beyond June 26, 2022, (i) Operator shall promptly notify MSC thereof and in any event no later than ninety (90) days prior to the end of such initial Term and (ii) the Term shall be extended until the expiration of the Gaming License (including all extensions thereof); provided further that the terms of the extension of the Gaming License specified by the Macau Government permit such renewal upon the terms of this Agreement. Any extension of the Term pursuant hereto shall be on the same terms and conditions as set forth in the Transaction Documents.

Section 2.3 Extension of Gaming License. The Operator shall apply for an extension of the Gaming License for all periods subsequent to June 26, 2022.

## ARTICLE III

## RIGHT TO USE, CONSTRUCTION, AND PRE-OPENING SERVICES

Section 3.1 Right to Use. MSC and Operator agree that commencing upon the Commencement Date and for so long as the Term shall continue, MSC shall allow Operator to use and occupy the Casino premises for purposes of performing, among other things, the Operator Services, in consideration of the Rent which shall be paid to MSC monthly in arrears on the date to be agreed between MSC and Operator. MSC shall provide a reasonable estimate of the Rent anticipated to be payable for the following month not fewer than five (5) business days prior to such following calendar month (the "**Estimated Rent**"), which Estimated Rent shall

equal MSC's good faith estimate of the amount of Right to Use Agreement Payments anticipated for such month (including the Monthly Fee payable by MSC under the Right to Use Agreement for such month). The payments on account of Rent for a particular month, and the Estimated Rent actually paid for such month, shall be adjusted pursuant to Section 8.3(e). MSC and Operator agree that such use and occupancy of the Casino premises shall not constitute a lease under applicable Law.

Section 3.2 [Not Used].

Section 3.3 Construction. MSC presently anticipates that the Commencement Date will occur on or about April 1, 2015; provided, however, in no event shall MSC be in breach of this Agreement, or obligated or liable to any party, due to any failure of the Commencement Date to occur on such date or any other date. MSC shall provide Operator written notice of the anticipated Commencement Date no fewer than one hundred eighty (180) days prior to the anticipated Commencement Date set forth in such written notice; provided, however, subject to Section 11.6, MSC may by subsequent written notice postpone the anticipated Commencement Date without any obligation or liability to any party, due to any failure of the Commencement Date to occur on such anticipated Commencement Date or any other date. MSC shall have the sole responsibility and authority with respect to the design, engineering, development and construction of the Project, including the Casino, and any refurbishments related thereto, including the sole right to perform any such activities and/or to engage others to do so; provided that MSC shall not undertake such activities in any way as, to the knowledge of MSC, would or with the passage of time could reasonably be expected to have a material adverse impact on Operator's Gaming License; provided further, that Operator shall, at MSC's reasonable request, advise and consult with MSC on all such matters as they reasonably relate to the performance of the Operator Services. If Operator provides written notice to MSC, accompanied by any necessary supporting documentation, setting forth with specificity the manner in which any design, engineering, development or construction work with respect to the Project or any refurbishment thereto is being undertaken that would or with the passage of time could reasonably be expected to have a material adverse impact on Operator's Gaming License, MSC shall take commercially reasonable actions to cause such design, engineering, development or construction work with respect to the Project or any refurbishment thereto to be conducted in a manner that could not reasonably be expected to have a material adverse impact on Operator's Gaming License. Operator shall have no obligation to make any investment in the Project or the Casino other than as may be required for the performance of Operator's obligations under this Agreement.

Section 3.4 Pre-Opening Services. From commencement of the Term until the Commencement Date, each party will provide such of the services to be provided by the relevant party under this Agreement as are reasonably required in order to have the Casino ready for operation when construction is complete ("**Pre-Opening Services**"). MSC shall keep Operator reasonably apprised of the construction progress and the anticipated Commencement Date. MSC will provide reasonable access to the Casino during construction to allow Operator

to provide its Pre-Opening Services. As part of the provision of Pre-Opening Services, Operator shall:

(a) Provide reasonable assistance to MSC and its advisors and consultants in connection with the development, design, and construction of the Casino if reasonably requested by MSC and without any requirement for Operator to incur material non-reimbursable obligations or liabilities, and without derogating from MSC having the sole responsibility or authority with respect to the design, engineering, development and construction of the Casino, and any refurbishments related thereto, under Section 3.3; provided, however, Operator shall advise MSC with respect to any design, engineering, development or construction requirements which must be complied with in order to cause such work to be conducted in a manner that could not reasonably be expected to have a material adverse impact on Operator's Gaming License;

(b) Cooperate with MSC in connection with the creation and implementation by MSC of a marketing program for the Casino and the Project, which, at the discretion of MSC, may include without limitation sales, advertising, promotion, publicity and public relations, including opening celebrations and related activities, in order to attract patrons to the Casino on and after the Commencement Date;

(c) In accordance with the Pre-Opening Budget, Section 4.11 and Section 5.1, and subject to MSC providing sufficient funds prior to Operator being under an obligation to pay for the relevant Gaming Assets and related Licenses (but not Gaming Licenses which shall be the sole responsibility of, and at the sole cost of, Operator) and subject also to availability, obtain initial inventories of Gaming Assets and related Licenses (but not Gaming Licenses which shall be the sole responsibility of, and at the sole cost of, Operator) as requested by MSC or as otherwise appropriate for the Casino, unless the parties determine otherwise pursuant to Section 5.1;

(d) In coordination with MSC, apply for, and use commercially reasonable good faith efforts to procure, all other Licenses, if any, as may be required by applicable Law (in Operator's name or MSC's name, or both, as may be determined by MSC and Operator or required by applicable Law) for the operation of the Casino;

(e) Test and, if necessary, implement modifications to the operations of the Casino;

(f) For a period commencing not later than sixty (60) days after having received written notice of the anticipated Commencement Date under Section 3.3, make provisions to provide sufficient personnel (not including, for the avoidance of doubt, the Casino Employees to be recruited in accordance with ARTICLE VI), working with MSC, to supervise and assist the pre-opening and opening operations;

(g) Develop and submit to MSC, for MSC's prior approval not to be unreasonably withheld, a detailed plan ("**Security Plan**") relating to security procedures and protocol, and security equipment and systems, and security personnel, with respect to the monitoring and security of the Casino;

(h) Cooperate with MSC in developing the Pre-Opening Budget as set forth in Section 3.5, the Operating Budget(s) as set forth in Section 8.1, and the Accounting Systems as set forth in Section 4.5;

(i) Perform its obligations under ARTICLE VI in relation to the employment of the Casino Employees;

(j) Obtain insurance in accordance with Section 7.1; and

(k) In general, provide reasonable assistance to MSC in relation to the preparation and organization of the Casino's operations as may be reasonably required for the Casino to be adequately staffed and capable of operating on the Commencement Date and during the first Fiscal Year, including assisting MSC in accounting and budgeting controls and similar operational items.

Section 3.5 Pre-Opening Budget.

(a) MSC shall prepare a pre-opening budget, including a reasonably detailed line-item budget containing estimates of Initial Costs of Operations, as well as dates upon which funds will be required to pay such expenses, and a timetable addressing, inter alia, hiring schedules. Operator shall cooperate with and assist MSC in the preparation of the pre-opening budget. The pre-opening budget shall include all requirements necessary to meet the obligations of the Casino and MSC as the Owner of the Casino under Macau Law or under Operator's Gaming License and which Operator shall have given prior notice of to MSC. MSC shall finalize the pre-opening budget and deliver the finalized pre-opening budget to Operator not less than one hundred twenty (120) days prior to the anticipated Commencement Date referred to in Section 3.3. After MSC has finalized the pre-opening budget (such finalized budget, subject to amendment in accordance with the terms of this Agreement, the "**Pre-Opening Budget**"), Operator shall assist MSC in updating the Pre-Opening Budget monthly. The Pre-Opening Budget shall form the basis for which all Initial Costs of Operations for the Casino shall be made; provided, however, that Operator shall be allowed, after consultation with MSC, to deviate from the Pre-Opening Budget.

(b) In the event the Commencement Date is delayed or postponed from the original date scheduled by MSC for opening, Operator shall cooperate with MSC in revising the Pre-Opening Budget to reflect any reasonable and necessary adjustments in estimated Initial Costs of Operations occasioned by such delay or postponement. Within sixty (60) days after the Commencement Date, Operator shall furnish MSC with an accounting disclosing in reasonable detail the total amount of Initial Costs of Operations.

Section 3.6 Payment of Initial Costs of Operations.

(a) MSC shall fund the Costs of Operation Account with funds necessary for Initial Costs of Operations in the amounts and on the dates required, as shown in the Pre-Opening Budget. All funding shall be provided by MSC a reasonable time prior to Operator being under an obligation to pay for the relevant item which constitutes an Initial Cost of Operations. MSC shall also fund into the Costs of Operation Account such other amounts and on such other dates as may be specified by Operator in a request for funds, made in consultation with MSC, delivered to MSC at least forty-five (45) days in advance of the specified funding date.

(b) All Initial Costs of Operations shall be paid out of funds in the Costs of Operation Account. Operator shall deliver to MSC, within thirty (30) days after the end of each calendar month, a detailed accounting showing in reasonable detail the Initial Costs of Operations paid during the calendar month just ended and showing the cumulative amount of all Initial Costs of Operations paid through the end of such calendar month, along with any applicable budget variance analysis.

## ARTICLE IV

## AUTHORITY, DUTIES AND SERVICES OF OPERATOR

Section 4.1 Operator's Authority and Responsibility; Best Interests of the Casino.

(a) Subject to the overall supervision of the Casino and the Project by MSC and the terms and conditions hereof, Operator shall manage the day-to-day operations of the Casino in a manner intended to appeal to the VIP and mass gaming markets at a standard of quality of service which is designated by MSC from time to time (acting reasonably), consistent with the availability of funds as set forth in the Budget, the numbers and grades of Casino Employees employed or utilized from time to time under ARTICLE VI, the Employee Policies and levels of remuneration applicable to those Casino Employees from time to time, the number and types of Gaming Devices specified for use in the Casino by MSC under ARTICLE V, and the standard of the other services provided by MSC under that Article and the design, construction, floor configuration and fit out of the Casino (including the Furniture and Equipment and any refurbishment programs) implemented by MSC (the "**Operating Standards**"). Operator shall devote the time and effort necessary to provide MSC with the Operator Services in accordance with the Operating Standards. To the extent permitted by applicable Law, Operator may act through its wholly owned subsidiaries in order to fulfill all of its responsibilities under this Agreement but will remain responsible for the acts and omissions of such wholly-owned subsidiaries. Nothing herein grants or is intended to grant Operator a titled interest to the Casino. Operator hereby accepts such retention and engagement.

(b) Without limiting the generality of the foregoing and subject to the overall supervision of the Casino and the Project by MSC, Operator shall manage the day-to-day

operations of the Casino and the Casino shall be open for operation for twenty four (24) hours per day, three hundred and sixty-five (365) days a year (three hundred and sixty-six (366) days a year in leap years); provided, however, that Operator may close parts of the Casino from time to time as it reasonably determines, in consultation with MSC, is appropriate given levels of patronage; and Operator shall perform all other activities directly related to the conduct of Gaming Activities at the Casino as set forth herein.

(c) Operator and MSC shall each (i) act in a commercially reasonable manner in the interest of the Casino when performing their respective obligations under this Agreement and the Transaction Documents, (ii) use commercially reasonable efforts to improve the Casino operations and (iii) refrain from taking actions solely intended to maximize the Casino's (A) revenue, on the one hand, or (B) short- and long-term profitability, on the other hand, to the detriment of the other of (A) or (B), as applicable, insofar as their respective roles provide.

Section 4.2 Limitations. Except as specifically provided in this Agreement, Operator shall have no authority, without the prior written approval of MSC: (a) to sell, encumber or otherwise dispose of any personal property or equipment located in the Casino and/or the Project (other than any personal property or equipment of Operator and which has not been acquired by Operator at the request of MSC under this Agreement); or (b) to purchase, lease or otherwise acquire any goods or services from Operator (except as specifically required to perform its obligations under this Agreement) or any of Operator's Affiliates as a Cost of Operations unless such goods or services are offered upon commercially reasonable terms and the arrangement is specifically approved by MSC. Operator shall not hold itself out to any third party as the agent or representative of MSC and shall not enter into any contracts or agreements in the name of MSC. Similarly, MSC shall not hold itself out to any third party as the agent or representative of Operator and shall not enter into any contracts or agreements in the name of Operator. Without the prior written consent of the other party, neither party shall act as agent or representative of the other party with respect to any Governmental Approvals, nor shall a party act as agent or representative of the other party concerning any action or approval specifically assigned to the other party under this Agreement.

Section 4.3 Periodic Reporting Requirements. At MSC's reasonable request, Operator shall consult with and advise MSC with respect to all policies and procedures affecting the conduct of the business of the Casino and shall provide reports thereon as reasonably requested by MSC. The parties agree that to maintain communication generally between the individuals who will be involved in supervising the Casino, MSC or its designated representative(s) and the Senior Managers shall meet to review operations of the Casino as frequently as may be reasonably required by either MSC or Operator.

Section 4.4 Security. Operator shall provide for appropriate security for the entrance and floor area of the Casino in accordance with the Security Plan. At the direction of MSC, Operator shall engage a security consultant and/or security company to assist with provision of security for the Casino. Other than costs with respect to Senior Managers, the cost of providing security (including the costs of engaging a security consultant and/or security company as directed by MSC) shall be a Cost of Operations.

Section 4.5 Accounting, Financial Records, and Audits.

(a) Operator shall develop and implement accounting systems and financial controls for the Casino that are reasonably satisfactory to MSC (“**Accounting Systems**”).

(b) Operator shall maintain full and accurate records and books of account for the Casino operations managed and/or operated by Operator, which records and books shall be maintained in two separate sets in accordance with (i) the Macau Official Account Plan and (ii) GAAP. Notwithstanding anything to the contrary contained herein, such records shall be maintained at Operator’s office located within the Project and shall be made available for prompt inspection, verification, and copying at all reasonable times as required by MSC or any Governmental Authority or Gaming Authority with jurisdiction over Operator. Without the prior written consent of MSC, Operator shall not store or maintain such records in a proprietary system. All such records shall be maintained by Operator so as to permit the preparation of financial statements in accordance with (i) GAAP; (ii) the requirements of the Macau Government, including the DICJ and Macau taxation authorities; and (iii) procedures to be mutually agreed upon by the parties. All such records shall at all times be the property of Operator and, unless required by applicable Law or to prevent the loss of or damage to such records, shall not be removed from the Casino or other approved location by Operator without MSC’s prior written approval. Upon any termination of this Agreement, all such records shall immediately be conveyed and delivered to MSC so as to ensure the orderly continuance of the operation of the Casino; provided, however, Operator may retain a copy of all such records.

(c) Operator will provide such information and reports regarding the operation of the Casino as may be reasonably required by MSC. Operator shall furnish to MSC monthly financial statements in accordance with Section 8.2. Such statements shall provide reasonable detail with respect to revenues and expenses of the Casino. Upon reasonable request by MSC to Operator, MSC shall have the right to audit the books and records of Operator with respect to Costs of Operations. The audits will be scheduled at times agreed upon by MSC and Operator. The cost of such audits and audit reports (including the annual audit under Section 8.4) shall constitute Costs of Operations. Inspection or verification of records by persons other than MSC, its designated representative(s), consultants and advisors, any prospective or actual financing source, any prospective or actual purchaser, and their respective representatives, consultants and advisors, or any Governmental Authority or Gaming Authority with jurisdiction over Operator shall be coordinated by MSC and Operator jointly.

(d) Operator shall make all reasonable arrangements as to requirements concerning the reporting and withholding of taxes with respect to the winnings from Gaming Activities. Operator will prepare and file all tax returns and reports relating to the payment of all Macau Gaming Taxes.

(e) All costs of maintaining financial and accounting records by Operator in accordance with Operator's obligations under this Agreement are Costs of Operations and all costs of undertaking and complying with audits under this Agreement are Costs of Operations.

Section 4.6 Cash Monitoring. Operator shall conduct surveillance and other monitoring activities to ensure the integrity and proper conduct of the Gaming Activities at the Casino. Operator, on behalf of MSC, shall install a video and/or digital surveillance system and computerized systems for monitoring the slots or electronic gaming accounts and the Total Gaming Receipt on a daily basis. MSC, after consultation with Operator, shall promulgate, and all parties and their respective employees, agents, and representatives shall obey, operational policies respecting the handling of cash, security systems, and access to cash cage, counting rooms, and other places where cash is kept and handled. All such operational policies shall comply with applicable Laws. Subject to compliance with applicable Laws, MSC and its authorized representatives shall have the right to monitor and investigate systems for cash management implemented by Operator and to verify daily Total Gaming Receipt. Each party shall comply with all internal procedures adopted, instructions from the relevant authorities and all applicable Laws related with the prevention of money laundering, financing of terrorism and corruption, including the Minimum Internal Control Requirements or any other instructions issued and/or modified by the DICJ, as amended from time to time.

Section 4.7 Cash Counting. All casino cages shall be counted at least daily at the treasury of the Casino under the permanent co-supervision of the DICJ, Operator and MSC. Operator shall use best efforts to ensure that MSC may be present to witness such cash count. Unless such amounts are required to remain at the cage of the Casino for operational purposes, the Total Gaming Receipt shall be deposited daily into the Tax Account and the Trust Account in accordance with Section 8.3.

Section 4.8 Bank Accounts and Permitted Investments.

(a) On or prior to the Commencement Date, MSC, Operator and the bank or trust company party thereto shall, subject to such requirements as may be agreed with any Lenders as to any Liens on the Trust Account, enter into the Trust Account Agreement and establish the Trust Account thereunder. Operator shall, subject to such requirements as may be agreed with any Lenders as to any Liens on such accounts, also establish other segregated bank accounts at the direction of MSC for the operation of the Casino (the "**Enterprise Accounts**"), including the Costs of Operations Account, which accounts must indicate the custodial nature of the accounts. Subject to such requirements as may be agreed with any Lenders as to any Liens on the Trust Account, the Trust Account shall be maintained at all times for the benefit of MSC and Operator, and checks or other documents of withdrawal therefrom shall be signed only in accordance with the Trust Account Agreement or pursuant to joint written instructions of MSC and Operator. All risk of loss with respect to funds in the Tax Account and the Costs of Operations Account shall be borne by Operator.

(b) Subject to such requirements as may be agreed with any Lenders, surplus funds deposited in the Enterprise Accounts and the Tax Account may be invested by Operator in the following permitted investments ("**Permitted Investments**") as follows: (i) a money market mutual fund registered under the Investment Company Act of 1940 that invests exclusively in (1) marketable direct obligations issued or unconditionally guaranteed by the United States government or issued by an agency thereof and backed by the full faith and credit of the United States, (2) commercial paper having, at the time of acquisition, a rating of A-1 or P-1 or better from either Standard & Poor's Corporation or Moody's Investors Service, Inc., respectively; or (ii) other investments as may be consented to by MSC.

(c) All costs incurred by Operator, including bank fees and charges and any taxes, on the bank accounts required to be opened, maintained and operated under this Agreement are Costs of Operations.

Section 4.9 Other Revenues. Without the prior written approval of MSC, other than Gaming Activities, Operator may not supply any revenue generating services (including, without limitation, food, beverage, retail and entertainment services) to patrons of the Casino or the Project, and all revenues from those other services shall be for the sole account of MSC.

Section 4.10 Timely Payment of Costs of Operations. Subject to available funds in the Costs of Operations Account or otherwise made available by MSC, Operator shall be responsible for paying Costs of Operations on behalf of the Casino from the Cost of Operations Account (or from funds otherwise made available by MSC) so as to avoid any late-payment penalties (except those incurred as a result of good faith payment disputes) to the extent funds are available.

Section 4.11 Acquisition of Gaming Equipment and Utensils and Other Equipment; Junket Operators. (a) In accordance with any applicable written policies and procedures established by, or otherwise pursuant to written requests of, MSC and consistent with the Budget, unless otherwise determined by the parties pursuant to Section 5.1, Operator shall acquire the equipment and related licenses for the Gaming Assets, subject to the availability thereof; provided that MSC provides sufficient funds to Operator to pay for those acquisitions prior to Operator being under an obligation to pay for the equipment and related licenses for the relevant Gaming Assets. All such Gaming Assets procured by Operator shall be utilized in the Casino for the purposes set forth in this Agreement. As Operator expects to operate other gaming facilities in Macau, if Operator is procuring any Gaming Assets, Operator shall use commercially reasonable efforts to obtain volume and pricing discounts in connection with the purchase or lease of such Gaming Assets and apply such volume or pricing discounts equitably across all purchases, including the Gaming Assets. Operator's purchases or leases of any Gaming Assets shall not include any mark-up, profit, or overhead for the account of Operator. MSC will make available to Operator, prior to Operator being under an obligation to pay for the relevant equipment and related licenses, as Costs of Operations the out-of-pocket cost of acquiring all equipment and related licenses (but not Gaming Licenses) for Gaming

Assets purchased or leased by Operator in accordance with any applicable written policies and procedures established by, or otherwise pursuant to written requests of, MSC. Operator shall not cause, permit or suffer to exist any Lien on or against any such Gaming Assets (other than any applicable vendor's lien in respect of any unpaid installments of the purchase price) and, if requested by MSC, shall take all actions necessary and permitted under Macau Law to grant a lien on such Gaming Assets in favor of MSC or any Lenders which are making or have made a Loan to MSC.

(b) If required pursuant to Section 5.1(b), Operator shall engage any Junket Operators to be utilized in connection with the Casino.

Section 4.12 Access to Operations. Subject to compliance with applicable Law and the direction of DICJ, Operator shall provide immediate access to MSC's designated representative(s) to all areas of and assets of the Casino.

Section 4.13 Maintenance. In the course of providing the Operator Services, Operator shall promptly notify MSC as to any aspect of the Casino that, to Operator's knowledge, requires maintenance. MSC shall ensure that any required maintenance tasks are acted upon as soon as is reasonably practicable; provided, that, if required by applicable Law or by the direction of DICJ, Operator shall be responsible for maintenance of the Casino and/or the Gaming Assets in accordance with the Operating Standards and as Costs of Operations. Nothing in this Section 4.13 shall render Operator liable to pay the costs of maintenance of the Casino.

Section 4.14 Intellectual Property.

(a) Subject to the last sentence of this paragraph, any Intellectual Property (including, without limitation, customer lists, gaming and marketing strategies and other similar information) developed by Operator solely in relation to the Project, including the Casino (or otherwise in respect of the performance of its obligations under this Agreement or the Transaction Documents), or by MSC shall be the sole property of MSC; provided, that Intellectual Property shall not include information that is readily available to the public other than as a result of a breach of this provision. Operator shall not use any such Intellectual Property other than in connection with the performance of its obligations under the Transaction Documents. Nothing herein or in the Transaction Documents shall require Operator or any Affiliate of Operator to share any of its previously developed trade secrets, customer lists or trademarks or trade names or other existing or future Intellectual Property developed by Operator otherwise than in relation to the Project ("**Operator's Own Intellectual Property**") with MSC or, except to the extent reasonably necessary to perform its obligations, to use any such property in the performance of its duties. To the extent that Operator develops and/or utilizes unique and proprietary processes in the performance of the Operator Services ("**Operator's Developed Intellectual Property**" and together with Operator's Own Intellectual Property, "**Operator's Intellectual Property**"), these shall remain the property of Operator.

(b) Operator acknowledges and agrees that MSC is the sole and exclusive owner of MSC's Intellectual Property and that MSC shall retain all right, title and interest in, to and under MSC's Intellectual Property. Operator shall not in any way or manner represent to others that it owns or has any ownership rights in MSC's Intellectual Property. Operator shall not apply for registration of any of MSC's Intellectual Property and any other mark, name, word or symbol that is confusingly similar to or a variation of same. Operator shall not make any use of MSC's Intellectual Property or any word or term that is confusingly similar thereto, in any manner, written, oral, or electronic, on the Internet as a domain name, or otherwise, without the express prior written consent of MSC. Operator agrees and acknowledges that any and all goodwill accruing or arising from its past, present and future use of MSC's Intellectual Property shall be for the sole benefit of MSC or its licensees.

(c) MSC acknowledges and agrees that Operator is the sole and exclusive owner of Operator's Intellectual Property and that Operator shall retain all right, title and interest in, to and under Operator's Intellectual Property. MSC shall not in any way or manner represent to others that it owns or has any ownership rights in Operator's Intellectual Property. MSC shall not apply for registration of any of Operator's Intellectual Property and any other mark, name, word or symbol that is confusingly similar to or a variation of same. MSC shall not make any use of Operator's Intellectual Property or any word or term that is confusingly similar thereto, in any manner, written, oral, or electronic, on the Internet as a domain name, or otherwise, without the express prior written consent of Operator. MSC agrees and acknowledges that any and all goodwill accruing or arising from its past, present and future use of Operator's Intellectual Property shall be for the sole benefit of Operator or its licensees.

Section 4.15 Use of Name. MSC and its Affiliates may refer to Operator as the operator of the Casino, utilizing such phrasing as shall be mutually agreeable to the parties, for all purposes and in any manner, written, oral, electronic or otherwise. No additional consideration shall be payable for these or any other permitted uses of the names or trademarks of Operator or its Affiliates.

Section 4.16 Operator's Own Expenses. Without prejudice to any other provision of this Agreement, including without limitation, those relating to Costs of Operations, Operator shall be solely responsible for and pay Operator's own expenses of its separate operations, including rent, insurance, overhead, employee expenses and general business expenses that are not Allocated Overhead Expenses, all of which shall be considered Non-Reimbursable Expenses.

Section 4.17 Sales, Marketing and Advertising. Operator shall be responsible for the design, development and implementation of marketing, advertising, player development, customer service and public relations strategies, programs and policies of the Casino as Operator determines to be appropriate and consistent with the Operating Standards.

Section 4.18 Cooperation of Operator with MSC. Operator shall reasonably cooperate with MSC during the Term of this Agreement in all respects reasonably necessary to

facilitate the performance by MSC of MSC's obligations set forth in this Agreement. Operator shall provide MSC with such information pertaining to the Casino as may be reasonably requested by MSC from time to time.

Section 4.19 Operator's Obligation to Provide Information regarding Subconcession Agreement and Side Letter. Subject in each case to first obtaining any consents required to permit such disclosure (which Operator shall use commercially reasonable efforts to obtain) and subject to complying with the conditions permitting such disclosure, Operator shall, upon the reasonable request of MSC, provide updates to MSC regarding the status of, and copies of all documents in connection with, (i) the Subconcession Agreement and the Side Letter and (ii) all Governmental Approvals and other matters related thereto.

Section 4.20 Notices Regarding Regulatory Review Operator shall promptly provide notice to MSC, if any Operator Regulated Affiliate determines in good faith that, as a result of a Regulatory Review, it may be required by any Gaming Authority(ies) to disassociate itself from MSC, or to procure that Operator is disassociated from MSC.

Section 4.21 Patronage Incentives and Credit. Operator shall establish, policies and programs for (i) complimentary rooms and amenities , (ii) extension of credit to patrons, and (iii) collection and monitoring of credit. The policies and programs pertaining to the extension of credit to patrons shall be determined and implemented by the Operator in compliance with Macau Law in line with the credit policy approved by the Operator, subject to the approval of MSC, from time to time. In no event shall MSC be permitted to grant credit and in no event shall Operator be required to grant credit.

## ARTICLE V

## AUTHORITY, DUTIES AND SERVICES OF MSC

Section 5.1 Gaming. (a) MSC shall, in consultation with the Operator (or in case MSC is no longer under MCE Control (as defined below), subject to Operator's approval not to be unreasonably withheld, conditioned or delayed), determine the number and types of tables, slot machines and other gaming equipment and utensils at the Casino ("**Gaming Devices**"), the betting limits related thereto, matters pertaining to the granting and collection of credit, and floor configuration, in consultation with Operator, to enable the Casino to be operated in a manner consistent with the Operating Standards; provided, that MSC must do so in compliance with Macau Law as it applies to an operator of a casino and so as to enable Operator, as a holder of a Gaming License, to at all times be in compliance with any express directive of the Macau Government issued to Operator or to operators of casinos in Macau and of which Operator informs MSC in writing; provided, further, that MSC shall not set VIP Player programs with the primary intent of reducing the economic benefits of the arrangements set forth herein to Operator. Any matters pertaining to the granting and collection of credit shall be determined and implemented in compliance with Macau Law. MSC and Operator shall discuss and determine from time to time whether particular Gaming Devices shall be procured by MSC, if permitted in compliance with Macau Law and any express directive of the Macau

Government and otherwise commercially practicable, or if such Gaming Devices shall be procured by Operator pursuant to Section 3.4(c) or Section 4.11, as applicable, and, in any such case, whether such procurement shall be by purchase, lease or otherwise, and the terms thereof. If any Gaming Devices are determined to be procured by MSC, MSC shall procure such Gaming Devices and shall in cooperation with Operator obtain such related licenses as are necessary for such Gaming Devices. All such Gaming Devices procured by MSC shall be utilized in the Casino and Operator shall have access to utilize such Gaming Devices for the purposes set forth in this Agreement. MSC shall provide Operator with a list of Gaming Assets that Operator is to procure pursuant to Section 3.4(c). In the event MSC is permitted under Macau law, and expressly permitted by the Macau Government, to procure Gaming Devices and/or Gaming Assets, MSC shall maintain such Gaming Devices and/or Gaming Assets duly identified with its respective serial numbers, shall promptly provide, upon request by the Operator, an inventory of such Gaming Devices and/or Gaming Assets to the Operator for the purposes of article 41 of Law 16/2001 and undertakes that it shall not dispose of or create or permit the maintenance of any lien, charge or encumbrance on such Gaming Devices and/or Gaming Assets within 12 months preceding the scheduled termination of the Subconcession Agreement or 9 months preceding the redemption date, in case Operator is notified that the Macau Government will redeem its subconcession, provided that Operator shall so inform MSC within 30 days of such notification, and accepts that such Gaming Devices and/or Gaming Assets upon termination of the Subconcession Agreement or redemption of the subconcession may revert to the Macau Government without any compensation to MSC.

(b) MSC shall, in consultation with Operator, determine the general business model for VIP Operations at the Casino, including, without limitation, the appropriate utilization (if any) of Junket Operators versus direct contact with VIP Players. MSC shall, in consultation with Operator, select any Junket Operators to be utilized in connection with the VIP Operations at the Casino from time to time; provided, however, all Junket Operators engaged in connection with the VIP Operations at the Casino shall be by duly licensed by the Macau Government to act in such capacity. Any Junket Operator to be engaged in connection with the VIP Operations at the Casino shall be engaged by Operator, provided however that Operator shall engage such Junket Operators as are designated by MSC in consultation with Operator. In the event either MSC or Operator (or both) shall determine in good faith that association with a particular Junket Operator could result in a requirement by any Gaming Authority(ies) that Operator or MSC or any Affiliate of either disassociate itself from such Junket Operator or if any contract to which MSC is a party or by which MSC is bound obligates MSC to disassociate itself from such Junket Operator, MSC shall not designate such Junket Operator or, if engaged by Operator prior to such determination, Operator shall take reasonable action to promptly terminate the engagement. Any Junket Operator’s commission, share of revenues, or other compensation shall be a Cost of Operations.

Section 5.2 Utility Services. MSC shall be responsible for arranging utility services, telephone and other similar services required for the operation of the Casino as MSC determines to be appropriate and consistent with the Operating Standards; provided that Operator shall, at MSC’s request, advise and consult with MSC on all such matters.

Section 5.3 [Not Used].

Section 5.4 Cooperation of MSC with Operator. MSC shall reasonably cooperate with Operator during the Term of this Agreement in all respects necessary to facilitate the performance by Operator of Operator's obligations set forth in this Agreement. MSC shall provide Operator with such information pertaining to the Project as may be reasonably requested by Operator from time to time.

Section 5.5 [Not Used].

Section 5.6 On-Site Office. From and after the Commencement Date, MSC shall provide Operator, at no cost to Operator, with office space located at the Project, reasonably designated by MSC, which shall be utilized for general office purposes solely related to the operation of the Casino, including without limitation, maintaining the books and records of the Casino.

Section 5.7 Governmental Approvals and Licenses. MSC shall with the assistance of Operator, obtain and maintain in full force and effect all Governmental Approvals and Licenses required in connection with the Casino, its operation and maintenance, other than the Gaming License.

Section 5.8 Payment of Amounts other than Costs of Operations. The Costs of Operations shall be borne by MSC and paid from the MSC Consideration in accordance with the provisions of this Agreement. MSC shall also be responsible for paying all other costs and expenses in connection with the Casino and its operations and maintenance, other than the items set forth in clauses (i) through (vi) (inclusive) of the exclusions from Costs of Operations set forth in the proviso to the definition of Costs of Operations. MSC shall pay all such costs and expenses in a timely manner so as to avoid any material disruption to the operation of the Casino in accordance with the Operating Standards.

Section 5.9 Permanent or Temporary Closure of the Casino. Notwithstanding anything to the contrary set forth in this Agreement, subject to compliance with Macau Law and as authorized by the Macau Government, MSC shall have the right in its sole and absolute discretion to request that Operator, and Operator, provided all required authorizations are obtained, shall act upon such request to (a) permanently close the Casino or permanently discontinue operations at the Casino (for example, if MSC considers the Casino to be insufficiently profitable) or reduce the scale of operations at the Casino, or (b) temporarily close all or any portion of the Casino (including, for example, for renovations, maintenance, repair or as a result of a Force Majeure Event), provided that the Operator shall not temporarily close all or any portion of the Casino if such closure would violate the terms of Operator's Gaming License, and any such request shall not result in a default or breach by, or any liability of or recourse against, MSC hereunder.

## ARTICLE VI

## PERSONNEL MATTERS

Section 6.1 Employment and Supervision of Personnel. Operator shall have the responsibility of identifying, and then recruiting, potential Casino Employees (as defined below). Operator shall be responsible for training of the Casino Employees. A background investigation shall be conducted directly by Operator or through the services of a third party , in compliance with all requirements of Law, to the extent applicable, on each applicant for employment as soon as reasonably practicable. Any costs incurred by Operator in connection with the recruitment and training of Casino Employees (including without limitation, recruitment and training companies and engaging the services of recruitment and training agents) and obtaining such background investigations shall constitute Costs of Operations. Operator shall employ and supervise the employees of the Casino (including without limitation dealers, cashiers, security and surveillance personnel, managers, and other personnel customarily employed by casinos in Macau (the "**Casino Employees**")), in accordance with the policies and procedures developed by the Operator (the "**Employee Policies**"). Such policies and procedures shall include staffing levels and compensation ranges for the Casino Employees set by Operator from time to time.

Section 6.2 Personnel Decisions. Operator shall have the sole authority to promote, discharge, and supervise all Casino Employees.

Section 6.3 Casino Employee Expenses. Payroll and employee benefits expenses of the Casino Employees ("**Casino Employee Expenses**") shall be borne by Operator and reimbursed by MSC as Costs of Operations, save and except for the senior managers responsible for Casino Operations, Cage, Security and Surveillance (the "**Senior Managers**"), whose costs shall be borne by Operator without reimbursement. All salaries, wages, termination costs, employee insurance, worker compensation premiums, employment taxes, employee on costs, government exactions of any kind related to employment, benefits, and overhead related to the supervision and discharge of Casino Employees, except with respect to the Senior Managers, shall be Costs of Operations.

Section 6.4 Conflict of Interest.

(a) Except for pooling arrangements, if any, specifically agreed to in writing by Operator and MSC, neither Operator nor its Affiliates shall solicit or hire any of the Casino Employees or any other person that Operator recruited or identified for employment by the Casino or the Project except for the purpose of providing the Operator Services and neither Operator nor its Affiliates shall engage or employ in any manner whatsoever any of the Casino Employees in any gaming facilities other than the Casino or the Project (except for the Senior Managers). This Section 6.4(a) shall not apply to any Casino Employee who requests without solicitation by Operator to be transferred to another gaming zone operated by the Operator.

(b) Operator and MSC further agree to adopt conflict of interest rules concurrent with or promptly following 15 June 2012 (the "**Amendment Effective Date**"), and to comply with such rules including any modifications thereto adopted from time to time in accordance with this Section 6.4. Any adoption, amendment or variation to conflict of interest rules made after the Amendment Effective Date must be reasonably agreed between the parties or as required by Law. Such conflict of interest rules shall take into account requirements that Operator has disclosed are necessary to meet its obligations under Macau Law or under its Gaming License.

Section 6.5 Casino Employee Created Intellectual Property. To ensure that MSC owns all Intellectual Property created by employees of the Casino in the course of their employment at the Casino, Operator shall include provisions relating to the ownership by MSC of Intellectual Property created by employees of the Casino in the course of their employment at the Casino in all employee handbooks or other personnel policy materials and in all employment contracts with Casino Employees; the Employee Policies shall also contain such provisions.

## ARTICLE VII

## INSURANCE

Section 7.1 Operator's Duty to Maintain. During the Term, Operator shall be responsible for obtaining and maintaining, as Costs of Operations, insurance policies related to the Casino Employees, such as unemployment insurance, worker's compensation, and such other insurance with respect to the Casino Employees as reasonably requested by and in the amounts reasonably determined by MSC, consistent with the Budget.

Section 7.2 MSC's Duty to Maintain. During the Term, MSC shall be responsible for obtaining and maintaining insurance coverages (including commercial general liability, flood, and property insurance) from insurers satisfying or exceeding the requirements, covering such risks and in amounts not less than as may be specified by Operator as being required in order for Operator to comply with the terms of Operator's Gaming License and otherwise as MSC in its reasonable discretion may determine, and which may also include, from time to time, if specified by Operator as being required in order for Operator to comply with the terms of Operator's Gaming License, or otherwise in MSC's discretion, automobile and garagekeepers liability, director and officer, and fidelity bond coverage. In the event that MSC does not obtain and maintain any and all such coverages as Operator has specified as are required to be maintained for Operator to comply with the terms of Operator's Gaming License, Operator shall have the right to obtain and maintain any or all such insurance coverage as are required in order to enable Operator to comply with the terms of Operator's Gaming License, the costs of all such insurance coverages shall be Costs of Operations, and the Operating Budget shall be amended to reflect the cost of obtaining such insurance coverages as Costs of Operations.

Section 7.3 MSC and Operator to be Insureds. The insurance policies required to be obtained and maintained by MSC (or if applicable, Operator) pursuant to Section 7.2 shall name MSC and Operator as insureds.

Section 7.4 Evidence of Insurance. Prior to the Commencement Date, and from time to time as reasonably requested by the other party, each party shall supply to the other party, and any Governmental Authorities as required by Law, copies of the insurance policies applicable to the Casino operations including those obtained pursuant to this ARTICLE VII.

## ARTICLE VIII

## BUDGETS, COMPENSATION AND CONSIDERATION

Section 8.1 Projections and Budgets; Funding of Costs of Operations.

(a) MSC shall prepare a budget for the Initial Costs of Operation in accordance with Section 3.5 and include the budget for the Initial Costs of Operation in the Pre-Opening Budget and provide the budget for the Initial Costs of Operation to Operator at the same time that the Pre-Opening Budget is required to be provided to Operator under Section 3.5, being not less than one hundred twenty (120) days prior to the anticipated Commencement Date referred to in Section 3.3. The budget for the Initial Costs of Operations shall be prepared in consultation with Operator and shall include all requirements necessary to meet the obligations of the Casino and MSC as owner of the Casino under Macau Law and under Operator’s Gaming License as to which Operator shall have given prior notice of to MSC. MSC shall also, in consultation with Operator, prepare monthly, quarterly, and annual operating budgets for the first Fiscal Year of operations and provide them to Operator at least ninety (90) days prior to the anticipated Commencement Date referred to in Section 3.3. Each monthly, quarterly and annual operating budget shall include all requirements necessary to meet the obligations of the Casino and MSC as owner of the Casino under Macau Law and under Operator’s Gaming License as to which Operator shall have given prior notice of to MSC. To the extent that an amount necessary to meet the obligations under Operator’s Gaming License is not known by Operator prior to the preparation of a relevant monthly, quarterly or annual operating budget, but Operator subsequently becomes aware of such amount, Operator shall promptly give notice of that amount to MSC and each relevant budget shall be amended accordingly. All operating budgets prepared and finalized by MSC hereunder (each, as applicable, an “**Operating Budget**”) shall include, among other things, a budget of receipts and expenditure proposals for payroll and other Casino Employee Expenses, operating inventories and supplies and other reimbursable expenses under this Agreement and the Transaction Documents. Each party shall provide to the other (i) monthly progress reports regarding expenses versus Budget and (ii) such other progress reports regarding expenses versus Budget as may be reasonably requested by the other party. MSC shall prepare each future annual Operating Budget, including monthly, quarterly and annual breakdowns, in consultation with Operator, by no later than thirty (30) days prior to the commencement of each succeeding

Fiscal Year. Each such future Operating Budget, including monthly, quarterly and annual breakdowns, shall include all requirements necessary to meet the obligations of the Casino and MSC as owner of the Casino under Macau Law and under Operator's Gaming License as to which Operator shall have given prior notice of to MSC. To the extent that an amount necessary to meet the obligations under Operator's Gaming License is not known by Operator prior to the preparation of a relevant monthly, quarterly or annual operating budget, but Operator subsequently becomes aware of such amount, Operator shall promptly give notice of that amount to MSC and each relevant budget shall be amended accordingly. The parties recognize that adjustments may be made to an Operating Budget previously approved by MSC, from time to time during any Fiscal Year, to reflect changes required based upon staffing of the Casino determined from time to time in accordance with Section 6.1, the impact of unforeseen circumstances, financial constraints, or other events. Any such adjustments shall not affect any actions previously taken by Operator in accordance with the terms of the Operating Budget as in effect at the relevant time. Operator agrees to promptly inform MSC regarding any items of revenue or expense that are reasonably anticipated to exceed the amounts set forth in any Budget and Operator shall promptly notify MSC of any payments made in excess of the amount provided therefor in such Budget.

(b) Operator shall use commercially reasonable efforts to cooperate with and assist MSC in the preparation of the Operating Budget described herein.

(c) Operator shall not be required to pre-fund any Costs of Operations under this Agreement. MSC shall ensure that Operator is provided with sufficient funds in the Costs of Operations Account to meet the Costs of Operations contemplated by any applicable Budget before Operator is under any obligation to pay for the relevant Costs of Operations. Accordingly, each Operating Budget shall specify in respect of each month covered by the relevant Operating Budget, a minimum balance of funds required to be maintained at all times in the Costs of Operations Account (the "**Minimum Balance**"). Any shortfall in the Minimum Balance shall be funded from the Trust Account and transferred to the Costs of Operations Account in accordance with the provisions of Section 8.3(d).

(d) Notwithstanding any other provision of this Agreement, except for the items set forth in clauses (iii) through (vi) (inclusive) of the exclusions from Costs of Operations set forth in the proviso to the definition of Costs of Operations, Operator shall not be required to incur any costs, expenses, liabilities or other obligations howsoever or whatsoever in connection with the Casino, including under any request, direction, instruction, principle, guide, proposal or Budget contemplated under ARTICLES IV, VI or VIII of this Agreement or otherwise, unless the relevant amount has been included in a Budget which is in effect at the relevant time such that the relevant amount is a Cost of Operations and has been credited to, and remains standing to the balance of, the Cost of Operations Account. Operator shall not be in breach of this Agreement as a result of any failure or refusal to incur any such cost, expense, liability or other obligation (except for the items set forth in clauses (iii) through (vi) (inclusive) of the exclusions from Costs of Operations set forth in the proviso to the definition of Costs of Operations) which is not a Cost of Operations able to be funded from the Cost of Operations Account at the relevant time.

Section 8.2 Monthly Financial Statements. Within thirty (30) days after the end of each calendar month, Operator shall furnish to MSC monthly verifiable financial statements in accordance with (i) GAAP and (ii) requirements of the Macau Government, including the DICJ and Macau taxation authorities covering the preceding month's operations of the Casino, including operating statements, balance sheets, income statements, cash flow statements and statements reflecting the amounts computed to be distributed in accordance with Section 8.3.

Section 8.3 Distribution of Total Gaming Revenues; Transfers for Costs of Operations.

(a) As consideration for the Operator Services provided pursuant to this Agreement, Operator shall be entitled to retain, by deposit to the Operator Account in accordance with Section 8.3 (d), monthly, an amount (the "**Operator Consideration**") equal to [***]. As payment for the MSC Services, and in consideration of MSC's other obligations hereunder and rights provided to Operator hereunder, MSC shall receive, monthly, a fee (the "**MSC Consideration**") equal to Total Gaming Receipts for the prior month less the sum of (1) an amount equal to Macau Gaming Taxes with respect to the Total Gaming Revenues for the prior month and (2) Operator Consideration for that month. All monthly distributions shall be subject to the quarterly true up pursuant to Section 8.3 (e) and the other rights and remedies of the parties as set forth herein. For the purposes of this Section 8.3(a), [***].

(b) Notwithstanding Section 8.3 (a), the MSC Consideration shall first be applied to maintain the Minimum Balance in the Costs of Operations Account by Operator and as required from time to time as so as to ensure the amounts in the Costs of Operations Account are sufficient to meet Costs of Operations. Thereafter, MSC shall be paid the remaining balance of the MSC Consideration. Such applications and payments shall be made in accordance with Section 8.3(d).

(c) Where amounts in the Costs of Operations Account are insufficient to meet Costs of Operations, then, notwithstanding the provisions of Sections 8.3 (a), 8.3(b) and 8.3(d), MSC shall make transfers from its own funds (or shall direct that transfers be made from the Trust Account) to the Costs of Operations Account as necessary to pay Costs of Operations and on the basis that such funds are transferred to the Costs of Operations Account before Operator is under an obligation to pay for the relevant Costs of Operations.

(d) The amount of Total Gaming Receipts for each day shall be deposited as follows promptly after determination of the amount thereof. [***]

(e) No later than the thirtieth (30th) day of March, June, September or December of each year, if the actual Total Gaming Revenues, the Total Gaming Receipts or other amounts paid to MSC or Operator in accordance with Section 8.3 for the preceding quarter (or part thereof) ending the preceding December, March, June and September are different from the amount that should have been determined or paid to such party based on

the books and records of Operator and based upon the provisions of this Agreement, then to the extent either party received an overpayment, it shall repay and deposit the amount of such overpayment into the Trust Account, and to the extent either party received an underpayment, it shall receive a distribution from the Trust Account, as more particularly described in the Trust Account Agreement. In addition, if the Estimated Rent for the preceding quarter is different from the amount that should have been paid as Rent based on the Right to Use Agreement Payments during such quarter, then Operator and MSC shall adjust the disbursements of cash accordingly so that the amount of Rent paid for such preceding quarter (and the corresponding amount included in the Operator Consideration) equals the Right to Use Agreement Payments for such quarter.

(f) MSC shall also furnish Operator (directly, or through deposits to the Costs of Operations Account) such other amounts and on such other dates as may be specified by Operator in a request for funds, made in consultation with MSC, delivered to MSC at least thirty (30) days in advance of the specified funding date.

(g) Operator shall pay all Macau Gaming Taxes from the Tax Account and, to the extent that sufficient funds are available in the Costs of Operations Account, shall pay all Costs of Operations from the Costs of Operations Account.

(h) Subject to the provisions of Section 14.1 (a) or any Liens granted in favour of a Lender, Operator shall not cause, permit or suffer to exist any Lien on or against the Tax Account, the Costs of Operations Account, or any funds on deposit in either such account, and immediately upon becoming aware of same, shall notify MSC. Operator shall promptly take all actions necessary or proper to obtain the release or discharge of any such Lien; provided, however, that any amount incurred to obtain such release or discharge of Lien, and all costs and expenses incurred therewith, shall be Non-Reimbursable Expenses (except if such Lien results from the performance of the Operator's obligations or any failure by MSC to perform its obligations under this Agreement, in which case any amounts incurred shall be considered Costs of Operation).

(i) Other than any Lien granted in favour of a Lender, neither Operator nor MSC shall cause, permit or suffer to exist any Lien on or against the Trust Account or any funds on deposit therein, and immediately upon becoming aware of same, the party becoming aware shall notify the other party. MSC and Operator shall promptly discuss the actions to be taken to obtain the release or discharge of any such Lien, and Operator and MSC shall take such action as may be determined by MSC to be necessary and proper to obtain the release or discharge of any such Lien. Any amount incurred to obtain such release or discharge of Lien, and all costs and expenses incurred therewith, shall be borne by the party whose action or inaction has given rise to the relevant Lien.

Section 8.4 Annual Audit.

(a) With respect to each Fiscal Year, MSC shall cause an audit to be conducted by an accounting firm selected by MSC. On or before one hundred and twenty (120)

days after the end of such year, the selected accounting firm shall issue a report with financial statements in accordance with (i) GAAP and (ii) requirements of the Macau Government, including the DICJ and Macau taxation authorities, with respect to the preceding Fiscal Year (or portion of the year in the case of the first year) operations of the Casino, including operating statements, balance sheets, income statements and statements reflecting the amounts computed to be distributed in accordance with Section 8.3.

(b) In addition, upon termination of this Agreement in accordance with its terms, such accounting firm shall conduct an audit, and on or before one hundred and twenty (120) days after the termination date, shall issue a report setting forth the same information as is required in the annual report pursuant to Section 8.4(a), in each case with respect to the portion of the Fiscal Year ending on the termination date. If the Total Gaming Revenues, Total Gaming Receipts or other amounts paid to MSC or Operator in accordance with Section 8.3, or paid to Operator (from the Costs of Operations Account or otherwise) in respect of Costs of Operations, for the relevant period are different from the amount that should have been paid to such party based on the report prepared by the accounting firm and based upon the provisions of this Agreement, then to the extent either party received an overpayment, it shall repay and deposit the amount of such overpayment into the Trust Account within twenty-five (25) days after the receipt by such party of the accountant's report, and to the extent either party received an underpayment, it shall, within twenty five (25) days after receipt by such party of the accountant's report, receive a distribution from the Trust Account of the amount of such underpayment

Section 8.5 Cooperation Regarding Financing. Each party will reasonably cooperate in all material respects with efforts by the other party and its Affiliates to obtain financing, and shall coordinate and consult with each other in connection with any financial projections shown to lenders. The terms of the Transaction Documents among the parties shall be adjusted as reasonably required by any financing sources to a party or its Affiliates, provided that neither party shall be required to agree to any such amendments or adjustments that materially adversely affect the economic terms or benefits set forth in such documentation. Nothing in this Section 8.5 shall require a party to incur a material obligation or liability.

Section 8.6 Effect of New Taxes. If, during the Term, (a)(i) either party hereto (the "**Taxed Party**") becomes subject to a Tax imposed by the Macau Government (other than Macau Gaming Taxes) with respect to the income derived by the Taxed Party from the transactions and activities contemplated by this Agreement, and the Taxed Party, if it were deriving gross revenues, gross receipts, gross income or net income from the transactions and activities contemplated by this Agreement at the Effective Date, would not be subject to such Tax on the Effective Date (assuming, for this purpose, that any "tax holidays," "exemptions," or the like were not applicable to the Taxed Party at such time) or (ii) the Macau Government modifies the basis of calculation of a Tax in effect as of the Effective Date (including Macau Gaming Taxes) by changing such basis of calculation from gross income, net income, gross revenues, gross receipts or sales to another of such bases or by determining to tax Operator on the revenue of the Casino or on the MSC Consideration without any offset or deduction for the

payments made by Operator or from the revenue of the Casino to MSC (it being understood that a change in rate of Tax shall not constitute a change in basis of calculation) and (b) as a result of the imposition of such a Tax referred to in clause (a)(i) or the modification of the basis of calculation of a Tax referred to in clause (a)(ii), the Taxed Party, if it were deriving gross revenues, gross receipts, gross income or net income from the transactions and activities contemplated by this Agreement at the Effective Date, and assuming, for this purpose, that any "tax holidays," "exemptions," or the like were not applicable to the Taxed Party at such time, would be liable to pay a materially greater amount of Tax than the Taxed Party would have previously paid (or, if the Commencement Date has not yet occurred, would have previously paid in the periods following the Commencement Date), Operator and MSC shall each negotiate in good faith in order to attempt to minimize equitably as between the parties the adverse impact as a result of the imposition or modification of the Tax, taking into consideration in such attempt any reduction in the taxes payable by the other party that correspond to the Tax imposition or modification. Failure to reach agreement after negotiating in good faith shall not constitute a Dispute subject to resolution under ARTICLE XV.

## ARTICLE IX

## EVENTS OF DEFAULT

Section 9.1 Events of Default. Subject to Section 14.8 (Force Majeure), the occurrence of any one or more of the following events which is not cured in the time permitted shall constitute an event of default (an "**Event of Default**"):

(a) Event of Default by Operator. The occurrence of any of the following events shall constitute an "Event of Default" of Operator:

(i) The failure of Operator to make any deposit of any amounts in respect of Total Gaming Revenues or Total Gaming Receipts (as appropriate) required under this Agreement on or before the due date recited herein and said failure continues for one (1) day after written notice thereof from MSC;

(ii) The failure of Operator to make any monetary payment or deposit (other than those in respect of Total Gaming Revenues or Total Gaming Receipts, as set forth in Section 9.1(a)(i)) required under this Agreement on or before the due date recited herein and said failure continues for five (5) business days after written notice thereof from MSC;

(iii) A material breach by Operator of any of the representations and warranties, covenants, agreements, terms or conditions contained in this Agreement, including the breach of any obligations to perform in accordance with the Operating Standards, and such breach continues for a period of thirty (30) days after written notice thereof from MSC to Operator specifying in detail the nature of such breach; provided, that if such breach is not

cured within such thirty (30) day period and Operator has been diligently attempting to cure, such period shall be extended for one thirty (30) day period so long as Operator continues to diligently attempt to cure during such period;

(iv) The suspension, revocation, termination or ineffectiveness, for any reason whatsoever, of Operator's Gaming License or any Governmental Approval required to be obtained or maintained by Operator under this Agreement (if the failure to obtain or maintain such Governmental Approval would have a material adverse effect on Operator's Gaming License or its ability to perform its obligations under this Agreement), except where such suspension, revocation, termination or ineffectiveness, results from any act or omission of MSC in violation of this Agreement;

(v) A material breach by Operator of any Macau gaming Laws;

(vi) A finding by a final judgment of a court of competent jurisdiction that any of Operator's employees are guilty of theft, embezzlement or crime of moral turpitude and if, after knowledge of such final judgment, the failure of Operator to promptly remove such employee from connection with the Casino;

(vii) The failure of MCE or its successor to hold, directly or indirectly, a majority of the voting equity of Operator unless Operator is a public company and MCE remains, directly or indirectly, the largest holder of the voting equity in Operator, and holds, directly or indirectly, at least thirty percent (30%) of the voting equity in Operator;

(viii) Operator's (i) application for or consent to the appointment of a receiver, trustee or liquidator of itself or any of its property, (ii) failure to pay its debts as they mature or admission in writing of its inability to pay its debts as they mature, (iii) making of a general assignment for the benefit of creditors, (iv) adjudication as bankrupt or insolvent, or (v) filing of a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors, taking advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation Law, or admission of the material allegations of a petition filed against it in any proceedings under any such Law, or Operator's taking any action for the purpose of effecting any of the foregoing;

(ix) The entering of an order, judgment or decree without the application, approval or consent of Operator by any court of competent jurisdiction approving a petition seeking reorganization of Operator, or the appointment of a receiver, trustee or liquidator of Operator, or of all or a substantial part of any of the assets of Operator, that continues unstayed and in effect for a period of sixty (60) days from the date of entry thereof;

(x) Any call or drawing made by the Macau Government under the performance bond delivered pursuant to the Side Letter, unless such bond is fully reinstated within thirty (30) days thereof in accordance with the Subconcession Agreement;

(xi) Any temporary administrative intervention is made by the Macau Government pursuant to the Subconcession Agreement; or

(xii) The Macau Government takes any formal measure seeking the unilateral dissolution of the Subconcession Agreement.

(b) Event of Default by MSC. The occurrence of any of the following events shall constitute an "Event of Default" by MSC:

(i) The failure by MSC to make any monetary payment or deposit required under this Agreement on or before the due date recited herein and said failure continues for five (5) business days after written notice thereof from Operator;

(ii) A material breach by MSC of any of the representations and warranties, covenants, agreements, terms or conditions contained in this Agreement, and such breach continues for a period of thirty (30) days after written notice thereof from Operator to MSC specifying in detail the nature of such breach; provided, that if such breach is not cured within such thirty (30) day period and MSC has been diligently attempting to cure, such period shall be extended for one thirty (30) day period so long as MSC continues to diligently attempt to cure during such period;

(iii) MSC's (i) application for or consent to the appointment of a receiver, trustee or liquidator of itself or any of its property, (ii) failure to pay its debts as they mature or admission in writing of its inability to pay its debts as they mature, (iii) making of a general assignment for the benefit of creditors, (iv) adjudication as bankrupt or insolvent, or (v) filing of a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors, taking advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation Law, or admission of the material allegations of a petition filed against it in any proceedings under any such Law, or MSC's taking any action for the purpose of effecting any of the foregoing;

(iv) The entering of an order, judgment or decree without the application, approval or consent of MSC by any court of competent jurisdiction approving a petition seeking reorganization of MSC, or the appointment of a receiver, trustee or liquidator of MSC, or of all or a substantial part of any of the assets of MSC, that continues unstayed and in effect for a period of sixty (60) days from the date of entry thereof; or

(v) Any action by MSC whether or not permitted or required under this Agreement which causes or is likely to cause Operator to be in breach of its Gaming License, and the condition resulting from such action continues for a period of thirty (30) days (or in the case of an actual breach, such shorter period as may be permitted by Macau Law, the DICJ or any other applicable Macau Governmental Authority in accordance with applicable Law after Operator has taken commercially reasonable action to attempt to obtain such thirty (30) day period), after written notice thereof from Operator to MSC specifying in detail the nature of the actions to be taken to resolve such condition; provided, that if such breach is not cured within such thirty (30) day period and MSC has been diligently attempting to cure, such period shall be extended for one thirty (30) day period (or in the case of an actual breach, such shorter period as may be permitted by Macau Law, the DICJ or any other applicable Macau Governmental Authority in accordance with applicable Law after Operator has taken commercially reasonable action to attempt to obtain such thirty (30) day period) so long as MSC continues to diligently attempt to cure during such period.

## ARTICLE X

## REMEDIES

Section 10.1 Remedies. In addition to any termination right provided for herein, but subject to Section 11.9 hereof, upon the occurrence of a default in any obligation hereunder or a breach of any representation and warranty, covenant, agreement, term or condition hereof or of any Event of Default, the non-defaulting party may pursue any and all remedies available to it at law or in equity, subject to the provisions of Section 14.17 and ARTICLE XV; provided however, that MSC’s remedies with respect to the Events of Default set forth in Sections 9.1(a)(iv), 9.1(a)(xi) and 9.1(a)(xii) shall be limited to the right to termination of this Agreement, without the payment of compensation or the incurrence of any other liability on the part of Operator (but without prejudice to rights accrued or obligations incurred prior to the termination), pursuant to Sections 11.1 and 11.8 hereof, unless any such Event of Default results from the act or omission of Operator; provided, further, that Operator’s remedies with respect to the Events of Default set forth in Section 9.1(b)(v) shall be limited to termination of this Agreement, without the payment of compensation or the incurrence of any other liability on the part of MSC (but without prejudice to rights accrued or obligations incurred prior to the termination), pursuant to Sections 11.1 and 11.8 hereof.

Section 10.2 Ownership of Assets and Repayment of Obligations on Termination or Event of Default.

(a) The parties shall continue to perform their obligations in accordance with the provisions of this Agreement and Macau law during the pendency of any dispute and no party shall have the right to cease performing its obligations hereunder until this Agreement expires or is duly terminated pursuant to the termination provisions hereof. The parties shall implement reasonably satisfactory escrow arrangements to protect their interests during the pendency of any dispute.

(b) Upon termination of this Agreement, Operator shall cease to operate and have any right, title or interest in or to the Casino. Except as to any security interests and Liens as may be established otherwise by a proceeding pursuant to ARTICLE XV and as permitted by Macau law, Operator shall have no Liens in the Casino or any of the assets of the Casino or the Project (or any equipment, books and records, materials or furnishings therein that were purchased as Costs of Operations). In addition to any other survival provisions set forth in this Agreement, upon the occurrence of any termination of this Agreement, the terms and provisions of ARTICLE IX, ARTICLE X, ARTICLE XIII and Sections 1.1, Section 14.4, Section 14.5, Section 14.8, Section 14.9, Section 14.10, Section 14.11, Section 14.13, Section 14.14, Section 14.15, 14.18, and 15.1 shall survive such termination (and, for the avoidance of doubt, the parties confirm and agree that the right to receive any Operator Consideration or MSC Consideration which has been earned and not yet paid, and the right of Operator to be reimbursed for any Costs of Operations incurred but not yet reimbursed, and in each case Interest thereon, shall survive any termination of this Agreement and for this purpose (and to this extent only) the provisions of ARTICLE VIII shall apply as if the termination date were the last day of the relevant month).

(c) Upon termination of this Agreement for any reason whatsoever (i) MSC shall promptly remove and cease all use of Operator's Intellectual Property or any word, term or logo that is confusingly similar thereto, including but not limited to any such use on casino, hotel, bar, restaurant and retail supplies, labels, packaging, merchandise, signs, displays, equipment, telephone directories, literature, brochures, websites and advertising and promotional materials; and (ii) Operator and its Affiliates shall promptly remove and cease all use of MSC's Intellectual Property or any word, term or logo that is confusingly similar thereto, including but not limited to, any such use on casino, hotel, bar, restaurant and retail supplies, labels, packaging, merchandise, signs, displays, equipment, telephone directories, literature, brochures, websites and advertising and promotional materials. Neither MSC nor Operator shall be entitled to use Intellectual Property that consist of a combination of Operator's Intellectual Property and MSC's Intellectual Property without the written consent of the other.

Section 10.3 Transition Services. In connection with the termination of this Agreement and the Transaction Documents, Operator shall cooperate and work together with MSC to ensure a seamless transition of (a) possession of the Casino to a subsequent occupant and (b) provision of the Operator Services to the provision of such services by a third party or by MSC (such services, "**Transition Services**"). Without limiting the generality of the foregoing, Operator shall, at MSC's sole cost and expense as to all reasonable, out of pocket expenses incurred by Operator (unless termination is as a result of a breach by Operator), (i) use

reasonable efforts to facilitate the employment of the Casino Employees by such third party or by MSC or, failing such employment (other than due to a failure by Operator to use reasonable efforts to facilitate the employment of the Casino Employees), pay the Casino Employees such redundancy and/or other entitlements as required by Macau Law and/or as provided in the relevant employment contract (such redundancy and/or other entitlements to be Costs of Operations); (ii) if permitted by Law transfer title to any Gaming Assets from Operator to such third party or to MSC; and (iii) take such actions as may be required by the Macau Government in connection with the aforementioned transition. To the extent that Operator provides any transition services after the date of termination of the Term, then in addition to reimbursement of all costs incurred, Operator shall be entitled to a reasonable fee for each day that transition services are rendered.

Section 10.4 Reconciliation. Upon termination, Operator shall cause an accounting firm to prepare and deliver to MSC a final accounting statement with respect to the Casino in accordance with Section 8.4(b). The parties shall reconcile any outstanding amounts as set forth in Section 8.4(b). Any Dispute with respect to such statement shall be resolved by arbitration pursuant to the provisions of ARTICLE XV.

Section 10.5 Cumulative Remedies. All rights or remedies of MSC or Operator under this Agreement or any other Transaction Documents shall be cumulative and may be exercised singularly in any order or concurrently, at such party’s respective option, and the exercise or enforcement of any such right or remedy shall neither be a condition to nor bar to the exercise or enforcement of any other right or remedy.

## ARTICLE XI

## TERMINATION

Section 11.1 Termination Generally. Subject to Section 11.9, in addition to other remedies provided for herein, upon the occurrence and during the continuance of an Event of Default, the non-defaulting party may terminate this Agreement and the Transaction Documents by providing notice to the defaulting party in accordance with Section 11.8. Subject to Section 11.9, this Agreement and the Transaction Documents shall also terminate or be terminable as set forth in Section 14.1 or as otherwise provided in this ARTICLE XI, provided, that the terminating party provides notice to the other party(ies) in accordance with Section 11.8.

Section 11.2 Termination for Material Adverse Effects on Ability to do Business in Macau.

(a) MSC may terminate the Transaction Documents by providing notice to Operator in accordance with Section 11.8, if any event occurs affecting Operator or any of its Affiliates that materially adversely affects the ability of MSC or any of its Affiliates to do business in Macau, and such event or condition shall continue for a period of thirty (30) days after written notice thereof from MSC to Operator specifying in detail the nature of such event

or condition; provided, that if such event or condition is not cured within such thirty (30) day period and Operator or such Affiliate has been diligently attempting to cure, such period shall be extended for an additional sixty (60) days so long as Operator or such Affiliate continues to diligently attempt to cure during such period.

(b) Operator may terminate the Transaction Documents by providing notice to MSC in accordance with Section 11.8, if any event occurs affecting MSC or any if its Affiliates that materially adversely affects the ability of Operator or any of its Affiliates to do business in Macau, and such event or condition shall continue for a period of thirty (30) days after written notice thereof from Operator to MSC specifying in detail the nature of such event or condition; provided, that if such event or condition is not cured within such thirty (30) day period and MSC or such Affiliate has been diligently attempting to cure, such period shall be extended for an additional sixty (60) days so long as MSC or such Affiliate continues to diligently attempt to cure during such period.

Section 11.3 Regulatory Review. Operator may terminate the Transaction Documents by providing notice to MSC in accordance with Section 11.8, if, as a result of a Regulatory Review, any Operator Regulated Affiliate is required by any Gaming Authority(ies) to disassociate itself from MSC or to procure any other Operator Regulated Affiliate to disassociate itself from MSC or is formally advised by any Gaming Authority(ies) that such a requirement will be forthcoming, and such requirement or advice shall continue to be applicable for a period of thirty (30) days (or such shorter period as may be required by any Gaming Authority(ies)) after written notice thereof from Operator to MSC; provided, that if such requirement or advice does not cease to be effective within such thirty (30) day period (or such shorter period as may be required by any Gaming Authority(ies)) and MSC has been diligently attempting to remove such requirement or advice, such period shall be extended for an additional sixty (60) days (or such shorter period as may be required by any Gaming Authority(ies)) so long as MSC continues to diligently attempt to remove such requirement or advice during such period. Notwithstanding the foregoing, in the event that any Operator Regulated Affiliate acted or omitted to act with the intent to induce or cause any Gaming Authority(ies) to require any of such parties to disassociate itself from MSC or to procure any other Operator Regulated Affiliate to disassociate itself from MSC or to formally advise that such a requirement will be forthcoming, then Operator shall not have the right to terminate the Transaction Documents pursuant to this Section 11.3, and MSC shall have the right to pursue any and all rights at law or in equity in the event that Operator purports to terminate the Transaction Documents in such circumstances.

Section 11.4 Termination upon a Sale to a Competitor or Obtainment of a Gaming License. MSC or, as to clause (a) of this Section 11.4 only, Operator, may upon thirty (30) days' prior written notice to the other, terminate the Transaction Documents effective upon (a) a Sale of the Company, the Grantor or MSC, or any direct or indirect parent of the Company, the Grantor or MSC to a Competitor, if, as a result of such Sale, the Shareholders no longer hold any interest in any of the Company, the Grantor or MSC, or any direct or indirect parent of any of the Company, the Grantor or MSC, or (b) the direct or indirect obtainment by

MSC or an Affiliate of MSC of a Gaming License (including by way of acquisition of control of an entity that has a Gaming License) (any of the foregoing, a "**Competitor Termination Event**"). "**Competitor**" means any person or entity holding a Gaming License.

Section 11.5 Termination by Mutual Consent. This Agreement may also be terminated at any time upon the mutual written consent of MSC and Operator.

Section 11.6 Termination on Failure of Commencement Date to Occur. Either party may terminate this Agreement on thirty (30) days' notice to the other party if the Commencement Date has not occurred on or prior to April 30, 2018 (the "**Outside Commencement Date**"), provided that the Outside Commencement Date shall be automatically extended to the extent that the requirements to achieve the Commencement Date are diligently being pursued by MSC in good faith and the Commencement Date is reasonably expected to occur not later than six (6) months following the original Outside Commencement Date.

Section 11.7 Termination Upon Closure of Casino or Discontinuance of Operations. Operator may terminate this Agreement on thirty (30) days' notice to MSC if, upon request of MSC and provided that all authorizations have been granted by the Macau Government, Operator has permanently closed the Casino or permanently discontinued the operations of the Casino as contemplated by Section 5.9. If (a) the Casino is permanently closed or the operations at the Casino are permanently discontinued, (b) this Agreement is terminated, and (c) thereafter, MSC or any of its Affiliates takes any step to reopen the Casino or recommence operations at the Casino or at any other casino at the Site, in each case at any time during the Term of this Agreement (including any extension thereof under Section 2.2) which would have otherwise applied if this Agreement had not been terminated, MSC shall notify Operator accordingly within thirty (30) days of taking any such step. Operator shall notify MSC in writing within thirty (30) days of receiving MSC's notice if Operator desires to enter into an agreement to operate the Casino if reopened or operations are recommenced at the Casino, on the same terms and conditions of this Agreement for a term determined in accordance with the provisions of this Agreement as if the Casino had not been closed or operations at the Casino had not been discontinued, and as if this Agreement had not terminated. If Operator desires to enter into such an agreement, then the parties shall, and shall procure that their respective Affiliates shall, take all actions necessary to enter into such an agreement in relation to the reopened Casino on the same terms as this Agreement.

Section 11.8 Notice of Termination. Any notice of termination hereunder shall be in writing detailing (a) the Event of Default or termination provision being invoked and (b) the reason the party considers the Event of Default not to be cured or the reason the party considers such termination provision to be applicable, and must be delivered to the other party pursuant to Section 14.4 for such termination to be effective. Termination by Operator (other than pursuant to Sections 11.4 or 11.7) shall not be effective earlier than one hundred and eighty (180) days after delivery to enable MSC to arrange for a new operator of the Casino. Termination by Operator pursuant to Section 11.3 shall not be effective earlier than one

hundred eighty (180) days after delivery (or such shorter period as may be permitted by applicable Gaming Authority(ies), after Operator has used commercially reasonable action to obtain the longest transition period obtainable not to exceed one hundred eighty (180) days) to enable MSC to arrange for a new operator of the Casino.

Section 11.9 No Termination. Notwithstanding anything herein to the contrary (but subject to Section 11.4), including in Article X hereof and this Article XI, if MSC is directly or indirectly under MCE Control (as defined below), then Operator may not pursue any remedies against MSC under or in connection with this Agreement (other than to cause compliance herewith), and shall not have any right to terminate this Agreement for so long as MSC is directly or indirectly under MCE Control. At any time from and after the time MSC is no longer directly or indirectly under MCE Control, Operator may pursue remedies against MSC under or in connection with this Agreement including any right it may have to terminate this Agreement, to the extent (and only to the extent) such remedies are available to Operator at such time under Article X hereof and this Article XI, provided, in each case, that if its right to pursue such remedies (including any termination right it may have) has arisen as a result of any action taken by MSC (or as a result of the failure of MSC to take any action) while MSC was directly or indirectly under MCE Control, then such right to pursue remedies (including any termination right it may have) may only be exercised by Operator if (a) the event that entitles Operator to pursue any remedies under this Agreement or to terminate this Agreement is beyond MCE's reasonable control, for example as a direct result of the material deterioration of general business and financial conditions affecting the operation of casinos in Macau generally, or (b) MCE has used its commercially reasonable efforts to remedy the breach caused by such event while MSC is directly or indirectly under MCE Control (and provided that, in either case under clause (a) or (b), MCE shall not be required to fund the operation of the Casino nor shall MCE or the Shareholders be required to fund or inject equity into, or make other payments in relation to, the Project above the thresholds agreed as of the Amendment Effective Date). For the purposes hereof, MSC shall be deemed to be directly or indirectly controlled by MCE at all times during which:

(i) MCE directly, or indirectly through one or more interposed entities, owns and controls MSC as conclusively determined by holding a majority of the voting power of MSC or having the right to appoint a majority of the board of directors or similar governing body of MSC, and

(ii) MCE directly, or indirectly through one or more interposed entities, owns and controls the other entities which own and control the Site, the hotel facilities within the Project and other facilities which are material for purposes of sustaining operations of the Project as a whole and the Casino in particular (the "Key Non-Gaming Entities"), with ownership and control in each instance being conclusively determined by holding a majority of the voting power in or having the right to appoint a majority of the board of directors or similar governing body of such Key Non-Gaming Entities, provided that, in the event any of the foregoing entities (or all or substantially all of such

entity's assets) is sold, transferred or otherwise disposed of, directly or indirectly, to a third party while such entity is directly or indirectly under MCE Control (other than in connection with any action taken by a Lender to enforce any Lien against such entity or such entity's assets or the entities through which MCE directly or indirectly holds the Key Non-Gaming Entities or their assets), such entity shall no longer be deemed to be a Key Non-Gaming Entity, and

(iii) no Lender has taken any action to foreclose on or enforce any Lien against MSC, any Key Non-Gaming Entity or any such interposed entities or their assets which prevents MCE from exercising any such power or right in clause (i) or (ii) or the result of which is that MCE is fundamentally deprived of ownership or control over MSC, any Key Non-Gaming Entity or any such interposed entities or their assets, which assets are material for purposes of sustaining operations of the Project as a whole and the Casino in particular or the exercise of any such powers or right ("MCE Control").

## ARTICLE XII

## REGULATORY MATTERS

Section 12.1 Compliance with Laws.

(a) Operator shall perform its duties hereunder and under the Transaction Documents in compliance with applicable Law. Operator agrees to take commercially reasonable actions that may be reasonably requested by MSC (1) so as not to materially adversely affect the reputation of MSC or its Affiliates in their respective businesses and (2) to comply with, and to cause the Casino to be in compliance with, in all material respects, all applicable Laws, including all applicable gaming Laws, and maintain all Licenses under Law in order to operate the Casino, including the Gaming License; provided, that Operator shall not be required pursuant to the provisions of this Section 12.1(a) to take any actions that materially adversely affect the economic terms or benefits applicable to such party set forth herein or in the other Transaction Documents. Without limiting the generality of the foregoing, Operator may (i) employ a reasonable number of employees to monitor the operations of the Casino to ensure compliance with such Laws (such employees will be given access to the necessary personnel, areas, systems and data to perform their role); and (ii) adopt a set of operating standards for the Casino and the Casino Employees to ensure the integrity of the Casino and the reputation of Operator. The costs incurred by the Operator under the provisions of this Section 12.1 (a) shall be considered Costs of Operation.

(b) MSC agrees to take commercially reasonable actions (1) that may be reasonably requested by Operator so as to avoid any conflict with Operator's obligations as a holder of a Gaming License, (2) so as not to materially adversely affect the reputation of Operator as a gaming operator, and (3) to comply with, and to cause the Casino to be in compliance with, in all material respects, all applicable Laws, including all applicable gaming Laws, and maintain all Licenses under Law in order to operate the Casino, including the Gaming

License; provided, that (y) if any such actions MSC is required to take pursuant to this Section 12.1(b) relates solely to the Casino, all costs incurred therewith are to be borne by MSC), and (z) MSC and Operator shall negotiate in good faith to equitably allocate the cost of any actions MSC is required to take pursuant to clauses (1) and (3) of this Section 12.1(b) to the extent related to the Gaming License.

(c) Operator and MSC each agree to be jointly and severally responsible for complying with all laws, rules and regulations, of whatsoever nature, in relation to prevention of money laundering, financing of terrorism and corruption, as in force from time to time, including the Minimum Internal Control Requirements as issued and/or amended by the DICJ, applicable to the Casino, and to be jointly and severally responsible for complying with the requirements of the Subconcession Agreement applicable to the Casino, as amended from time to time and, for this purpose, Operator shall, upon authorization by the Macau Government, if required, provide MSC with copies of any amendments to the Subconcession Agreement or, if authorization by the Macau Government is not obtained, otherwise inform MSC in writing of the amended requirements of the Subconcession Agreement applicable to the Casino, promptly upon the Subconcession Agreement having been amended.

Section 12.2 Information. Each party shall assist the other parties in compliance by the first party with all terms and conditions of applicable Law. Without limiting the foregoing, each party shall, in consultation with the other parties, supply the Macau Government with all information necessary to comply with applicable Law.

Section 12.3 Regulatory Review. MSC acknowledges that, by executing this Agreement and/or the Transaction Documents, it may be subject to ongoing probity review by certain Gaming Authorities. If reasonably requested to do so by Operator, MSC and its respective shareholders, members, investors, officers, directors and employees shall reasonably cooperate with any information requests made by, or to comply with the rules of, any Gaming Authority (“**Regulatory Review**”). Each party shall cooperate in good faith in connection with any Regulatory Review so as to reduce the likelihood of termination pursuant to Section 11.3.

## ARTICLE XIII

## ENFORCEMENT OF RIGHTS; RELEASE AND INDEMNITY

Section 13.1 Enforcement of Rights. During the term of this Agreement and so long as any amounts owing to MSC under this Agreement or related to any Transaction Document remains unpaid, except as otherwise provided in Section 13.2, Section 13.3, Section 13.4 and Section 13.5, each of MSC and Operator shall control all actions or proceedings commenced against them, respectively, and shall participate jointly as to those brought against both. The parties shall assist and cooperate with each other with respect to such third party claims and disputes and the parties mutually agree to provide each other with prompt notice of all claims. All uninsured liabilities or expenses incurred by Operator or any of its employees, officers, directors, agents or Affiliates in defending such claims by third parties, which relate to the services provided by Operator hereunder, shall be considered Costs of Operations except (a)

with respect to claims and liabilities resulting from its material breach of this Agreement, gross negligence, bad faith or willful or criminal misconduct, which shall be governed by Section 13.2, Section 13.3, Section 13.4 and Section 13.5 and (b) arising out of any settlement effected without the consent of MSC. Each party shall provide the other party with a summary of pending or threatened litigation on a quarterly basis.

Section 13.2 Third Party Claims. All costs and expenses incurred by the Operator, its agents, directors, officers, employees and Affiliates, in respect of any third party damages, claims, causes of action, losses and/or expenses of whatever kind or nature including attorneys' fees and expenses incurred in defending such claims (except claims resulting from the Operator's material breach of this Agreement, gross negligence, bad faith or willful or criminal misconduct, in connection with the operation of the Casino in accordance with the terms of this Agreement, which are subject to Section 13.3 and Section 13.4 hereof) shall be considered Costs of Operation. No party may settle any third party claim involving another party without the consent of the other party, unless (x) such settlement contains a complete release, reasonably satisfactory to the other party, of the other party, its agents, directors, officers, employees and Affiliates from such claim, (y) (i) any and all costs incurred by the Operator in connection with such settlement shall be considered Costs of Operation (unless the claim being settled resulted from the Operator's material breach of this Agreement, gross negligence, bad faith or willful or criminal misconduct in connection with the operation of the Casino in accordance with the terms of this Agreement), and (ii) any and all costs incurred by MSC in connection with such settlement shall be borne by MSC, and (z) in the case of settlement by Operator, such settlement does not involve monetary payments in excess of US$2,000,000 (two million United States Dollars) which would be considered Costs of Operations hereunder.

Section 13.3 Indemnity from Operator. Notwithstanding Section 13.2, Operator shall indemnify and hold MSC, its agents, directors, officers, employees and Affiliates, harmless against any and all damages, claims, losses or expenses of whatever kind or nature, including reasonable attorneys' fees and expenses incurred in defending third party claims, resulting from (x) the gross negligence, bad faith or willful or criminal misconduct of Operator and its Affiliates, and their respective officers, directors, or employees, in connection with Operator's performance of this Agreement, (y) a material breach by Operator of its representations, warranties, covenants or agreements herein or (z) any noncompliance with the laws, rules and regulations, or with any requirements of the Subconcession Agreement applicable to the Casino, described in Section 12.1(c) hereof, in each case to the extent and in the proportion that such noncompliance results from the act or inaction of Operator and/or its Affiliates, and/or their respective officers, directors and employees, and no such damages, losses or expenses shall be paid from the bank accounts established pursuant to this Agreement, nor shall such damages, losses or expenses be considered Costs of Operations. Operator shall be responsible for and shall indemnify and hold harmless MSC and its Affiliates and their respective directors, officers, employees and agents against, all fees, expenses or other charges related to maintaining Operator's Gaming License. With respect to the obligation to indemnify under this Section 13.3, Operator shall have the sole right to control the defense of any such

matters and shall pay its attorneys' fees; provided that, with respect to any such matters, Operator shall not be responsible for the attorneys' fees of attorneys hired by the indemnitee except to the extent Operator requests their assistance or Operator fails to promptly assume the defense of the dispute, or if representation of the indemnitee by the counsel retained by Operator would be inappropriate due to actual or potential conflict of interests between the indemnitee and any other party represented by such counsel in such proceeding. Amounts paid by Operator pursuant to this provision shall be Non-Reimbursable Expenses.

Section 13.4 Indemnity from MSC. Notwithstanding Section 13.2, but subject to Section 14.17, MSC shall indemnify and hold Operator, its agents, directors, officers, employees and Affiliates, harmless against any and all damages, claims, losses or expenses of whatever kind or nature, including reasonable attorneys' fees and expenses incurred in defending third party claims, resulting from (x) the gross negligence, bad faith or willful or criminal misconduct of MSC and its Affiliates and their respective officers, directors, or employees, in connection with MSC's performance of this Agreement, (y) a material breach by MSC of its representations, warranties, covenants or agreements herein or (z) any noncompliance with the laws, rules and regulations, or with any requirements of the Subconcession Agreement applicable to the Casino, described in Section 12.1(c) hereof, in each case to the extent and in the proportion that such noncompliance results from the act or inaction of MSC and/or its Affiliates, and/or their respect officers, directors and employees, and no such damages, losses or expenses shall be paid from the bank accounts established pursuant to this Agreement, nor shall such losses or expenses be considered Costs of Operations. With respect to the obligation to indemnify under this Section 13.4, MSC shall have the sole right to control the defense and settlement of any such matters and shall pay its attorneys' fees, provided that, with respect to any such matters, MSC shall not be responsible for the attorneys' fees of attorneys hired by the indemnitee, except to the extent MSC requests their assistance, MSC fails to promptly assume the defense of the dispute or if representation of the indemnitee by the counsel retained by MSC would be inappropriate due to actual or potential conflict of interests between the indemnitee and any other party represented by such counsel in such proceeding.

Section 13.5 No Partnership; Indemnity Against Unauthorized Debt and Liabilities. The parties expressly agree that neither this Agreement nor the performance of obligations hereunder creates or implies a partnership among the parties or authorizes any party to act as agent for any other party. Each party hereby agrees to indemnify and hold the other parties harmless from any third party claims, actions and liabilities, including reasonable attorneys' fees on account of obligations or debts of the first mentioned party that the first mentioned party is not authorized to undertake pursuant to the terms of this Agreement.

Section 13.6 Mitigation of Damages. Notwithstanding any of the terms and provisions herein contained to the contrary, the parties shall each have the duty and obligation to mitigate, in every reasonable manner, any and all damages that may or shall be caused or suffered by virtue of defaults under or violation of any of the terms and provisions of this Agreement and the other Transaction Documents committed by the other.

## ARTICLE XIV

## MISCELLANEOUS

Section 14.1 Assignment and Subcontractors.

(a) No party shall assign its rights or delegate its duties under this Agreement other than to a direct or indirect subsidiary (provided that, in the case of an assignment by Operator, the direct or indirect subsidiary holds a Gaming License, and in the case of assignment by Operator, Operator is not relieved of the obligation to perform and such assignment will not have a material adverse effect on Operator's ability to perform under the Transaction Documents) or, in the case of MSC, as required in connection with any financing for the Company or any of its subsidiaries. Notwithstanding the foregoing, this Section 14.1(a) shall not restrict any direct or indirect MSC Change of Control or any assignment of this Agreement and delegation of MSC's duties hereunder in connection with any direct or indirect sale or disposal by MSC of any of its assets or businesses (an "**MSC Change of Control Transaction**"); provided, that, if such transaction would result in a material adverse effect upon Operator's Gaming License, Operator may (subject to Section 14.1(b)) terminate the Transaction Documents; provided further that if the transaction (A) (1) is not a Competitor Termination Event and (2) has been approved by the Macau Government, or (B) was undertaken by MSC while under MCE Control), then the foregoing proviso shall no longer be applicable. The assignment of rights or delegation of duties by a party to its direct or indirect subsidiary shall not relieve the party of its obligations under this Agreement. Save as may be required in connection with any financing for the Company or any of its subsidiaries, MSC shall not directly or indirectly sell or otherwise dispose of all or substantially all of MSC's rights as to the Casino unless MSC either terminates the Transaction Documents in accordance with Section 11.4 or also assigns its rights and delegates its duties under this Agreement to the transferee or an affiliate of the transferee. In the case of an assignment of this Agreement by MSC in connection with a financing by the Company or any of its subsidiaries, no Lender shall be required to assume the obligations of MSC under this Agreement (but it may do so if it so elects), unless and until that Lender has exercised remedies under any Lien such that it becomes the counterparty to this Agreement or the owner of the Casino, in which event it shall be required to assume the obligations of MSC under this Agreement from and after the date thereof and the other provisions hereof. Any Lender providing financing to MSC or its Affiliates in connection with the Project and wishing to take a security interest in the Casino premises, or which on enforcement would affect the right of Operator to occupy the Casino premises under this Agreement, shall, at the request of the Operator, enter into an agreement with Operator providing that such Lender shall not unreasonably interfere with Operator's right to occupy the Casino premises in accordance with this Agreement, on terms and conditions reasonably satisfactory to Operator and such Lender, as a condition of Lender taking such security. Notwithstanding the provisions of Section 8.3 (h), the Operator shall be entitled to pledge and assign its rights under the Tax Account and the Costs of Operation Account in favour of any Lender providing financing in connection with the Project.

(b) MSC shall provide written notice (the "**MSC Change of Control Notice**") to Operator of any contemplated MSC Change of Control Transaction that was not undertaken by MSC while under MCE Control (except in case of enforcement of any Lien by a Lender). The MSC Change of Control Notice must provide a reasonable description of the proposed transaction, the names of all proposed beneficial owners the nature and proportion of each beneficial owner's ownership. Until such information is provided, MSC will not have delivered an MSC Change of Control Notice. Within twenty (20) business days after delivery of the MSC Change of Control Notice, Operator shall inform MSC in writing whether it reasonably believes that such transaction would result in a material adverse effect upon Operator's Gaming License. If MSC disputes Operator's determination that an MSC Change of Control Transaction would result in a material adverse effect upon Operator's Gaming License, then the parties shall address such Dispute in accordance with the procedures set forth in ARTICLE XV. The provisions of this Section 14.1(b) are without prejudice to any other provisions of this Agreement and, without limiting the generality of the foregoing, a failure by Operator to inform MSC in writing that Operator reasonably believes that the contemplated MSC Change of Control Transaction would result in a material adverse effect upon Operator's Gaming License shall be without prejudice to Operator's rights to subsequently terminate this Agreement under any applicable provision of this Agreement (including ARTICLE XI and Section 14.1(a)) as a result of or in connection with the MSC Change of Control Transaction or any other matter howsoever or whatsoever.

(c) The provisions of Sections 14.1(a) and (b) are without prejudice to the provisions of Section 11.4 and in the event of any conflict, the provisions of Section 11.4 shall prevail and be overriding. Accordingly, without limiting the generality of the foregoing, if an MSC Change of Control Transaction is also a Competitor Termination Event Section 11.4 shall apply irrespective of the provisions of Sections 14.1(a) or (b) and irrespective of whether the relevant transaction has been approved by the Macau Government. If the MSC Change of Control Transaction is not a Competitor Termination Event, the provisions of Sections 14.1(a) and (b) shall apply to the relevant transaction.

(d) Subject to the foregoing limitations, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby. Except as set forth in Section 14.1(a), the assignee of the rights of a party under this Agreement permitted by applicable Law, shall assume the obligations of the relevant party under this Agreement as a condition of the assignment.

Section 14.2 [Not Used].

Section 14.3 [Not Used].

Section 14.4 Notices. Except as may be otherwise provided herein, all notices, requests, waivers and other communications made pursuant to this Agreement shall be in writing and shall be conclusively deemed to have been duly given (a) when hand delivered to the other party, upon delivery; (b) when sent by facsimile at the number set forth below, upon receipt of confirmation of error-free transmission; (c) seven (7) business days after deposit in

the mail as air mail or certified mail, receipt requested, postage prepaid and addressed to the other party as set forth below; or (d) two (2) business days after deposit with an international express delivery service, postage prepaid, addressed to the parties as set forth below with two (2) business day delivery guaranteed, provided that the sending party receives a confirmation of delivery from the delivery service provider. Each person making a communication hereunder by facsimile shall promptly confirm by telephone to the person to whom such communication was addressed each communication made by it by facsimile pursuant hereto but the absence of such confirmation shall not affect the validity of any such communication. A party may change or supplement the addresses given below, or designate additional addresses, by giving the other party written notice of the new address in the manner set forth above. Notices given pursuant to this Agreement should be addressed as follows:

If to MSC:

c/o MPEL Services Limited 36/F, the Centrium,
60 Wyndham Street,
Attention: Company Secretary
Central, Hong Kong
Telephone: (852) 2537 3600
Facsimile: (852) 2537 3618

If to Operator:

c/o Melco Crown Entertainment Limited
36/F., The Centrium
60 Wyndham Street
Central
Hong Kong
Attention: Chief Legal Officer
Telephone: (852) 2537 3600
Facsimile: (852) 2537 3618

Section 14.5 Amendments. This Agreement may be amended only by written instrument duly executed by all of the parties hereto and with any and all necessary Governmental Approvals previously obtained.

Section 14.6 Severability. Each provision of this Agreement shall be considered separable and if for any reason any provision or provisions of this Agreement are determined to be illegal or invalid and contrary to any existing or future Law, such illegality or invalidity shall not impair the operation of, or affect, those portions of this Agreement that are legal and valid.

Section 14.7 Counterparts. This Agreement may be executed in two or more counterparts and by facsimile, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

Section 14.8 Force Majeure.

(a) A party, provided that it has complied with the provisions of Section 14.8(c), shall not be in breach of this Agreement, nor liable for any failure or delay in performance of any obligations under this Agreement, and the time for performance of the obligations shall be extended accordingly, to the extent arising from or attributable to acts, events, omissions or accidents beyond its reasonable control ("**Force Majeure Event**"), including but not limited to any of the following to the extent beyond its reasonable control:

(i) Acts of God, including but not limited to flood, earthquake, windstorm or other natural disaster;

(ii) War, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, breaking off of diplomatic relations or similar actions;

(iii) Terrorist attack, civil war, civil commotion or riots;

(iv) Nuclear, chemical or biological contamination or sonic boom;

(v) Mandatory compliance with any Law (including any change in Law or official interpretation thereof);

(vi) Fire, explosion, collapse of building structure or accidental damage not caused by or resulting from the acts or omissions of the applicable party;

(vii) Any labor dispute (including but not limited to strikes, industrial action or lockouts) or labor shortage not caused by or resulting from the acts or omissions of the applicable party;

(viii) Non-performance by suppliers or subcontractors (other than by Affiliates of the party seeking to rely on this clause); and

(ix) Interruption or failure of utility service, including but not limited to electric power, gas or water.

(b) The corresponding obligations of the other party will be suspended to the same extent.

(c) Any party that is subject to a Force Majeure Event shall not be in breach of this Agreement, provided that:

(i) It promptly notifies the other party in writing of the nature and extent of the Force Majeure Event causing its failure or delay in performance;

(ii) It could not have avoided the effect of the Force Majeure Event by taking precautions which it ought reasonably to have taken, but did not; and

(iii) It has used reasonable efforts to mitigate the effect of the Force Majeure Event to carry out its obligations under this Agreement in any way that is reasonably practicable and to resume the performance of its obligations as soon as reasonably practicable.

Section 14.9 Time is Material. The parties agree time is of the essence and that the time and schedule requirements set forth in this Agreement are material terms of this Agreement; provided, however, that any cure periods provided for under the Macau Civil Code are already provided for by agreement of the parties under this Agreement and shall not be in addition thereto.

Section 14.10 Further Assurances. The parties hereto agree to do all acts and deliver necessary documents as shall from time to time be reasonably required to carry out the terms and provisions of this Agreement.

Section 14.11 Representations and Warranties of Operator. Subject to any disclosure made in writing by Operator or its Affiliates to MSC or its Affiliates on or before the date hereof, Operator hereby represents and warrants as follows:

(a) Operator is a duly organized company under Macau Law.

(b) (i) Operator has full legal right, power and authority under the Laws of Macau, and Operator and has taken all corporate action necessary, to enter into this Agreement, to perform its obligations hereunder, and to consummate all other transactions contemplated hereby; and (ii) prior to execution of this Agreement and any and all other documents and agreements related thereto or contemplated hereby or thereby (collectively, the "**Transaction Documents**"), Operator shall have taken any and all action necessary to authorize the execution, delivery and performance of the Transaction Documents, the performance of its obligations thereunder, and the consummation of all other transactions contemplated thereby.

(c) This Agreement and each of the other Transaction Documents has been duly executed and delivered by Operator and, when approved by necessary Governmental Authority(ies) (where applicable), will constitute valid and binding obligations, enforceable against Operator in accordance with their terms.

(d) The execution and delivery of this Agreement and each of the other Transaction Documents, the performance by Operator of its obligations hereunder and thereunder and the consummation by Operator of the transactions contemplated hereby and thereby will not violate any contract or agreement to which Operator or any of its Affiliates is a party or any Law or require any Governmental Approval beyond those contemplated herein or therein.

(e) Operator has received an effective subconcession from the Macau Government that has been issued under the concession of Wynn Resorts (Macau), Limited and constitutes a valid Gaming License. Operator has delivered to MSC true, correct and complete copies of: (i) the subconcession agreement entered into between Operator and Wynn Resorts (Macau), Limited (the "**Subconcession Agreement**") and (ii) (A) letter dated 8 September 2006 from the Macau Government addressed to Operator and copies to Wynn Macau, with regard to the confirmation by the Macau Government of the Subconcession Agreement, (B) letter dated 8 September 2006 from Operator addressed to the Macau Government with regard to the confirmation of the rights and obligations of Operator to the Macau Government, and (C) letter dated 8 September 2006 from the Macau Government addressed to Operator, with regard to the confirmation of the rights and obligations of the Macau Government to Operator (collectively, the "**Side Letter**"). The Side Letter and the Subconcession Agreement constitute the entire agreement with the Macau Government as to Operator's and the Macau Government's rights and obligations with respect to the subconcession. All conditions to the effectiveness of the Subconcession Agreement and the Side Letter, including, without limitation, the obligation to deliver a bank performance bond to the Macau Government with respect to its obligations under the Side Letter, have been satisfied, and all amounts required to be paid by Operator as of the date of this Agreement under the Subconcession Agreement and the Side Letter as conditions to their respective effectiveness have been indefeasibly paid in full. All requisite approvals of Governmental Authorities and Gaming Authorities in connection with the Subconcession Agreement and the Macau Government's acceptance of all rights and obligations ascribed to it by the Side Letter have been obtained and are in full force and effect.

(f) All requisite Governmental Approvals have been received and remain valid with respect to formation of a joint venture between Crown and Melco whereby Operator was created, including without limitation from the Victorian Commission for Gambling Regulation and the Western Australian Gaming and Wagering Commission, and Operator has delivered to MSC true, correct and complete copies of such Governmental Approvals.

Section 14.12 Undertakings of MSC. MSC shall comply with its obligations under the Right to Use Agreement so that the same will not be defaulted in a manner which would allow the grantor to terminate MSC's rights thereunder, and MSC shall not agree to an early termination of the Right to Use Agreement having an effective date earlier than the effectiveness of any termination of this Agreement.

Section 14.13 Representations and Warranties of MSC. Subject to any disclosure made in writing by MSC or its Affiliates to Operator or its Affiliates on or before the date hereof, MSC hereby represents and warrants as follows:

(a) MSC is a duly organized Macau limited liability company.

(b) (i) MSC has full legal right, power and authority under Macau Law, and MSC and has taken all corporate action necessary, to enter into this Agreement, to perform its obligations hereunder, and to consummate all other transactions contemplated hereby; and (ii) prior to execution of this Agreement and the other Transaction Documents, MSC shall have taken any and all action necessary to authorize the execution, delivery and performance of the Transaction Documents, the performance of its obligations thereunder, and the consummation of all other transactions contemplated thereby.

(c) This Agreement and each of the other Transaction Documents has been duly executed and delivered by MSC and, when approved by necessary Governmental Authorities (where applicable), will constitute valid and binding obligations, enforceable against MSC in accordance with their terms.

(d) The execution and delivery of this Agreement and each of the other Transaction Documents, the performance by MSC of its obligations hereunder and thereunder and the consummation by MSC of the transactions contemplated hereby and thereby will not violate any contract or agreement to which MSC or any of its Affiliates is a party or any Law or require any Governmental Approval beyond those contemplated herein or therein.

(e) [Not Used].

(f) [Not Used].

(g) Upon the execution and delivery of the Right to Use Agreement by MSC and the grantor thereunder, the right to use of the Casino thereunder will be validly granted and subsisting and except as set forth in the Right to Use Agreement, is not subject to any agreement or right in favor of the grantor thereunder to terminate the Right to Use Agreement prior to expiration of the term thereunder.

(h) [Not Used].

(i) To MSC's actual knowledge, it has not received any notices, order or other proposal which would materially adversely affect the use or enjoyment of the Casino or access to or from the Casino.

(j) To MSC's actual knowledge, there is no pending or threatened litigation or other proceeding to which MSC is or is reasonably likely to become a party relating to or affecting the Site or the Casino which, if adversely determined, would materially adversely affect the use or enjoyment of the Casino.

(k) The proposed use of the Casino is in accordance with the provisions of the Right to Use Agreement.

(l) To MSC's actual knowledge, neither MSC nor any of its Affiliates has violated any applicable Law or regulation in respect of the Site.

Section 14.14 Governing Law. This Agreement shall be governed by and construed in accordance with Macau Law.

Section 14.15 Entire Agreement. This Agreement, together with the Transaction Documents, represents the entire agreement between the parties and management of the Casino and supersedes all prior agreements relating thereto.

Section 14.16 Representatives of MSC. MSC shall furnish to Operator a list of the authorized representatives who are empowered to act on behalf of MSC for the purposes of this Agreement and MSC shall keep such list current.

Section 14.17 Limitations of Liability. Operator expressly agrees that Operator shall have no recourse with respect to any failure of MSC to perform the Pre-Opening Services contemplated to be performed by MSC.

Section 14.18 Confidentiality Agreement. MSC and Operator expressly agree that::

(a) In connection with the transactions contemplated hereby regarding the operation of the Casino by the Operator (the "**Transaction**"), the parties have and are each prepared, subject to the terms and conditions of this Agreement, to make available to the other certain information regarding Operator and MSC, respectively, all such information (whether written, electronic or oral) furnished to MSC and its Representatives, or to Operator and its Representatives, whether prior to, on, or following the date hereof, and whether prepared by Operator, MSC, any of the parties' Representatives or Affiliates or otherwise on Operator's or MSC's behalf, including without limitation, the Subconcession Agreement; the Side Letter; information regarding the joint venture to develop the Project within the Site; information disclosed pursuant to provisions of this Agreement; Operator's or MSC's actual and proposed business(es); historical and projected financial information; budgets; services; products; trade secrets; techniques; processes; operations; know-how; strategies; forecasts; concepts; ideas; marketing plans; existing or potential customers, employees, vendors or suppliers; relationships with third parties and other third party information; and any information derived, summarized or extracted from any of the foregoing, including without limitation, all portions of reports, analyses, compilations, studies, interpretations, records, notes or other materials prepared by MSC, Operator or Operator's or MSC's Representatives or otherwise on Operator's or an MSC's behalf that contain, are based on, or otherwise reflect or are generated in whole or in part from such information, including that stored on any computer, word processor or other similar device, being referred to collectively as the "**Confidential Information**". In consideration of being furnished such Confidential Information, the parties each agree to keep such Confidential Information confidential in accordance with the terms of this Agreement.

(b) Each receiving party and its Representatives shall use the Confidential Information solely for the purpose of evaluating the Transaction and performing its obligations hereunder and shall keep the Confidential Information confidential and not disclose any of the Confidential Information to any person, except that the Confidential Information or portions thereof may be disclosed to those directors, officers, employees, Affiliates, co-investors (with respect to Operator, including without limitation MCE, Crown and Melco), attorneys, and accountants of the receiving party (collectively, the "**Representatives**") (i) who need to know such information for the purpose of evaluating the Transaction or performing its obligations hereunder and (ii) who are informed by the receiving party of the confidential nature of the Confidential Information. In addition, (v) MSC and its Representatives may disclose that Operator will, subject to receipt of regulatory approvals, occupy and operate the Casino for MSC on the Site, in accordance with the terms of this Agreement, to potential hotel and mall developers/operators and other third parties who may develop or operate a portion of the Site, engineers, architects, consultants and other professionals involved in the development of the Project, (w) MSC may disclose this Agreement and such Confidential Information or portions thereof (other than the Subconcession Agreement or the Side Letter or subsequent agreements or other documents constituting part of the subconcession, or any portion of any of them) to potential new operators of the Casino and their representatives in preparation for expiration or termination of this Agreement, (x) any party may disclose this Agreement and such Confidential Information or portions thereof to potential financing sources, underwriters, arrangers or advisers and financing sources, and their Representatives, or as required by law in connection with any such financing, provided that the prior approval of the Macau Government must be obtained for the disclosure of the Subconcession Agreement or the Side Letter or subsequent agreements or other documents constituting part of the subconcession, or any portion of any of them under this clause (x) (and Operator will if requested by MSC use its commercially reasonable efforts to obtain such approval of the Macau Government), (y) any party or its respective Representatives may disclose Confidential Information to the extent required by the rules of any stock exchange on which the securities of the relevant party or its respective Representatives are listed and traded, or otherwise pursuant to applicable securities laws, provided that the prior approval of the Macau Government must be obtained for the disclosure by MSC or its Representatives of the Subconcession Agreement or the Side Letter or subsequent agreements or other documents constituting part of the subconcession, or any portion of any of them under this clause (y) (and Operator will if requested by MSC use its commercially reasonable efforts to obtain such approval of the Macau Government) and (z) any party may disclose this Agreement and such Confidential Information or portions thereof if reasonably necessary in connection with the enforcement of this Agreement under ARTICLE XV hereof. Operator and MSC agree to undertake reasonable precautions to safeguard and protect the confidentiality of the Confidential Information and to prevent their respective Representatives (and other persons to whom disclosure is authorized hereby) from prohibited or unauthorized disclosure or uses of the Confidential Information. Operator and MSC shall each be responsible for any breach of this Section 14.18 of this Agreement by their respective

Representatives and such other persons. In the event that a receiving party or any of its Representatives are requested or required by law, regulatory authority (including stock exchange), deposition, interrogatory, request for documents, subpoena, civil investigative demand, or similar legal process (collectively, "**legal requirements**") to disclose any of the other party's Confidential Information or any information of the type described in paragraph (e) of this Section 14.18 other than (in each case) disclosure by Operator to any Gaming Authority(ies) or Governmental Authority(ies) in the ordinary course of performing its obligations under this Agreement, such receiving party shall provide the other party with prompt prior written notice of such requirement in order to enable the other party to (a) seek an appropriate protective order or other remedy or (b) waive compliance, in whole or in part, with the terms hereof; and such receiving party shall consult and cooperate with the other parties to the fullest extent permitted by legal requirements with respect to taking steps to resist or narrow the scope of such request or legal process. If, in the absence of a protective order, a receiving party or any of its Representatives are nonetheless, based upon the advice of its counsel or counsel of such Representative, required by legal requirements to disclose Confidential Information of the other parties (and except, in the case of Operator, disclosure to any Gaming Authority(ies) or Governmental Authority(ies) in the ordinary course of performing Operator's obligations under this Agreement), such receiving party shall (a) furnish only that portion of the Confidential Information that it is advised by counsel is legally required, (b) give advance notice to the other party of the information to be disclosed as far in advance as is practical, and (c) exercise commercially reasonable best efforts to obtain reliable assurance that confidential treatment will be accorded such Confidential Information.

(c) All Confidential Information will be and will remain solely the property of the disclosing party, except as otherwise set forth in this Agreement.

(d) The term "Confidential Information" does not include any information that (i) at the time of disclosure is, or becomes, generally available to and known by the public (other than as a direct or indirect result of a disclosure by the receiving party or its Representatives in violation of this Agreement) or (ii) was available to the receiving party on a non-confidential basis from a source (other than the disclosing party or its Representatives) that is not and was not prohibited from disclosing such information to the receiving party by a contractual, legal, or fiduciary obligation of confidentiality to the disclosing party.

(e) Without the prior written consent of (i) Operator, in the case of MSC, or (ii) MSC, in the case of Operator, or except as required by legal requirements (subject to compliance with paragraph (b) of this Section 14.18, to the extent applicable), or except as permitted and subject to compliance with paragraph (b) of this Section 14.18, no party nor its Representatives shall (i) disclose to any person other than its Representatives (a) that this Agreement exists, (b) that the parties are considering the Transaction, (c) that any investigations, discussions, or negotiations are taking place concerning the Transaction involving the parties, (d) that it has requested or received any Confidential Information, or (e) any of the terms, conditions, or other facts or information with respect to the Transaction or such investigations, discussions, or negotiations, including the status thereof or any opinion or

view with respect to the parties or the Confidential Information. The term “person” as used in this Section 14.18 shall be broadly interpreted to include the media and any corporation, partnership, group, individual, or entity.

(f) To the extent that any Confidential Information may include material subject to the attorney-client privilege, work product doctrine or any other applicable privilege concerning pending or threatened legal proceedings or governmental investigations, the parties understand and agree that they have a commonality of interest with respect to such matters and it is their desire, intention and mutual understanding that the sharing of such material is not intended to, and shall not, waive or diminish in any way the confidentiality of such material or its continued protection under the attorney-client privilege, work product doctrine or other applicable privilege. All Confidential Information provided by Operator and MSC that is entitled to protection under the attorney-client privilege, work product doctrine or other applicable privilege and stamped and identified as such shall remain entitled to such protection under these privileges, this Agreement, and under the joint defense doctrine. Nothing in this Section 14.18 obligates any party to reveal material subject to the attorney-client privilege, work product doctrine or any other applicable privilege.

(g) In the case of a disclosure by a party or its Representative required by the rules of any stock exchange on which the securities of the relevant party or its respective Representative are listed and traded or otherwise by applicable securities laws which is permitted by the foregoing provisions of this Section 14.18, the disclosing party shall (or shall procure that its Representative shall) give the other parties a reasonable opportunity to comment on the proposed form of disclosure but that shall not prevent the relevant party or its Representative from complying with its obligations under the rules of the relevant stock exchange or applicable securities laws.

(h) The parties each acknowledge that the disclosing party would be irreparably injured by a breach of this Section 14.18 by a receiving party or its Representatives, and that monetary remedies at law would be inadequate to protect the disclosing party against any actual or threatened breach of this Section 14.18 by a receiving party or its Representatives, and, without prejudice to any other rights and remedies otherwise available to MSC or Operator, the parties each agree to the granting of equitable relief, including injunctive relief and specific performance, in the favor of a disclosing party without proof of actual damages. The parties each agree to reimburse a disclosing party for reasonable legal fees and other costs incurred to enforce this Section 14.18.

(i) The obligations under this Section 14.18 shall survive the Term or earlier termination of this Agreement for a period of two (2) years following the Term or earlier termination of this Agreement, provided that such the expiration of the Term or the earlier termination of this Agreement shall not relieve the receiving party from its responsibilities in respect of any breach of this Section 14.18 prior to such termination.

Section 14.19 No Diversion. During the Term, Operator shall not direct or divert patrons of the Casino to other hotel or casino facilities.

## ARTICLE XV

## DISPUTE RESOLUTION

Section 15.1 Dispute Resolution Procedures. Any dispute, controversy or claim (each, a "**Dispute**") arising out of or relating to this Agreement or any other Transaction Document, or the interpretation, breach, termination or validity hereof, shall be resolved by the following dispute resolution process (except to the extent that the Agreement or such other Transaction Document provides for a different procedure):

(a) First, representatives appointed by the highest ranking corporate officer of each party to the Dispute shall engage in consultations with respect to such Dispute. Such consultation shall begin immediately after one party has delivered to the other party or parties a written notice for such consultation.

(b) If the Dispute is not resolved for any reason within thirty (30) days following the date on which such notice is given, the Dispute shall be submitted to arbitration upon the request of any party to the Dispute with notice to the other party or parties to the Dispute (the "**Arbitration Notice**").

(c) The arbitration shall be conducted in Hong Kong under the auspices of the Hong Kong International Arbitration Centre (the "**Centre**"). There shall be three (3) arbitrators. The claimant(s) in the Dispute shall collectively choose one arbitrator, and the respondent(s) shall collectively choose one arbitrator within thirty (30) days of the service on the respondent(s) of the request for arbitration. The two party-appointed arbitrators shall jointly select the third arbitrator, who shall serve as chair of the arbitral tribunal. Any arbitrator not timely selected shall be appointed by the Secretary General of the Centre.

(d) The arbitration proceedings shall be conducted in English. The arbitral tribunal shall apply the Arbitration Rules of the United Nations Commission on International Trade Law, as in effect at the time of the arbitration. However, if such rules are in conflict with the provisions of this ARTICLE XV, including the provisions concerning the appointment of arbitrators, the provisions of this ARTICLE XV shall prevail.

(e) Each party shall cooperate with the other in making full disclosure of and providing complete access to all information and documents reasonably requested by the other(s) in connection with such arbitration proceedings, subject only to any applicable privileges and confidentiality obligations binding on such party.

(f) The arbitral tribunal shall decide any Dispute submitted by the parties to the arbitration strictly in accordance with the substantive law of Macau and shall not apply any other substantive law. The members of the arbitral tribunal shall engage, as a cost of arbitration, an attorney qualified to practice law in Macau, which attorney shall not be counsel to any of the parties or their Affiliates and shall be experienced in gaming matters.

(g) The award of the arbitral tribunal shall be final and binding upon the parties, and the prevailing party or parties may apply to a court of competent jurisdiction for enforcement of such award.

(h) Any party shall be entitled to seek preliminary injunctive relief, if possible, from any court of competent jurisdiction pending the constitution of the arbitral tribunal. Without prejudice to such provisional remedies that may be granted by a national court, the arbitral tribunal shall have full authority to grant provisional remedies, to order a party to seek modification or vacation of an injunction issued by a national court, and to award damages for the failure of any party to respect the arbitral tribunal's orders to that effect.

(i) During the course of the arbitral tribunal's adjudication of the Dispute, this Agreement shall continue to be performed except with respect to the part in dispute and under adjudication.

(j) The cost of arbitration (including reasonable legal, accounting and other professional fees and expenses reasonably incurred, by any prevailing party with respect to the investigation, collection, prosecution and/or defense of any claim in the Dispute) shall be borne by the losing party or, if there is more than one losing party, pro rata by each losing party.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement as of the date first written above.

MSC DIVERSÕES, LIMITADA
a limited liability company by quotas, registered in the Macau Commercial and Movable Assets Registry under no. 26710 with head office in Macau at Avenida Dr. Mario Soares, no. 25, 1st floor, comp. 13

By: /s/ Clarence CHUNG
Name: Clarence CHUNG
Title: Director - Group A

MELCO CROWN GAMING (MACAU) LIMITED
a limited liability company by shares registered in the Macau Commercial and Movable Assets Registry under no. 24325 with head office in Macau at Avenida Dr. Mario Soares, no. 25, 1st floor, comp. 13

By: /s/ Janelle CAMPBELL
Name: Janelle CAMPBELL
Title: Attorney

## EXHIBIT A

## Description of the Site

**Exhibit 10.8**

**EXECUTION VERSION**

DATED 15 June 2012

MELCO CROWN GAMING (MACAU) LIMITED

and

STUDIO CITY ENTERTAINMENT LIMITED

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REIMBURSEMENT AGREEMENT

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This REIMBURSEMENT AGREEMENT ("**Agreement**") is made and entered on 15 June 2012, between

MELCO CROWN GAMING (MACAU) LIMITED, a limited liability company by shares, with head office in Macau at Avenida Dr Mario Soares, No. 25, Edificio Montepio, 1st Floor, Room 13, registered in the Macau Commercial and Movable Assets Registry under no.24325, with share capital of MPO1,000,000,000.00 (one billion patacas) hereinafter referred to as "**Operator**"), and

STUDIO CITY ENTERTAINMENT LIMITED, a limited liability company by quotas, with head office in Macau at Avenida Dr Mario Soares, No. 25, Edificio Montepio, 1st Floor, Room 13, with share capital of MPO1,000,000.00 (one hundred thousand patacas), registered with Macau Commercial and Movable Assets Registry under no.26710 (hereinafter referred to as "**MSC**").

RECITALS:

(A) New Cotai, LLC ("**New Cotai**") and MCE Cotai Investments Limited ("**MCE Cotai**"), an Affiliate of Melco Crown Entertainment Limited ("**MCE**"), and the Operator, have formed a joint venture to develop a multi-use destination resort (the "**Project**") situated within an area at Zona de Aterro entre Taipa e Coloane (Cotai), described at the Macau Immovable Property Registry under no. 23059, comprised by Lotes G300, G310 e G400.

(B) New Cotai and MCE Cotai (the "**Shareholders**") expect the Project to include hotels, retail, convention, performance hall, movie and/or television studio, tourist, entertainment, gaming and gaming related facilities.

(C) Pursuant to the Services and Right to Use Agreement entered between MSC, Operator and NC Entertainment, LCC dated May 11, 2007, as amended pursuant to the Supplemental Agreement dated 15 June, 2012 (and as may be further amended from time to time, pursuant to Macau Government approval) (the "**Services and Right to Use Agreement**"), the Operator shall occupy and use the areas comprising the Casino to conduct Gaming Activities and MSC shall provide certain services, as further set forth therein.

(D) Under the Services and Right to Use Agreement, as consideration for the Operator Services, the Operator is entitled to retain the Operator's consideration.

(E) As part of the arrangement between the Shareholders for the development of the Project, the parties desire to enter into this Agreement.

Considering the Recitals above which forms an integral part of this agreement, the parties agree as follows:

1. Definitions. Unless otherwise defined herein, all terms used in the services and right to use agreement shall have the same meaning when use in this agreement, and

"**Compensation Amount**" has the meaning set forth in clause 10 of this Agreement;

"**Reimbursement Amount**" means an amount equivalent to the amount receivable by the Operator as Operator Consideration (less the amount attributable to Rent) under the Services and Right to Use Agreement;

“**Services and Right to Use Agreement**” has the meaning set forth in the Recitals, and

“**Term**” has the meaning set forth in clause 2 of this Agreement.

2. Term. Notwithstanding clause 3 of the Supplement Agreement, this Agreement shall become effective on the Effective Date and shall remain effective for so long as the Services and Right to Use Agreement is in force and effect.

3. Payment Obligation. Operator agrees that commencing upon the commencement date and during the term, operator shall pay to MSC monthly the Reimbursement Amount.

4. Payment Method. In order to comply with Operator’s obligation under this Agreement, Operator hereby Irrevocably directs that the Reimbursement Amount be paid to MSC from the amounts standing in the Trust Account on the date that the Operator is entitled to receive the Operator Consideration under the Services and Right to Use Agreement. To give effect to such direction, the Operator agrees, upon establishment of the Trust Account and at any other times requested by MSC, to give the required instructions pursuant to the Trust Account Agreement of the Trust Account and acknowledges that such instructions may only be withdrawn or amended with the prior written consent of MSC. MSC acknowledges that in case of termination of this Agreement, the Operator may withdraw or amend such instructions without the consent of MSC.

5. Payment Account. MSC shall direct the bank or trust company in which the Trust Account is open to deposit the Reimbursement Amount into any MSC account, as determined by MSC from time to time.

6. Termination. This Agreement shall automatically terminate upon termination of the Services and Right to Use Agreement.

7. Compliance with Laws. Operator and MSC each agree to be jointly and severally responsible for complying with all laws, rules and regulations, of whatsoever nature, in relation to prevention of money laundering, financing to terrorism and corruption, as in force from time to time.

8. Acknowledgement. The parties acknowledge that the Operator’s obligation to pay the Reimbursement Amount to MSC is undertaken under the premises that MCE Cotai or one of its Affiliates shall pay to Operator an amount equal to the Reimbursement Amount immediately upon request by the Operator (“**Compensation Amount**”). Notwithstanding, the parties acknowledge that the Operator’s obligation under this Agreement is separate and independent from the obligation of MCE Cotai (or any of its Affiliates) to pay to the Operator the Compensation Amount, such that any failure by MCE Cotai or any of its Affiliates to pay the Compensation Amount to the Operator shall not entitle the Operator to discontinue, suspend, reduce, adjust or otherwise modify or terminate its obligation to pay the Reimbursement Amount to MSC.

9. Assignment. This Agreement may only be assigned in conjunction with the Services and Right to Use Agreement pursuant to the assignment terms set out therein and must be assigned to any party to which the Services and Right to Use Agreement is assigned in accordance with the terms set out therein notwithstanding the absence of any requirements of such assignment in the Services and Right to Use Agreement, subject always to its termination in accordance with clause 6 hereof.

10. Governing Law. This Agreement shall be governed by and construed in accordance with Macau Law.

11. Confidentiality Agreement. The parties agree that the provisions of the Services and Right to Use Agreement in respect of confidentiality shall apply in the same manner to this Agreement.

12. Dispute Resolution Procedures. The Dispute Resolution Procedures of the Services and Right to Use Agreement shall apply in the same manner to this Agreement.

For and on behalf of

STUDIO CITY ENTERTAINMENT LIMITED

/s/ Chung Yuk Man

Chung Yuk Man

For and on behalf of

MELCO CROWN GAMING (MACAU) LIMITED

/s/ Janelle Maree Campbell

Janelle Maree Campbell

**Exhibit 10.9**

**EXECUTION VERSION**

**Specific terms in this exhibit have been redacted because confidential treatment for those terms has been requested. The redacted material has been separately filed with the Securities and Exchange Commission, and the terms have been marked at the appropriate place with three asterisks [***].**

DATED 26 NOVEMBER 2013

STUDIO CITY COMPANY LIMITED
AS BORROWER

STUDIO CITY ENTERTAINMENT LIMITED

STUDIO CITY DEVELOPMENTS LIMITED

STUDIO CITY HOTELS LIMITED

MELCO CROWN (MACAU) LIMITED
AS COMPANY

STUDIO CITY HOLDINGS FIVE LIMITED
AS PREFERENCE HOLDER

STUDIO CITY HOLDINGS FIVE LIMITED
AS GOLDEN SHAREHOLDER

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED
AS SECURITY AGENT

DEUTSCHE BANK AG, HONG KONG BRANCH
AS AGENT

AND

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED
AS POA AGENT

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DIRECT AGREEMENT

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**THIS AGREEMENT** is made on 26 November 2013

**BETWEEN:**

(1) **STUDIO CITY COMPANY LIMITED**, a company incorporated under the laws of the British Virgin Islands (registered number 1673083) whose registered office is at Appleby Corporate Services (BVI) Limited, Jayla Place, Wickmans Cay 1, Road Town, Tortola, British Virgin Islands (the "**Borrower**");

(2) **STUDIO CITY ENTERTAINMENT LIMITED** (formerly named MSC Diversoes, Limitada and New Cotai Entertainment (Macau) Limited), a company incorporated under the laws of the Macau SAR (registered number 27610), whose registered office is at Av. Dr. Mário Soares, n.° 25, Edificio Montepio, 1.º andar, comp. 13, Macau ("**Studio City Entertainment**");

(3) **STUDIO CITY DEVELOPMENTS LIMITED** (formerly named MSC Diversoes, Limitada and New Cotai Entertainment (Macau) Limited), a company incorporated under the laws of the Macau SAR (registered number 14311), whose registered office is at Av. Dr. Mário Soares, n.° 25, Edificio Montepio, 1.º andar, comp. 13, Macau ("**Studio City Developments**");

(4) **STUDIO CITY HOTELS LIMITED** (formerly named MSC Diversoes, Limitada and New Cotai Entertainment (Macau) Limited), a company incorporated under the laws of the Macau SAR (registered number 41334), whose registered office is at Av. Dr. Mário Soares, n.° 25, Edificio Montepio, 1.º andar, comp. 13, Macau ("**Studio City Hotels**");

(5) **MELCO CROWN (MACAU) LIMITED**, (formerly known as Melco Crown Gaming (Macau) Limited) a company incorporated under the laws of the Macau SAR (registered number 24325), whose registered office is at Av. Dr. Mário Soares, n.° 25, Edificio Montepio, 1.° andar, comp. 13, Macau (the "**Company**");

(6) **STUDIO CITY HOLDINGS FIVE LIMITED**, a company incorporated under the laws of the British Virgin Islands (registered number 1789892) whose registered office is at Appleby Corporate Services (BVI) Limited, Jayla Place, Wickmans Cay 1, Road Town, Tortola, British Virgin Islands (the "**Preference Holder**");

(7) **STUDIO CITY HOLDINGS FIVE LIMITED**, a company incorporated under the laws of the British Virgin Islands (registered number 1789892) whose registered office is at Appleby Corporate Services (BVI) Limited, Jayla Place, Wickmans Cay 1, Road Town, Tortola, British Virgin Islands (the "**Golden Shareholder**");

(8) **DEUTSCHE BANK AG, HONG KONG BRANCH**, as agent of the Finance Parties (the "**Agent**");

(9) **INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**, as agent and security trustee for the Secured Parties (the "**Security Agent**"); and

(10) **INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**, in its capacity as agent for the Security Agent under the Power of Attorney (the "**POA Agent**").

**WHEREAS:**

(A) Under the services and right to use agreement dated 11 May 2007 as supplemented on 15 June 2012 between Studio City Entertainment and the Company (the "**Services and Right to Use Agreement**"), the Company agreed to provide certain services in connection with the Project.

(B) Under the reimbursement agreement dated 15 June 2012 between Studio City Entertainment and the Company (as supplemented from time to time) (the "**Reimbursement Agreement**"), the Company agreed to certain financial arrangements in connection with the Company's undertaking to provide certain services in connection with the Project.

(C) Pursuant to the Finance Documents, the Lenders have agreed to make the Facilities available to the Borrower.

(D) It is a condition precedent to the Facilities being made available to the Borrower that the parties hereto enter into this Agreement.

**IT IS AGREED** as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Agreement, unless otherwise defined herein, all terms defined or referred to in the Services and Right to Use Agreement or, if not defined or referred to in the Services and Right to Use Agreement, the Reimbursement Agreement, or if not defined or referred to in the Reimbursement Agreement, the Facilities Agreement shall have the same meaning herein. In addition:

"**Affected BVICo**" means, at any time, a BVICo if at that time any share of that BVICo is subject to an Intervening Event which is continuing.

"**Affected BVICo Share**" means any share (other than any Golden Share) in an Affected BVICo.

"**Affected MacauCo**" means, at any time, a MacauCo if at that time any share of that MacauCo is subject to an Intervening Event which is continuing.

"**Affected MacauCo Share**" means any share (other than any Golden Share) of an Affected MacauCo.

"**Affiliate**" has the meaning given to such term in the Facilities Agreement.

"**Asset Consideration**" means the lower of:

(a) the relevant Asset Transfer Price; and

(b) the Outstanding Facility Debt.

"**Asset Buyer**" has the meaning given to such term in Clause 16.4.1.

“**Asset Purchase Account**” has the meaning given to such term in Clause 16.4.1.

“**Asset Transfer Notice**” has the meaning given to such term in Clause 16.4.1.

“**Asset Transfer Price**” has the meaning given to such term in Clause 16.4.1.

“**Assignment**” means the Security granted over and in respect of Studio City Entertainment’s right, title, benefit and interest in and to the Services and Right to Use Agreement pursuant to the Assignment of Services and Right to Use Agreement and/or the Security granted over and in respect of Studio City Entertainment’s right, title, benefit and interest in and to the Reimbursement Agreement pursuant to the Assignment of Reimbursement Agreement (as applicable).

“**Assignment of Reimbursement Agreement**” means the assignment of the Reimbursement Agreement entered or to be entered into between Studio City Entertainment and the Security Agent (as the same may be amended or supplemented from time to time).

“**Assignment of Services and Right to Use Agreement**” means the assignment of the Services and Right to Use Agreement entered or to be entered into between Studio City Entertainment and the Security Agent (as the same may be amended or supplemented from time to time).

“**Assignment of Subordinated Debt**” means the assignment of subordinated debt between the parties named therein as Subordinated Creditors and the Security Agent in respect of Subordinated Debt.

“**Authorisation of the Government of the Macau SAR**” means any authorisation, consent or approval issued by any Governmental Authority with respect to the execution of the Services and Right to Use Agreement, the Reimbursement Agreement, the Assignment of Services and Right to Use Agreement, the Assignment of Reimbursement Agreement and/or this Agreement.

“**Break-up Estimate**” means the relevant Realisation Adviser’s estimate determined in accordance with the Valuation Criteria of the likely net realisation proceeds of an enforcement of Transaction Security by way of a sale or disposal of Charged Property other than by way of a BVI Share Sale only (whether or not including a sale or disposal of shares of one or more BVICos or one or more MacauCos).

“**Buyer Information Request**” means, in respect of a Transfer Notice, a document in substantially the form set out in Schedule 1 (*Buyer Information Request*) hereto from the Security Agent (or any person on its behalf) to the person specified as the buyer in such Transfer Notice (such person being the “**Relevant Buyer**”).

“**Buy Without Bonds Notice**” has the meaning given to such term in paragraph (a) of the definition of Outstanding Debt.

“**Buyer Response Notice**” means a document in substantially the form set out in Schedule 2 (*Buyer Response Notice*) hereto.

“**BVI Entity**” has the meaning given to such term in Clause 13.5.1(a).

“**BVICo**” means any of:

(a) Studio City Holdings Three Limited, a company incorporated under the laws of the British Virgin Islands (registered number 1746781) whose registered office is at Appleby Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands;

(b) Studio City Holdings Four Limited, a company incorporated under the laws of the British Virgin Islands (registered number 1746782) whose registered office is at Appleby Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands;

(c) SCP Holdings Limited, a company incorporated under the laws of the British Virgin Islands (registered number 1697577) whose registered office is at Appleby Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands;

(d) SCP One Limited, a company incorporated under the laws of the British Virgin Islands (registered number 1697795) whose registered office is at Appleby Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands; and

(e) SCP Two Limited, a company incorporated under the laws of the British Virgin Islands (registered number 1697797) whose registered office is at Appleby Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands,

and/or any permitted successor or replacement.

“**BVICo Share**” means all of the shares (other than any Golden Share) of all of the BVICos.

“**BVI Share Sale**” means a sale or disposal of all of the shares (other than any Golden Share) of all of the BVICos.

“**BVI Share Sale Estimate**” means the relevant Realisation Adviser’s estimate determined in accordance with the Valuation Criteria of the likely net realisation proceeds of an enforcement of Transaction Security by way of a BVI Share Sale only.

“**Change of Control**” has the meaning given to such term in the Facilities Agreement.

“**Competitor**” means any of the following:

(a) Genting Berhad;

(b) Mr Lim Kok Thay and his Related Parties;

(c) Caesars Entertainment Corporation;

(d) any Subsidiary of any one or (if interests held by (a), (b), and (c) above were combined and as if any individual were a company or corporation) more of the above;

(e) any Affiliate of any one or (if interests held by (a), (b), and (c) above were combined and as if any individual were a company or corporation) more of the above which is controlled (as defined in the definition of "Affiliate") by any one or (if interests held by (a), (b), and (c) above were combined) more of the above; and/or

(f) any trust, fund or other entity controlled (as defined in the definition of "Affiliate") by any one (if interests held by (a), (b), and (c) above were combined and as if any individual were a company or corporation) or more of the above.

"**Confidential Information**" has the meaning given to it in Clause 20.1.

"**Cost of Operations**" has the meaning given to such term in the Services and Right to Use Agreement.

"**Cost of Operations Account**" has the meaning given to such term in the Services and Right to Use Agreement.

"**Debenture**" means a security agreement in substantially the form set out in Schedule 8 (*Form of Debenture*) or otherwise in form and substance reasonably satisfactory to the Agent and the Security Agent.

"**Delegate**" has the meaning given to such term in the Facilities Agreement.

"**Determination Basis**" means, in relation to an Expert Asset Transfer Statement or an Expert Asset Sale Statement, generally accepted accounting principles in Hong Kong and/or principles of financial analysis generally accepted in Hong Kong and such publicly available information as the relevant Realisation Adviser may in its discretion consider appropriate in order to convert a consideration which does not consist entirely of US dollars cash payable on closing of a sale of the Sale Assets on the date contemplated hereunder were the Preference Holder to exercise its rights to acquire the Sale Assets into a consideration of US dollars cash payable on such closing, without any warranties, indemnities or other post-closing arrangements in relation to such sale.

"**Direct Undertakings Termination Date**" means, without prejudice to Clause 29 (*Surviving Provisions*) of this Agreement, the earliest to occur of:

(a) the completion of any SCE Sale made in accordance with the requirements of this Agreement;

(b) the completion of any Sale made pursuant to and in accordance with Clause 4.2.7 of this Agreement;

(c) the completion of any acquisition by a Competitor pursuant to Clause 3.2.10 of this Agreement;

(d) the date of termination of the Services and Right to Use Agreement in accordance with its terms (as amended pursuant to this Agreement);

(e) the date of termination of the Services and Right to Use Agreement in accordance with the terms of this Agreement;

(f) the date on which the Secured Obligations are discharged in full; and

(g) the day after the expiry of the Final Grace Period.

"**Disposed Asset**" has the meaning given to such term in the definition of "**Sale**".

"**Enterprise Accounts**" has the meaning given to such term in the Services and Right to Use Agreement.

"**Event of Default**" has the meaning given to such term in the Facilities Agreement, unless otherwise expressly stated.

"**Excess Proceeds**" means, in respect of an Obligor, the aggregate amount of realisation proceeds (if necessary, converted into US dollars cash using the Agent's Spot Rate of Exchange) actually received by the Security Agent, any Receiver or any Delegate from the enforcement of any Transaction Security granted by such Obligor in excess of the Secured Obligations.

"**Expert Asset Sale Statement**" means, for the purpose of Clause 16.4.3, a written statement from a Realisation Adviser (acting as expert and not as arbitrator) that (a) a Realisation Adviser has reviewed the terms on which the Relevant Asset Buyer has agreed to purchase the Sale Assets and (b) in such Realisation Adviser's opinion, in accordance with the Determination Basis and having regard to such terms, the Asset Transfer Price does not exceed the consideration to be provided by the Relevant Asset Buyer in respect of a sale of the Sale Assets.

"**Expert Asset Transfer Statement**" means, in relation to an Asset Transfer Notice, a written statement from the Realisation Adviser (acting as expert and not as arbitrator) that (a) a Realisation Adviser has reviewed a proposal from the Relevant Asset Buyer for the purchase of the Sale Assets and (b) in a Realisation Adviser's opinion, in accordance with the Determination Basis and having regard to the terms of such proposal, the Asset Transfer Price does not exceed the consideration proposed to be provided by the Relevant Asset Buyer in respect of a sale of the Sale Assets.

"**Facilities Agreement**" means the senior facilities agreement dated 28 January 2013 between, amongst others, Studio City Investments Limited as parent, Studio City Company Limited as borrower, the Security Agent as security agent and Deutsche Bank AG, Hong Kong Branch as agent.

"**Funding Date**" means the earlier of:

(a) the date of service of an Enforcement Notice; and

(b) the date on which the Company notifies the Security Agent that it intends to terminate the Services and Right to Use Agreement (such notification of the Company's intention to terminate shall have no effect, other than (x) for the purpose of this definition; and (y) the giving of such notification by the Company shall constitute an immediate Event of Default under the Facilities Agreement) in circumstances where:

(i) an event which would (but for the application of section 11.9 of the Services and Right to Use Agreement) give rise to a right of termination by the Company under the Services and Right to Use Agreement has occurred; and

(ii) Studio City Entertainment has ceased to be directly or indirectly under MCE Control,

**provided that** for the purpose of this definition, Studio City Entertainment shall be deemed not to have ceased to be under MCE Control where that cessation results directly from (x) an act by an Obligor and/or a Sponsor Affiliate whilst it is under MCE Control (defined, for this purpose, by reference to such Obligor or Sponsor Affiliate rather than Studio City Entertainment); or (y) a failure by an Obligor and/or a Sponsor Affiliate whilst it is under MCE Control (defined, for this purpose, by reference to such Obligor or Sponsor Affiliate rather than Studio City Entertainment) to exercise any right in relation to, a transfer, issue or disposal of shares (including, without limitation, pre-emption rights and/or call rights other than the Purchase Right).

"**Gaming Licence**" means any concession, subconcession, license, permit or other authorisation at any time required under the laws of the Macau SAR to operate or otherwise conduct a gaming business in Macau.

"**Golden Share**" means:

(a) any share of a BVI Entity which is designated as such under the memoranda and articles of association of such BVI Entity; or

(b) any share of a Macau Obligor which is held by any shareholder having a special pre-emptive right under the articles of association of such Macau Obligor.

"**Golden Shareholder**" means the holder of the Golden Shares from time to time.

"**Governmental Approvals**" has the meaning given to such term in the Services and Right to Use Agreement.

"**Governmental Authority**" has the meaning given to such term in the Facilities Agreement.

"**Grantor**" has the meaning given to such term in the Facilities Agreement.

"**Group**" has the meaning given to such term in the Facilities Agreement.

"**GS Cessation Notice**" means, in respect of the shares of any BVICo or SCH2, "GS Cessation Notice" as defined in the articles of association of such BVICo or, as the case may be, SCH2.

"**GS Completion Date**" means, in respect of the shares of any BVICo or SCH2, "GS Completion Date" as defined in the articles of association of such BVICo or, as the case may be, SCH2.

"**IE Stop Notice**" means a written notice from the Golden Shareholder to the Security Agent stating that the Golden Shareholder does not wish to purchase:

(a) in respect of Clauses 14.2.7, 14.3.7(b), 15.2.11 and 15.2.15(a), the relevant shares of the BVICos on the relevant completion date; and

(b) in respect of Clauses 14.3.7(a), 14.4.5(a), 15.2.7, 15.2.15(b), the relevant shares of the MacauCos on the relevant completion date.

"**Insolvency Event**", in relation to any person, means that it:

(a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

(b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;

(c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;

(d) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in Macau SAR, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official;

(e) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:

(i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or

(ii) is not dismissed, discharged, stayed or restrained in each case within 60 days of the institution or presentation thereof;

(f) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(g) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;

(h) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;

(i) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (h) above; or

(j) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

"**Intervening Event**" means, in respect of a share of any company or, as the case may be, an asset of a company, the commencement or maintenance of any legal proceeding in any court or arbitral body having jurisdiction over the subject matter of, or proceeds arising from, such proceedings whereby any one or more of the following is or may be required in order for a sale or transfer of any interest (legal or beneficial) in such share or, as the case may be, asset to be lawfully effected:

(a) an order of any court;

(b) a consent or non-objection of or by any administrator, liquidator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official; or

(c) an agreement or consent of any third party.

"**Legal Requirements**" has the meaning given to such term in the Facilities Agreement.

"**Lender**" has the meaning given to such term in the Facilities Agreement.

"**Macau Gaming Taxes**" has the meaning given to such term in the Services and Right to Use Agreement.

"**MacauCo**" means any of:

(a) Studio City Entertainment;

(b) Studio City Hotels; and

(c) Studio City Developments.

"**MacauCo Acceptance Notice**" has the meaning given to such term in Clause 14.2.1.

"**Macau Golden Share Security Agreement**" means a security agreement in substantially the form set out in Schedule 9 (*Macau Golden Share Security Agreement*) or otherwise in form and substance reasonably satisfactory to the Agent and the Security Agent.

"**MacauCo Shares**" means all of the shares (other any Golden Share) of all of the MacauCos.

"**Majority Lenders**" has the meaning given to such term in the Facilities Agreement.

"**Melco Crown Accounts Pledge**" means the onshore accounts pledge entered or to be entered into between the Security Agent and the Company.

“**MCE**” means Melco Crown Entertainment Limited.

“**MCE Control**” has the meaning given to such term in the Services and Right to Use Agreement.

“**Melco Crown Finance Documents**” means each of the following:

(a) this Agreement; and

(b) the Melco Crown Accounts Pledge.

“**Obligor**” has the meaning given to such term in the Facilities Agreement.

“**Official**” means a liquidator, administrator, provisional liquidator, conservator, receiver, trustee, custodian or other official appointed by a court.

“**Operator Account**” has the meaning given to such term in the Services and Right to Use Agreement.

“**Operator Services**” has the meaning given to such term in the Services and Right to Use Agreement.

“**Operating Budget**” has the meaning given to such term in the Services and Right to Use Agreement.

“**Operating Standards**” has the meaning given to such term in the Services and Right to Use Agreement.

“**Operator’s Consideration**” has the meaning given to such term in the Services and Right to Use Agreement.

“**Outstanding Debt**” means, in relation to a Statement Date:

(a) if the Golden Shareholder shall have delivered to the Security Agent by 4.30 p.m. (Hong Kong time) on the Business Day immediately prior to such Statement Date a written notice (a “**Buy Without Bonds Notice**”) stating that it (or the relevant Sponsor Affiliate or any nominee of any of the foregoing) wishes the company or companies the shares of which are the subject of the relevant completion date to which such Statement Date applies to be free of any High Yield Note Guarantees granted by such company or companies or any Subsidiaries of such company or companies, the aggregate amount of the Outstanding Facility Debt and the Outstanding High Yield Note Debt; or

(b) if the Golden Shareholder shall have failed to deliver to the Agent and the Security Agent by 4.30 p.m. (Hong Kong time) on the Business Day immediately prior to such Statement Date a Buy Without Bonds Notice, the aggregate amount of the Outstanding Facility Debt.

“**Outstanding Facility Debt**” means the aggregate amount of the Secured Obligations as at the relevant Statement Date, specified by the Agent in the Statement of Secured Obligations delivered on such Statement Date pursuant to Clause 19.2.

"**Outstanding High Yield Note Debt**" means the aggregate (x) principal amount outstanding under the High Yield Notes and (y) amount of accrued but unpaid interest in respect of the High Yield Notes, in each case, as at the relevant Statement Date, as calculated by the Paying Agent (as defined in the High Yield Note Indenture) and notified by the Borrower pursuant to Clause 19.3 (*High Yield Notes*) **provided that** if the Borrower shall have failed to comply with the requirements of Clause 19.3 (*High Yield Notes*) in respect of a Statement Date, the aggregate amount in respect of such Statement Date shall be determined by the Security Agent in accordance with Clause 19.3 (*High Yield Notes*).

"**Permitted Subordinated IE Obligation**" means a payment of, on or in respect of any Subordinated IE Obligations:

(a) made from Excess Cashflow (as defined in the Facilities Agreement) **provided that**:

(i) the Completion Support Release Date (as defined in the Facilities Agreement) has occurred;

(ii) the provisions of paragraph 2 (Financial Covenants) of schedule 6 (Covenants) of the Facilities Agreement are being (and, following such payment, would continue to be) complied with;

(iii) the Debt Service Reserve Account, the Debt Service Accrual Account and the High Yield Note Interest Reserve Account (each term as defined in the Facilities Agreement) have been funded to the required level under the terms of the Facilities Agreement;

(iv) the first Repayment Instalment under the Term Loan Facility has been made (each term as defined in the Facilities Agreement); and

(v) no Event of Default or Default (as defined in the Facilities Agreement) is continuing or is likely to occur as a result of making any such payment; or

(b) made from amounts available for application towards payment of a Permitted Distribution (as defined in the Facilities Agreement) which may otherwise be used for this purpose; or

(c) made from Equity (as defined in the Facilities Agreement) **provided that**:

(i) such Equity is not required for any other purpose under any Finance Document or in connection with the Project (in each case, terms as defined in the Facilities Agreement); and

(ii) no Event of Default (as defined in the Facilities Agreement) is continuing or is likely to occur as a result of making any such payment.

"**Permitted Subordinated SCE Obligation**" means a payment of, on or in respect of any the Subordinated SCE Obligations:

(a) made from Excess Cashflow (as defined in the Facilities Agreement) **provided that**:

(i) the Completion Support Release Date (as defined in the Facilities Agreement) has occurred;

(ii) the provisions of paragraph 2 (Financial Covenants) of schedule 6 (Covenants) of the Facilities Agreement are being (and, following such payment, would continue to be) complied with;

(iii) the Debt Service Reserve Account, the Debt Service Accrual Account and the High Yield Note Interest Reserve Account (each term as defined in the Facilities Agreement) have been funded to the required level under the terms of the Facilities Agreement;

(iv) the first Repayment Instalment under the Term Loan Facility has been made (each term as defined in the Facilities Agreement); and

(v) no Event of Default or Default (as defined in the Facilities Agreement) is continuing or is likely to occur as a result of making any such payment; or

(b) made from amounts available for application towards payment of a Permitted Distribution (as defined in the Facilities Agreement) which may otherwise be used for this purpose; or

(c) made from Equity (as defined in the Facilities Agreement) **provided that**:

(i) such Equity is not required for any other purpose under any Finance Document or in connection with the Project (in each case, terms as defined in the Facilities Agreement); and

(ii) no Event of Default (as defined in the Facilities Agreement) is continuing or is likely to occur as a result of making any such payment.

"**Pledge over Accounts**" means the pledge over accounts entered into on or about the date of this Agreement between Studio City Entertainment and the Security Agent over each of the accounts held by Studio City Entertainment (including those held under the Services and Right to Use Agreement).

"**Power of Attorney**" means:

(a) in respect of each Preference Right Agreement, a power of attorney granted by the Preference Holder in favour of the Security Agent in the form of Part A of Schedule 7 (*Forms of Powers of Attorney*);

(b) in respect of each Macau Obligor of which the Golden Shareholder holds a Golden Share:

(i) a power of attorney granted by the Golden Shareholder in favour of the Security Agent in the form of Part B of Schedule 7 (*Forms of Powers of Attorney*); and

(ii) a power of attorney granted by each other shareholder of such Macau Obligor in favour of the Security Agent in the form of Part C of Schedule 7 (*Forms of Powers of Attorney*); and

(c) in respect of each BVI Entity of which the Golden Shareholder holds a Golden Share, a power of attorney granted by the Golden Shareholder in favour of the Security Agent in the form of Part D of Schedule 7 (*Forms of Powers of Attorney*).

"**Preference Right**" means a right of the Preference Holder under, pursuant to or constituted by a Preference Right Agreement.

"**Preference Right Agreement**" means an agreement substantially in the form of Schedule 6 (*Form of MacauCo Preference Right Agreements*).

"**Project**" has the meaning given to such term in the Facilities Agreement.

"**Purchase Price**" means, in respect of SCH2, a BVICo or MacauCo, a purchase price for all of the shares (other any Golden Share) in SCH2, such BVICo or, as the case may be, such MacauCo.

"**Purchase Right**" means any right of the Golden Shareholder, the Preference Holder, a Sponsor Affiliate and/or any nominee of any of the foregoing under and in accordance with this Agreement, the articles of association of any BVICo, any MacauCo or SCH2 or any Preference Right Agreement, to purchase any share of any BVICo, any MacauCo or SCH2 or any other items of Charged Property.

"**Realisation Adviser**" means any:

(a) independent internationally recognised investment bank;

(b) "Big 4" accountancy firm; or

(c) other independent professional turnaround services firm or other professional services firm,

which is regularly engaged in providing valuations of businesses or financial assets or, where applicable, advising on competitive sales processes or the realisation of financially distressed businesses

"**Realisation Adviser's Estimate**" means written advice from a Realisation Adviser (acting as expert and not arbitrator) which states, as at the date of such written advice:

(a) the figure employed by such Realisation Adviser as the aggregate amount of the Outstanding Facility Debt and the Outstanding High Yield Note Debt;

(b) the BVI Share Sale Estimate;

(c) the Break-up Estimate;

(d) that the BVI Share Sale Estimate is less than the aggregate amount of the Outstanding Facility Debt and the Outstanding High Yield Note Debt;

(e) that the Break-up Estimate is greater than the BVI Share Sale Estimate; and

(f) in determining the BVI Share Sale Estimate and the Break-up Estimate, the Realisation Adviser has applied the Valuation Criteria.

"**Receiver**" has the meaning given to such term in the Facilities Agreement.

"**Reimbursement Amount**" has the meaning given to such term in the Reimbursement Agreement.

"**Reference Price**" means an amount equal to the aggregate of the Transfer Prices specified in the Relevant Transfer Notices.

"**Relevant Asset Buyer**" means, in respect of an Asset Transfer Notice, the person specified as the buyer in such Asset Transfer Notice.

"**Relevant Buyer**" has the meaning given to such term in the definition of Buyer Information Request.

"**Related Party**" means:

(a) any heir, estate, lineal descendent, immediate family member of Mr Lim Kok Thay or any of the foregoing; and

(b) any person or other entity, the beneficiaries, equity holders, partners, owners or persons directly or indirectly holding a controlling interest of which consist of Mr Lim Kok Thay, any such other persons referred to in paragraph (a) above and/or any of the foregoing.

"**Relevant Party**" means:

(a) in respect of any shares of SCH2, SCH2, the Golden Shareholder, any Obligor and any other shareholder in SCH2;

(b) in respect of any shares of a BVICo, such BVICo, the Golden Shareholder, any Obligor and any other shareholder in such BVICo;

(c) in respect of any shares of a MacauCo, such MacauCo, the Golden Shareholder, any Obligor and any other shareholder in such MacauCo; and

(d) in respect of any Preference Right Agreement, any party thereto.

"**Relevant Transfer Notice**" has the meaning given to such term in Clause 14.1.

"**Removal Document**" means a GS Cessation Notice.

"**Response Date**" has the meaning given to it in the relevant Buyer Information Request.

"**Route A Alternative Purchase Price**" means, at any time, the lower of:

(a) the Reference Price; and

(b) the Outstanding Debt.

"**Route A BVICo Transfer Price**" means, in respect of a BVICo, the Transfer Price specified in the Relevant Transfer Notice relating to such BVICo.

"**Route A MacauCo Purchase Price**" means, in respect of a share (other than any Golden Share) of a MacauCo, such portion (or as the case may be, proportion) of the Route A Alternative Purchase Price as is notified to the Golden Shareholder in writing on the date of the Relevant Transfer Notices as the purchase price for such share.

"**Route B BVICo Purchase Price**" means, in respect of a BVICo, such portion (or as the case may be, proportion) of the aggregate Route B Purchase Price as is specified in the Sponsor Option Notice as the purchase price for such BVICo.

"**Route B Completion Date**" means the date falling five Business Days after the date of the Sponsor Acceptance Notice.

"**Route B MacauCo Purchase Price**" means, in respect of a share (other than any Golden Share) of a MacauCo, such portion (or as the case may be, proportion) of the aggregate Route B Purchase Price as is specified in the Sponsor Option Notice as the purchase price for such share.

"**Route B Purchase Price**" means, at any time, the lower of the:

(a) the Outstanding Debt; and

(b) the Break-up Estimate specified in the relevant Sponsor Option Notice.

"**Route B SCH2 Purchase Price**" means, in respect of SCH2, the aggregate Route B Purchase Price.

"**Sale**" means any direct or indirect sale, assignment, conveyance, transfer or other disposal either by or on behalf of or at the direction of the Security Agent or any of the other Secured Parties or otherwise by or on behalf of or at the direction or order of an Official or a court (as applicable) and whether through one or a series of related transactions of:

(a) any controlling interest in Studio City Entertainment;

(b) any controlling interest in any other entity or entities within the Group which, directly or indirectly, own or control:

 (i) the Project or the Site; or

(ii) any part of the foregoing comprised (or proposed to be comprised) in any gaming area or hotel facilities comprised in the Project; and/or

(iii) any part of the foregoing, or any other rights, assets or interests which are material for the purposes of the Project (including for the purposes of its development and operation) as a whole and the Gaming Area in particular; or

(c) any assets which are material for the purposes of the Project (including for the purposes of its development and operation) as a whole and the Gaming Area in particular (including, for the avoidance of doubt, rights under the Services and Right to Use Agreement),

(each a "**Disposed Asset**").

"**Sale Asset**" has the meaning given to such term in Clause 16.4.2.

"**SCE Disposed Asset**" has the meaning given to such term in the definition of "**SCE Sale**".

"**SCE Sale**" means any direct or indirect sale, assignment, conveyance, transfer or other disposal either by or on behalf of or at the direction of the Security Agent or any of the other Secured Parties or otherwise by or on behalf of or at the direction or order of an Official or a court (as applicable) and whether through one or a series of related transactions of:

(a) any controlling interest in Studio City Entertainment; or

(b) any assets which are material for the purposes of the Project (including for the purposes of its development and operation) as a whole and the Gaming Area in particular owned by Studio City Entertainment (including, for the avoidance of doubt, rights under the Services and Right to Use Agreement),

(each an "**SCE Disposed Asset**").

"**SCH2**" means Studio City Holdings Two Limited, a company incorporated under the laws of the British Virgin Islands (registered number 402572) whose registered office is at Appleby Corporate Services (BVI) Limited, Jayla Place, Wickmans Cay 1, Road Town, Tortola, British Virgin Islands.

"**SCH2 Acceptance Notice**" has the meaning given to such term in Clause 14.3.1.

"**SCH2 GS Completion Date**" means the "GS Completion Date" as defined in the articles of association of SCH2.

"**SCH2 Intervening Event Notice**" has the meaning given to it in Clause 14.3.3(d).

"**SCH2 Shares**" means all of the shares (other than any Golden Share) of SCH2.

"**SCH2 Transfer Notice**" has the meaning given to the term "Transfer Notice" in the articles of association of SCH2.

“**Site**” has the meaning given to such term in the Facilities Agreement.

“**Sponsor Acceptance Notice**” means a written notice from the Golden Shareholder to the Security Agent stating that the Golden Shareholder wishes to purchase:

(a) all of the shares (other than any Golden Share) of all of the BVICos at their respective Route B BVICo Purchase Prices; or

(b) all of the shares (other than any Golden Share) of all of the MacauCos at their respective Route B MacauCo Purchase Prices; or

(c) all of the shares (other than any Golden Share) of SCH2 at the Route B SCH2 Purchase Price.

“**Sponsor Affiliate**” has the meaning given to such term in the Facilities Agreement and includes any person (other than an Obligor) which would, if the interests of one or more Sponsors were taken together, be controlled by that Sponsor or Sponsors.

“**Sponsor Follow-Up Notice**” means a notice in substantially the form set out in Schedule 3 (*Sponsor Follow-up Notice*) hereto.

“**Sponsor Option Expiry Date**” means, in respect of a Sponsor Option Notice, the date specified as such in such Sponsor Option Notice (such date being no earlier than the date falling 10 Business Days from the date of such Sponsor Option Notice).

“**Sponsor Option Expiry Event**” means any of the following events:

(a) the Golden Shareholder shall have failed to give a Sponsor Acceptance Notice on or before the Sponsor Option Expiry Date;

(b) the Golden Shareholder delivers to the Security Agent a Surrender Notice; or

(c) if an Intervening Event is continuing in respect of any share (other than any Golden Share) of SCH2 to be purchased pursuant to a SCH2 Acceptance Notice delivered under Clause 14.3.1 on a SCH2 GS Completion Date, the Golden Shareholder fails to deliver on such SCH2 GS Completion Date a SCH2 Intervening Event Notice to the Security Agent which satisfies the requirements of Clause 14.3.4 or a Surrender Notice.

“**Sponsor Option Notice**” means a written notice from the Security Agent:

(a) stating, without prejudice to Clause 11.6 (*Appointment of Realisation Adviser(s)*), that the Secured Parties have received a Realisation Adviser’s Estimate and disclosing the name of the relevant Realisation Adviser; and

(b) specifying:

(i) a purchase price for all of the shares (other than any Golden Share) of each BVICo (the sum of each such purchase price being not greater than the amount of the Route B Purchase Price);

(ii) a purchase price for each of the shares (other than any Golden Share) of each MacauCo (the sum of such purchase prices being not greater than the amount of the Route B Purchase Price);

(iii) a purchase price for all of the shares (other any Golden Share) of SCH2 (such purchase price being not greater than the amount of the Route B Purchase Price);

(iv) without prejudice to Clause 11.6 (*Appointment of Realisation Adviser(s)*), the Break-up Estimate and the BVI Share Sale Estimate; and

(v) the Sponsor Option Expiry Date.

"**Sponsor Option Termination Notice**" means a written notice from the Security Agent stating that a Sponsor Option Termination Event has occurred.

"**Sponsor Option Termination Event**" means any of the following events:

(a) the Golden Shareholder ceases to be a Sponsor Affiliate;

(b) the Preference Holder ceases to be a Sponsor Affiliate; and

(c) the Golden Shareholder or the Preference Holder fails to:

(i) on any day on which it is obliged to pay a purchase price under this Agreement, the articles of association of any relevant company or any relevant Preference Right Agreement, pay such purchase price in full in the specified currency and to the specified account on that day; or

(ii) comply with any of its obligations under Clauses 13.5.1(b)(iii), 13.6.1(b)(iii) or 16.1.1(b)(ii) of this Agreement.

"**Statement Date**" means the date falling one Business Day prior to any proposed completion date of any purchase by the Golden Shareholder, the Preference Holder, any Sponsor Affiliate or any nominee of any of the foregoing pursuant to or contemplated in this Agreement.

"**Statement of Secured Obligations**" means a statement from the Agent to the Borrower of the aggregate amount (and the currency or currencies thereof) (as at the proposed completion date) of the Secured Obligations payable in accordance with the Finance Documents.

"**Subordinated Debt**" has the meaning given to such term in the Facilities Agreement.

"**Subordinated IE Obligations**" means, in respect of any amount, liability or debt owing by an Obligor (such Obligor being the "**Relevant Obligor**") to a third party, all sums (whether of principal, interest or otherwise) owing to the Golden Shareholder by an Obligor and all claims of the Golden Shareholder against an Obligor including, without limitation, sums owing or claims under or in respect of any indemnity from an Obligor (including, without limitation, any express or implied indemnity from the

Relevant Obligor to the Golden Shareholder under or pursuant to any power of attorney granted in connection with such discharge or repayment) or any right to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of such third party or any other guarantee or security taken in connection with such amount, liability or debt by such third party as a result of the Golden Shareholder discharging or otherwise repaying such amount, liability or debt on behalf of such Obligor.

"**Subordinated SCE Obligations**" means all sums (whether of principal, interest or otherwise) owing to the Company by Studio City Entertainment under or in relation to the Services and Right to Use Agreement, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or as surety in some other capacity) but only to the extent that such sums cannot be met from amounts standing to the credit of the Trust Account, the Tax Account, the Enterprise Accounts, the Cost of Operations Account and/or the Operator Account at any time or are not at the time of determination required to be paid or reimbursed hereunder.

"**Subordination Deed**" has the meaning given to such term in the Facilities Agreement.

"**Subsidiary**" has the meaning given to such term in the Facilities Agreement.

"**Surrender Notice**" means a written notice from the Golden Shareholder to the Security Agent stating that the Golden Shareholder does not wish to purchase:

(a) in respect of Clause 14.2.3(b), the BVICo Shares or all of the shares (other than any Golden Share) of SCH2;

(b) in respect of Clause 14.3.3(d), the BVICo Shares or the MacauCo Shares;

(c) in respect of Clause 14.4.1(d), the MacauCo Shares or all of the shares (other than any Golden Share) of SCH2;

(d) in respect of Clause 15.2.3(a), the MacauCo Shares or all of the shares (other than any Golden Share) of SCH2; and

(e) in respect of Clause 15.2.3(c), the BVICo Shares or all of the shares (other than any Golden Share) of SCH2.

"**Tax Account**" has the meaning given to such term in the Services and Right to Use Agreement.

"**Total Gaming Revenues**" has the meaning given to such term in the Services and Right to Use Agreement.

"**Transaction Security**" has the meaning given to such term in the Facilities Agreement.

"**Transaction Security Documents**" has the meaning given to such term in the Facilities Agreement.

"**Transfer and Related Provisions**" means:

(a) articles 6.2 to 6.13 (inclusive) of the articles of association of each BVI Entity; and

(b) paragraphs 2 and 3 of article 3 and paragraphs 2, 3 (second sentence only) and 4 of article 4 of the articles of association of each MacauCo.

"**Transfer Notice**" means, in respect of a BVI Entity, a Transfer Notice (as defined in the articles of association of the relevant BVI Entity in the form set out in the form of Schedule 4 (*Form of BVI Entity Memoranda and Articles of Association*)).

"**Transfer Price**" means, in respect of a Transfer Notice, the transfer price specified therein.

"**Transition Services**" has the meaning given to such term in the Services and Right to Use Agreement.

"**Trust Account**" has the meaning given to such term in the Services and Right to Use Agreement.

"**Valuation Criteria**" means, in relation to a BVI Share Sale Estimate or a Break-up Estimate, generally accepted accounting principles in Hong Kong or principles of financial analysis generally accepted in Hong Kong and such publicly available information as the Realisation Adviser may in its discretion consider appropriate in order to:

(a) in the case of a BVI Share Sale Estimate, determine the present value in US dollars cash of the likely net realisation proceeds of an enforcement of Transaction Security by way of a BVI Share Sale only (and after taking into account the then current condition and state of the Project and assets, business and undertaking therein, the time such realisation is likely to take, the certainty of completion of such realisation and the release and discharge of all Subordinated Debt owed by each BVICo and any Subsidiary thereof (and, if the interests of one or more BVICos were combined, any company which would, as a result, be a Subsidiary) consistent with its optimal realisation strategy) assuming the following:

(i) the Preference Right Agreements (and the Preference Rights) do not exist;

(ii) the Transfer and Related Provisions do not exist;

(iii) any Permits which are of a type which are routinely granted on application will be granted;

(iv) any contract whose terms do not expressly prohibit assignment is assignable; and

(v) the optimum realisation strategy advised by the Realisation Adviser; and

(b) in the case of a Break-up Estimate, determine the present value in US dollars cash of the likely net realisation proceeds of an enforcement of Transaction Security by way of a sale or disposal of Charged Property other than by way of a BVI Share Sale only (whether or not including a sale or disposal of shares of one or more BVICos or one or more MacauCos) (and after taking into account the then current condition and state of the Project and assets, business and undertaking therein, the time such realisation is likely to take, the certainty of completion of such realisation and the release and discharge and/or the sale or disposal of all Subordinated Debt in such proportions as the Realisation Adviser may advise consistent with its optimum realisation strategy) assuming the following:

(i) the Preference Right Agreements (and the Preference Rights) do not exist;

(ii) the Transfer and Related Provisions do not exist;

(iii) any Permits which are of a type which are routinely granted on application will be granted;

(iv) any contract whose terms do not expressly prohibit assignment is assignable; and

(v) the optimum realisation strategy advised by the Realisation Adviser.

"**Veto Cut-off Date**" means, in respect of a Transfer Notice or, as the case may be, a SCH2 Transfer Notice, a Veto Cut-off Date (as defined in the articles of association of the BVI Entity in respect of which such Transfer Notice or, as the case may be, a SCH2 Transfer Notice is delivered).

"**Veto Notice**" means, in respect of a Transfer Notice or, as the case may be, a SCH2 Transfer Notice, a Veto Notice (as defined in the articles of association of the relevant BVI Entity in respect of which such Transfer Notice or, as the case may be, a SCH2 Transfer Notice is delivered).

### 1.2 Construction

The principles of construction and interpretation contained or referred to in clause 1.2 (*Construction*) of the Facilities Agreement shall apply to the construction and interpretation of this Agreement. In addition:

(a) unless otherwise expressly stated, "**control**" means:

(i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

(A) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the entity in question;

(B) appoint or remove all, or the majority, of the directors or other equivalent officers of the entity in question; or

(C) give directions with respect to the management, operating and financial policies of the entity in question with which the directors or other equivalent officers and company are obliged to comply; or

(ii) the holding beneficially of more than 50% of the issued share capital of the entity in question (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

(b) unless otherwise expressly stated, "**controlling interest**" means:

(i) in relation to an entity, having the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

(A) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the entity in question;

(B) appoint or remove all, or the majority, of the directors or other equivalent officers of the entity in question; or

(C) give directions with respect to the management, operating and financial policies of the entity in question with which the directors or other equivalent officers and company are obliged to comply; or

(ii) in relation to an entity, the holding beneficially of more than 50% of the issued share capital of the entity in question (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

1.3 **Inconsistency**

In the event of any inconsistency between the terms contained in this Agreement and those contained in the Services and Right to Use Agreement, the Authorisation of the Government of the Macau SAR or the other Finance Documents, the order of priority of application shall be as follows:

(a) Authorisation of the Government of the Macau SAR.;

(b) this Agreement;

(c) the Services and Right to Use Agreement;

(d) the Reimbursement Agreement; and

(e) any other Finance Documents.

## 2. COMPANY'S WARRANTY AND LIABILITY AND SECURED PARTIES' RIGHTS

The provisions of this Clause 2 shall remain in force from the date of this Agreement until the Direct Undertakings Termination Date.

### 2.1 Company's Warranty and Liability

2.1.1 Subject always to Clause 2.1.2, the Company warrants and covenants to the Security Agent that it will observe and perform all of its obligations under the Services and Right to Use Agreement and the Reimbursement Agreement in accordance with and subject to the terms of the Services and Right to Use Agreement, the Reimbursement Agreement and this Agreement (as applicable).

2.1.2 The liability of the Company at any time under or in respect of the Services and Right to Use Agreement and/or the Reimbursement Agreement shall not be increased by reason of this Clause 2.1.

2.1.3 Without prejudice to Clause 2.1.2, the Company further warrants and undertakes to the Security Agent that it has and will exercise all skill, care and diligence to be expected from an operator experienced in performing services similar in nature to the Operator Services, in the performance of its duties and obligations under the Services and Right to Use Agreement.

### 2.2 Secured Parties' Rights

The Company acknowledges the rights, interests and requirements of the Secured Parties under and in respect of the Assignment of Services and Right to Use Agreement, the Assignment of the Reimbursement Agreement and the Melco Crown Accounts Pledge.

## 3. SECURITY OVER THE SERVICES AND RIGHT TO USE AGREEMENT

### 3.1 Notice

In accordance with clause 5 of the Assignment of Services and Right to Use Agreement and clause 5 of the Assignment of Reimbursement Agreement, Studio City Entertainment hereby notifies the Company that it has granted to the Security Agent the Assignment.

### 3.2 Consent and Acknowledgement of the Company

The Company:

3.2.1 acknowledges that it has received notices of the Assignment from Studio City Entertainment in accordance with the Assignment of Services and Right to Use Agreement and the Assignment of Reimbursement Agreement;

3.2.2 consents to the Assignment;

3.2.3 consents to any further assignment or security relating to the Services and Right to Use Agreement in the context of an enforcement of the Security constituted by the Assignment of the Services and Right to Use Agreement **provided that** any such assignment or security is, at all times, in compliance with and subject to the terms of the Services and Right to Use Agreement;

3.2.4 confirms that it has been provided with a copy of each of the Facilities Agreement, the Assignment of Services and Right to Use Agreement, the Assignment of the Reimbursement Agreement, the Pledge over Accounts, each as may have been amended on or prior to the date hereof;

3.2.5 confirms that it has not received any other notice of assignment or security relating to the Services and Right to Use Agreement and/or the Reimbursement Agreement other than as contemplated by this Agreement;

3.2.6 confirms that it is not aware of any interest of any person (other than Studio City Entertainment, the Company and the Secured Parties) in or to the Services and Right to Use Agreement and/or the Reimbursement Agreement;

3.2.7 confirms that, despite the Assignment, none of the Secured Parties shall be liable to perform any of the duties and obligations imposed on Studio City Entertainment by the Services and Right to Use Agreement and/or the Reimbursement Agreement or be liable to the Company for the consequences of non-performance of any of those duties and obligations (other than as provided herein);

3.2.8 [***];

3.2.9 confirms and acknowledges that neither a Sale nor an SCE Sale made prior to the Direct Undertakings Termination Date shall constitute a termination of the Services and Right to Use Agreement other than as contemplated, permitted or required in accordance with the terms of this Agreement or any applicable Legal Requirements; and

3.2.10 confirms (and by execution of this Agreement, Studio City Entertainment and the Security Agent agree and the Services and Right to Use Agreement shall be amended accordingly) in the event that a Competitor at any time has or acquires, directly or indirectly, through one or a series of transactions:

(a) any controlling interest in Studio City Entertainment or its permitted successors or assignees,

(b) any controlling interest in any other entity or entities which, directly or indirectly, own or control:

(i) the Project or the Site; or

(ii) any part of the foregoing comprised (or proposed to be comprised) in any gaming area or hotel facilities comprised in the Project; and/or

(iii) any part of the foregoing, or any other rights, assets or interests which are material for the purposes of the Project (including for the purposes of its development and operation) as a whole and the Gaming Area in particular; or

(c) any assets which are material for the purposes of the Project (including for the purposes of its development and operation) as a whole and the Gaming Area in particular (including, for the avoidance of doubt, rights under the Services and Right to Use Agreement),

other than (until such time as an SCE Sale has occurred or otherwise until the Direct Undertakings Termination Date) where the occurrence of the foregoing results directly from (x) an act by an Obligor and/or a Sponsor Affiliate whilst it is under MCE Control (defined, for this purpose, by reference to such Obligor or Sponsor Affiliate rather than Studio City Entertainment) or (y) a failure by an Obligor and/or a Sponsor Affiliate whilst it is under MCE Control (defined, for this purpose, by reference to such Obligor or Sponsor Affiliate rather than Studio City Entertainment) to exercise any right in relation to, a transfer, issue or disposal of shares (including, without limitation, pre-emption rights and/or call rights other than the Purchase Right), in either case, which causes and/or constitutes a Change of Control Event of Default under paragraph (c), (d) or (e) of the definition of Change of Control in the Facilities Agreement, then:

(A) the Company may, upon being satisfied of occurrence of the above, terminate the Services and Right to Use Agreement by giving notice of termination to the Security Agent and Studio City Entertainment; and if so,

(B) each of the Services and Right to Use Agreement and (to the extent not already terminated) the Reimbursement Agreement shall, subject to receipt by the parties of any necessary Governmental Approvals, terminate on the date (if any) set out in the Governmental Approvals or determined by a Government Authority, or otherwise on the date specified in the termination notice which shall be no less than 30 days following receipt of such notice (or any earlier date permitted under the Services and Right to Use Agreement, the Reimbursement Agreement or hereunder, whether as a result of an Event of Default as defined therein or otherwise); and

(C) such termination shall be without prejudice to any rights or claims which may have accrued to either party under or in relation to the Services and Right to Use Agreement and/or the Reimbursement Agreement prior to the termination date and the provisions of sections 10.2(b), 10.2(c), 10.3 and 10.4 of the Services and Right to Use Agreement shall apply, **provided that** in respect of section 10.3 of the Services and Right to Use Agreement, it shall only apply if the Company is satisfied (acting reasonably) that costs, expenses and fees reasonably incurred by it for rendering Transition Services will be paid as contemplated therein.

3.2.11 subject to the requirements of this Agreement, it shall be a condition of any SCE Sale and unless the Services and Right to Use Agreement is terminated that:

(a) (in respect of an SCE Sale under paragraph (b) of its definition thereof) the Security Agent or an Official (as applicable) transfers, or there is transferred pursuant to an order or direction of a court, all of Studio City Entertainment's rights and obligations under the Services and Right to Use Agreement to the purchaser in accordance with Clause 4.8 (*Transfers*) of this Agreement (it being acknowledged and agreed that any part only of the foregoing cannot at any time be transferred);

(b) unless the Company otherwise agrees in writing:

(i) [***];

(ii) the Reimbursement Agreement shall automatically terminate; and

(iii) all accrued rights and claims of the Company under or in relation to the Services and Right to Use Agreement have been (or on completion of the SCE Sale, will be) satisfied and discharged and the subordination provisions set out in Clause 6 (*Subordination of the Company's Claim*) shall cease to be applicable;

(c) any amendment, variation or supplement of the Services and Right to Use Agreement proposed by the Company (acting reasonably, in the case of the first of any SCE Sale but not any subsequent SCE Sale, if any, or a Sale to a Sponsor, a Sponsor Affiliate or a nominee of any of the foregoing) has been agreed **provided that**, in the case only of the first of any SCE Sale (and not any subsequent SCE Sale, if any, nor a Sale to a Sponsor, a Sponsor Affiliate or a nominee of any of the foregoing), in the absence of any agreement between the Company and the proposed purchaser (or the Security Agent or an Official appointed to Studio City Entertainment or its assets (as applicable) acting on behalf of the proposed purchaser) as to any proposed amendment, variation or supplement of the Services and Right to Use Agreement on or prior to the completion of the SCE Sale:

(i) subject to its terms and any applicable Legal Requirements and Authorisations, the Services and Right to Use Agreement and this Clause 3.2.11 shall continue to operate in full force and effect;

(ii) the proposed purchaser shall continue to pay the Company (or as it otherwise directs) an amount equal to the Operator Consideration pursuant to the terms of the Services and Right to Use Agreement, until at least 26 June 2022;

(iii) the Company will be required to operate the Gaming Area, subject to and in accordance with the Services and Right to Use Agreement, until 26 June 2027 (unless the Gaming Subconcession is terminated during the period from 27 June 2022 to 26 June 2027, in which case, until such date of termination of the Gaming Subconcession) if:

(A) the Gaming Subconcession is extended beyond 26 June 2022; and

(B) the proposed purchaser or other party thereto contributes and pays to the Company (or as the Company may otherwise direct), in sufficient time to enable the Company to make its payment, an amount equal to the following:

[***]

**provided that** if (A) and (B) above are not satisfied, the Company will only be required to operate the Gaming Area until 26 June 2022 and may thereafter terminate the Services and Right to Use Agreement.

3.2.12 subject to, until the Direct Undertakings Termination Date, the requirements of this Agreement, in the event that another holder of a Gaming Licence (or its Affiliate), at any time has or acquires, directly or indirectly, through one or a series of transactions:

(a) any controlling interest in Studio City Entertainment or its permitted successors or assignees,

(b) any controlling interest in any other entity or entities which, directly or indirectly, own or control:

(i) the Project or the Site; or

(ii) any part of the foregoing comprised (or proposed to be comprised) in any gaming area or hotel facilities comprised in the Project; and/or

(iii) any part of the foregoing, or any other rights, assets or interests which are material for the purposes of the Project (including for the purposes of its development and operation) as a whole and the Gaming Area in particular; or

(c) any assets which are material for the purposes of the Project (including for the purposes of its development and operation) as a whole and the Gaming Area in particular (including, for the avoidance of doubt, rights under the Services and Right to Use Agreement),

or where it is proposed that another holder of a Gaming Licence operate all or any part of the Gaming Area or any other gaming area comprised (or proposed to be comprised) in the Project:

(i) any of the Company, or (at any time prior to the Direct Undertakings Termination Date) the Security Agent or Studio City Entertainment (at the direction of the Security Agent) may terminate the Services and Right to Use Agreement by giving written notice of termination to each other party to the Services and Right to Use Agreement and (if this occurs prior to the Direct Undertakings Termination Date) the Security Agent; and if so,

(ii) each of the Services and Right to Use Agreement and the Reimbursement Agreement shall (subject to receipt by the parties of any necessary Governmental Approvals and subject to any other date of termination as may be required or stipulated in the relevant Governmental Approval), terminate on the date specified in the termination notice which shall be no less than 30 days following receipt of such notice; and

(iii) such termination shall be without prejudice to any rights or claims which may have accrued to either party under or in relation to the Services and Right to Use Agreement prior to the termination date and the provisions of sections 10.2(b), 10.2(c), 10.3 and 10.4 of the Services and Right to Use Agreement shall apply, **provided that** in respect of section 10.3 of the Services and Right to Use Agreement, it shall only apply if the Company is satisfied (acting reasonably) that costs, expenses and fees reasonably incurred by it for rendering Transition Services will be paid as contemplated therein;

3.3 **Studio City Entertainment's Liability**

Studio City Entertainment agrees that, despite the Assignment, it shall remain liable to perform all of the duties and obligations imposed on it by the Services and Right to Use Agreement and/or the Reimbursement Agreement (unless and until such document is terminated or any transfer or assignment is otherwise made in accordance with the requirements of Clause 4.8 (*Transfers*) of this Agreement).

4. **ENFORCEMENT**

4.1 **Before Enforcement Notice**

Unless and until the Security Agent has confirmed to the Company that an Enforcement Notice has been issued and served upon Studio City Entertainment in accordance with the requirements of the Finance Documents, the Company may continue to treat Studio City Entertainment as entitled to exercise and enforce all of its rights, discretions and remedies under the Services and Right to Use Agreement and/or the Reimbursement Agreement.

4.2 **After Enforcement Notice**

The Company acknowledges and agrees that upon receipt of confirmation from the Security Agent that an Enforcement Notice has been issued and served upon Studio City Entertainment in accordance with the requirements of the Finance Documents (and the Company shall be entitled to rely upon any such confirmation and to assume the Enforcement Notice referred to therein has been properly issued and served upon Studio City Entertainment in accordance with the requirements of the Finance Documents), then for so long as the Enforcement Notice has not been withdrawn and until the Direct Undertakings Termination Date:

4.2.1 the Security Agent shall be entitled to exercise and enforce all of Studio City Entertainment's rights, discretions and remedies under the Services and Right to Use Agreement and/or the Reimbursement Agreement;

4.2.2 as permitted by law, the Company will deal only with the Security Agent in respect of those matters and ignore any contrary instructions or notices given by Studio City Entertainment;

4.2.3 subject to the requirements of this Agreement, and as permitted by law, the Security Agent may exercise any of its rights under the Transaction Security Documents, including to effect a Sale or an SCE Sale;

4.2.4 subject to the requirements of this Agreement, the exercise of any rights under the Transaction Security Documents by the Security Agent in accordance with this Agreement shall not give rise to any right for the Company (save as in circumstances contemplated by Clauses 3.2.10, 3.2.11, 3.2.12, 4.5 (*Security Agent Action*), 4.9 (*Suspension*), 4.10 (*Purchaser Action*), 5.2 (*Change of control*), 5.4 (*Termination rights of the Company in the Additional Grace Period*) and 5.5 (*Termination rights in the Final Grace Period*)) to exercise its rights to terminate the Services and Right to Use Agreement (including, without limitation, Section 14.1(a) or Section 11.4 thereof);

4.2.5 subject to the requirements of this Agreement, the Assignment of Services and Right to Use Agreement and the Services and Right to Use Agreement, the Security Agent may transfer (in accordance with any applicable Legal Requirements) Studio City Entertainment's rights and obligations under the Services and Right to Use Agreement to any other person (but for the avoidance of doubt, the Security Agent shall not be entitled to transfer Studio City Entertainment's rights and obligations under the Reimbursement Agreement which shall terminate on any such assignment (unless the Reimbursement Agreement has already terminated)) **provided that** if any Governmental Approvals are required in connection with such transfer, such Governmental Approvals have been or will be obtained;

4.2.6 subject to the requirements of this Agreement, in the event of a Sale to or acquisition of any SCE Disposed Asset by a person who does not propose (as far as the Security Agent is aware) or it is otherwise not proposed that gaming be continued or form any part of the Project:

(a) the Security Agent or Studio City Entertainment (at the direction of the Security Agent) may terminate the Services and Right to Use Agreement by giving written notice of termination to the Company, Studio City Entertainment and the Security Agent (as required); and if so,

(b) each of the Services and Right to Use Agreement and the Reimbursement Agreement shall (subject to receipt by the parties of any necessary Governmental Approvals and subject to any other date of termination as may be required or stipulated in the relevant Governmental Approval), terminate on the date specified in the termination notice which shall be no less than 30 days following receipt of such notice; and

(c) such termination shall be without prejudice to any rights or claims which may have accrued to either party under or in relation to the Services and Right to Use Agreement prior to the termination date and the provisions of sections 10.2(b), 10.2(c) and 10.4 (but not section 10.3) of the Services and Right to Use Agreement shall apply;

4.2.7 in the event of a Sale or other disposal of Disposed Assets to a Sponsor, a Sponsor Affiliate or a nominee of any of the foregoing made or proposed to be made in accordance with or contemplated by this Agreement (whether or not pursuant to the Purchase Right):

(a) subject to its terms and any applicable Legal Requirements and Authorisations, the Services and Right to Use Agreement shall continue to operate in full force and effect [***]; and

(b) the Reimbursement Agreement shall automatically terminate.

4.3 **Non Disturbance Principle**

Without prejudice to Clause 4.7 (*Absence or Lack of Utility Services*), the Security Agent and the POA Agent (and the Security Agent and the POA Agent shall procure that any Delegate or Receiver (or any permitted nominee or delegate of any of them)) undertake to the Company that if, following the issuance of an Enforcement Notice in accordance with the requirements of the Finance Documents, the Security Agent, the POA Agent, any Delegate or Receiver (or any permitted nominee or delegate of any of them) undertake any action in connection with the enforcement of any Transaction Security Document (including but not limited to, the exercise of any of its rights to effect a Sale or an SCE Sale in accordance with the terms of this Agreement) then each of the Security Agent and the POA Agent shall ensure that neither it nor any of the foregoing take any action which would prevent the Company to operate the Gaming Area (and any other gaming area comprised in the Project) in accordance with the terms of the Services and Right to Use Agreement (and for so long as the Services and Right to Use Agreement remains in full force and effect in accordance with the terms of this Agreement).

4.4 **Notice of Disturbance**

(a) Without prejudice to Clause 4.7 (*Absence or Lack of Utility Services*), if the Security Agent, the POA Agent, any Delegate or Receiver (or any permitted nominee or delegate of any of them) undertake any action to enforce or undertake any action in connection with the enforcement of a Transaction Security Document (including but not limited to, the exercise of any of its rights to effect a Sale or an SCE Sale in accordance with the terms of this Agreement) and such action, directly or indirectly:

(i) prevents the Company's operation of the Gaming Area (or any other gaming area comprised in the Project) (or its ability to do so) in accordance with the requirements of the Services and Right to Use Agreement or prevents it from doing so on terms no more onerous or subject to costs, expenses, liabilities or claims no greater than those to which it, or as the case may be, Studio City Entertainment, was previously subject immediately prior to the action which gives rise to the suspension of operation by the Company; and/or

(ii) prevents the Company's performance of any or all of its material obligations under the Services and Right to Use Agreement or prevents it from doing so on terms no more onerous or subject to costs, expenses, liabilities or claims no greater than those to which it, or as the case may be, Studio City Entertainment, was previously subject immediately prior to the action which gives rise to the suspension of operation by the Company,

then the Company may notify the Security Agent and provide reasonable details of the event or circumstance giving rise to the inability of the Company to operate or perform its obligations in accordance with the Services and Right to Use Agreement (such notice, a "**Notice of Disturbance**") and from the time the Company issues the Notice of Disturbance to the Security Agent until such time when the relevant event or circumstance giving rise to the inability of the Company to operate in accordance with the Services and Right to Use Agreement ceases, the Company's obligation to operate the Gaming Area and perform its obligations in accordance with the requirements of the Services and Right to Use Agreement shall be suspended. For the avoidance of doubt, such suspension shall only apply in respect of the operation and performance of the Company's obligations under the Services and Right to Use Agreement and shall not include a suspension of its obligation (if any) to fund pursuant to Clause 4.9 (*Suspension*) or Clause 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*) of this Agreement nor a suspension of the operation or performance of the Company's obligations (if any) under the Reimbursement Agreement, as supplemented by this Agreement (it being at all times acknowledged and understood that any such obligations only apply to any Reimbursement Amount or part thereof actually received by the Company).

(b) The Security Agent shall notify the Company in writing of the remedial action it (or the POA Agent or any Delegate, Receiver or any permitted nominee or delegate of any of them, as relevant) is taking or intends on taking within 30 days following receipt by the Security Agent of a Notice of Disturbance.

(c) The Security Agent and the POA Agent covenant that they will (and shall procure that any Delegate, Receiver or any permitted nominee or delegate of any of them) take any necessary action to ensure that the relevant event or circumstance giving rise to the inability of the Company to operate in accordance with the Services and Right to Use Agreement notified to the Security Agent in the Notice of Disturbance ceases.

4.5 **Security Agent Action**

If the Security Agent, the POA Agent, any Delegate or Receiver (or any permitted nominee or delegate of either of them) has taken any action which:

4.5.1 prevents the Company's operation of the Gaming Area (or any other gaming area comprised in the Project) (or its ability to do so) in accordance with the requirements of the Services and Right to Use Agreement or prevents it from doing so on terms no more onerous or subject to costs, expenses, liabilities or claims no greater than those to which it, or as the case may be, Studio City Entertainment, was previously subject immediately prior to the action which gives rise to the suspension of operation by the Company; and/or

4.5.2 prevents the Company's performance of any or all of its material obligations under the Services and Right to Use Agreement or prevents it from doing so on terms no more onerous or subject to costs, expenses, liabilities or claims no greater than those to which it, or as the case may be, Studio City Entertainment, was previously subject immediately prior to the action which gives rise to the suspension of operation by the Company,

in each case which, regardless of whether Studio City Entertainment remains under MCE Control or any other provision hereof, would give rise to a right of the Company to terminate the Services and Right to Use Agreement, then **provided that** such prevention subsists for a continuous period of 45 days or a total period of 60 days in any 90 day period, in each case following receipt by the Security Agent of a Notice of Disturbance:

(a) the Company may terminate the Services and Right to Use Agreement by giving written notice of termination to the Security Agent; and if so, then

(b) each of the Services and Right to Use Agreement and the Reimbursement Agreement shall, subject to receipt by the Company of any necessary Governmental Approvals, terminate on the date (if any) set out in the Governmental Approvals or determined by a Government Authority, or otherwise on the date specified in the termination notice which shall be no less than 30 days after the date of such written notice.

4.6 **Court Action**

(a) Without prejudice to Clause 4.7 (*Absence or Lack of Utility Services*), if an Official or a court takes, directs or orders any action which:

(1) prevents the Company's operation of the Gaming Area (or any other gaming area comprised in the Project) (or its ability to do so) in accordance with the requirements of the Services and Right to Use Agreement or prevents it from doing so on terms no more onerous or subject to costs, expenses, liabilities or claims no greater than those to which it, or as the case may be, Studio City Entertainment, was previously subject immediately prior to the action which gives rise to the suspension of operation by the Company; and/or

(2) prevents the Company's performance of any or all of its material obligations under the Services and Right to Use Agreement or prevents it from doing so on terms no more onerous or subject to costs, expenses, liabilities or claims no greater than those to which it, or as the case may be, Studio City Entertainment, was previously subject immediately prior to the action which gives rise to the suspension of operation by the Company,

then the Company may notify the Security Agent and provide reasonable details of the event or circumstance giving rise to the inability of the Company to operate in accordance with the Services and Right to Use Agreement (such notice, a "**Notice of Suspension**").

(b) From the time the Company issues the Notice of Suspension to the Security Agent until such time when such Notice of Suspension has been revoked, the Company's obligation to operate the Gaming Area in accordance with the requirements of and perform its obligations under the Services and Right to Use Agreement shall be suspended. For the avoidance of doubt, such suspension shall only apply in respect of the operation and performance of the Company's obligations under the Services and Right to Use Agreement and shall not include a suspension of its obligation (if any) to fund pursuant to Clause 4.9 (*Suspension*) or Clause 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*) of this Agreement nor a suspension of the operation or performance of the Company's obligations (if any) under the Reimbursement Agreement, as supplemented by this Agreement (it being at all times acknowledged and understood that any such obligations only apply to any Reimbursement Amount or part thereof actually received by the Company).

4.7 **Absence or Lack of Utility Services**

(a) In circumstances where:

(i) the Company is unable to gain access to or otherwise operate the Gaming Area (or any other gaming area comprised in the Project or perform any of its obligations under the Services and Right to Use Agreement) due to an absence or lack of utility services, telephone and

other similar services required for such operation as appropriate and consistent with the Operating Standards or an absence or lack of necessary facilities, goods, services, utilities and other like things from any other part of the Project or the Site or from any person to support such operation as appropriate and consistent with the Operating Standards, in each case, on terms no more onerous or subject to costs, expenses, liabilities or claims no greater than those to which it, or as the case may be, Studio City Entertainment, was previously subject; and

(ii) the Company has complied with its obligation to fund when due pursuant to Clause 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*),

then the Company may notify the Security Agent of the inability of the Company to operate in accordance with the Services and Right to Use Agreement (such notice, a "**Notice of Absence of Utility Services**").

(b) Promptly following the resumption of utility services, telephone and other similar services, facilities, goods, services, utilities and other like things, in each case (x) to a level that is possible for the Company to operate the Gaming Area (or any other gaming area comprised in the Project) in accordance and consistent with the Operating Standards and otherwise perform its material obligations under the Services and Right to Use Agreement and (y) on terms no less favourable than those which applied prior to the relevant cessation (and on terms no more onerous or subject to costs, expenses, liabilities or claims no greater than those to which it, or as the case may be, Studio City Entertainment, was previously subject), the Company shall immediately notify the Security Agent and revoke the Notice of Absence of Utility Services.

(c) From the time the Company issues the Notice of Absence of Utility Services to the Security Agent until the earlier of:

(i) such time when such Notice of Absence of Utility Services has been revoked; and

(ii) the date on which utility services, telephone and other similar services for the operation of the Gaming Area (or any other gaming area comprised in the Project) as appropriate and consistent with the Operating Standards or the necessary facilities, goods, services, utilities and other like things from any other part of the Project or the Site to support such operation as appropriate and consistent with the Operating Standards have resumed on terms no less favourable than those which applied prior to the relevant cessation (and on terms no more onerous or subject to costs, expenses, liabilities or claims no greater than those to which it, or as the case may be, Studio City Entertainment, was previously subject),

the Company's obligation to operate the Gaming Area in accordance with the requirements of and perform its obligations under the Services and Right to Use Agreement shall be suspended. For the avoidance of doubt, such

suspension shall only apply in respect of the operation and performance of the Company's obligations under the Services and Right to Use Agreement and shall not include a suspension of its obligation (if any) to fund pursuant to Clause 4.9 (*Suspension*) or Clause 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*) of this Agreement nor a suspension of the operation or performance of the Company's obligations (if any) under the Reimbursement Agreement (it being at all times acknowledged and understood that any such obligations relates only to any Reimbursement Amount or part thereof actually received by the Company).

4.8 **Transfers**

(a) If requested by the Security Agent after an Enforcement Notice has been served, and subject to Clause 4.2 (*After Enforcement Notice*), the Company shall promptly execute any acknowledgement to a notice of assignment of Studio City Entertainment's rights and obligations under the Services and Right to Use Agreement made in accordance with the Services and Right to Use Agreement, this Agreement and any applicable Legal Requirements (including any necessary Governmental Approvals) for an assignee to become a party to the Services and Right to Use Agreement in place of Studio City Entertainment.

(b) The assignment shall, subject to receipt of any necessary Governmental Approvals and compliance with this Agreement and all other applicable Legal Requirements, become effective upon execution of such acknowledgement of notice of assignment and shall forthwith release Studio City Entertainment from its obligations under the Services and Right to Use Agreement and thereafter such assignee or transferee shall be treated as if it had originally been named as a party thereto in place of Studio Entertainment with the rights, benefits, powers, discretions and obligations of Studio City Entertainment thereunder and, at the same time, if not already terminated, the Reimbursement Agreement shall terminate.

(c) It is hereby agreed and acknowledged that any assignment or transfer of Studio City Entertainment's rights or obligations under the Services and Right to Use Agreement must be in full (and include, in either event, all rights and obligations) and not in part.

4.9 **Suspension**

(a) To the extent that there are any costs incurred by the Company arising from suspension pursuant to Clauses 4.4 (*Notice of Disturbance*), 4.6 (*Court Action*), 4.7 (*Absence or Lack of Utility Services*) and/or 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*) including any termination costs arising during the suspension period, and in each case, which costs are not covered by the Costs of Operation and are not costs otherwise required to be paid or funded by the Finance Parties hereunder, without prejudice to Clause 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*):

(i) if such costs are incurred during the Initial Grace Period, the Company shall pay or fund any such costs when due; and

(ii) if such costs are incurred at any time after the Initial Grace Period, unless a Finance Party pays or funds any such costs when due, the Company may terminate the Services and Right to Use Agreement by giving written notice of termination to the Security Agent and if so, each of the Services and Right to Use Agreement and the Reimbursement Agreement shall, subject to receipt by the Company of any necessary Governmental Approvals, terminate on the date (if any) set out in the Governmental Approvals or determined by a Government Authority, or otherwise on the termination date specified in such written notice which shall be no less than 30 days after the date of such written notice.

(b) Studio City Entertainment and the Company shall take all reasonable steps to mitigate the costs which arise and would become payable from suspension, including, for the avoidance of doubt, any termination costs arising during the suspension period.

(c) On a weekly basis from the date of the relevant suspension or otherwise at such interval as may be agreed between the Security Agent and the Company, the Company shall provide to the Security Agent:

(i) details of all costs expected to be incurred in the next 7 days in connection with the suspension (including any termination costs arising from suspension); and

(ii) details of all costs actually incurred by it in the previous 7 days in connection with the suspension (including any termination costs arising from suspension).

In addition, the Company shall notify the Security Agent promptly, and in any event 2 Business Days prior to such amount becoming due, details of any suspension costs to be funded pursuant to paragraph (a)(ii) above.

(d) At any time when suspension pursuant to Clauses 4.4 (*Notice of Disturbance*), 4.6 (*Court Action*), 4.7 (*Absence or Lack of Utility Services*) and/or 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right*

*to Use Agreement*) has occurred and is continuing, the Security Agent may terminate the Services and Right to Use Agreement by giving written notice of termination to the Company and if so, each of the Services and Right to Use Agreement and the Reimbursement Agreement shall, subject to receipt by the Company of any necessary Governmental Approvals, terminate on the date (if any) set out in the Governmental Approvals or determined by a Government Authority, or otherwise on the termination date specified in such written notice.

(e) Following the cessation of the relevant event or circumstance giving rise to the inability of the Company to operate in accordance with the Services and Right to Use Agreement and the suspension pursuant to Clauses 4.4 (*Notice of Disturbance*), 4.6 (*Court Action*), 4.7 (*Absence or Lack of Utility Services*) and/or 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*), the Company shall, if a right to terminate has not arisen and subject to receipt by the Company of any Governmental Approvals (if any) required to resume operation of the Gaming Area (or any other gaming area comprised in the Project) in accordance with the requirements of the Services and Right to Use Agreement, promptly resume operation of the Gaming Area (and/or (as applicable) any other gaming area comprised in the Project) in accordance with the requirements of the Services and Right to Use Agreement.

4.10 **Purchaser Action**

Without prejudice to Clause 4.7 (*Absence or Lack of Utility Services*) and Clause 4.9 (*Suspension*), if following the completion of a Sale that does not constitute an SCE Sale, a purchaser under such Sale takes any action which:

4.10.1 prevents the Company's operation of the Gaming Area (or any other gaming area comprised in the Project) (or its ability to do so) in accordance with the requirements of the Services and Right to Use Agreement or prevents it from doing so on terms no more onerous or subject to costs, expenses, liabilities or claims no greater than those to which it, or as the case may be, Studio City Entertainment, was previously subject immediately prior to the action which gives rise to the suspension of operation by the Company; and/or

4.10.2 prevents the Company's performance of any or all of its material obligations under the Services and Right to Use Agreement or prevents it from doing so on terms no more onerous or subject to costs, expenses, liabilities or claims no greater than those to which it, or as the case may be, Studio City Entertainment, was previously subject immediately prior to the action which gives rise to the suspension of operation by the Company,

then **provided that** such prevention subsists for a continuous period of 45 days or a total period of 60 days in any 90 day period, in each case from the date of written notification by the Company of such prevention to the purchaser, then:

(a) the Company may terminate the Services and Right to Use Agreement by giving written notice of termination to the Security Agent; and if so, then

(b) each of the Services and Right to Use Agreement and the Reimbursement Agreement shall, subject to receipt by the Company of any necessary Governmental Approvals, terminate on the date (if any) set out in the Governmental Approvals or determined by a Government Authority, or otherwise on the date specified in the termination notice which shall be no less than 30 days after the date of such written notice.

4.11 **Operating Budget**

(a) The Company, Studio City Entertainment and the Security Agent agree that, following issuance of an Enforcement Notice on Studio City Entertainment in accordance with the requirements of the Finance Documents and for so long as the Enforcement Notice has not been withdrawn and until the Direct Undertakings Termination Date, it shall use commercially reasonable efforts to agree on and cooperate in the preparation of the Operating Budget from time to time.

(b) If the Company and the Security Agent (or, as the case may be, Studio City Entertainment acting at the direction of the Security Agent) are unable to agree on an Operating Budget at the times stipulated under the Services and Right to Use Agreement, then the Operating Budget shall be the previously agreed Operating Budget.

4.12 **Release of Security on Sale**

Subject to the terms of this Agreement, upon the completion of any SCE Sale or Sale by the Security Agent pursuant to the enforcement of the Transaction Security, the Security Agent shall (at the cost of the Obligors):

(a) (in respect of a share sale only) release and discharge any claims, right, title or interest by or of any Secured Party against each Obligor whose shares were the subject of such sale, each of its Subsidiaries (and, if the interest of each such Obligor were combined, any company which would, as a result, be a Subsidiary) and the assets of each such company and each such Subsidiary (other than any such claim, right, title or interest of any Secured Party arising or subsisting otherwise than by virtue of the Finance Documents), release all Transaction Security against such shares and/or assets (other than those subsisting otherwise than by virtue of the Finance Documents) and either (i) release and discharge any Subordinated Debt owing by any such company (whose shares were the subject to such sale) and/or (ii) and (to the extent the Security Agent has the power so to do) assign or transfer such Subordinated Debt to the purchaser or its nominee by way of enforcement of the Transaction Security over that Subordinated Debt or (to the extent the Security Agent does not have the power to so assign or transfer but has the power to release Transaction Security relating to that Subordinated Debt) to release such Transaction Security and, in the case of each of (i) and (ii), together with a release of the liabilities and obligations with respect to such Subordinated Debt under or pursuant to the Subordination Deed;

(b) (in respect of an asset sale only) release and discharge any claims, right, title or interest by or of any Secured Party against each such asset (other than

shares) the subject of a sale (other than any such claim, right, title or interest of any Secured Party arising or subsisting otherwise than by virtue of the Finance Documents) and release all Transaction Security against such assets (other than those subsisting otherwise than by virtue of the Finance Documents); and

(c) (in respect of a combination of share and asset sale), both (a) and (b) above shall apply as applicable.

In addition, the Security Agent shall be authorised to execute, without the need for any further authority from the Secured Parties, and deliver any document and do all such things as may be necessary to give effect to each such release and discharge, including to issue any certificates of non-crystallisation of floating charges that may be required or desirable.

## 5. RESTRICTION ON TERMINATION OF THE SERVICES AND RIGHT TO USE AGREEMENT

### 5.1 No termination

Save as permitted pursuant to Clauses 3.2.10, 3.2.12, 4.2.6, 4.4 (*Notice of Disturbance*), 4.5 (*Security Agent Action*), 4.6 (*Court Action*), 4.7 (*Absence or Lack of Utility Services*), 4.9 (*Suspension*), 4.10 (*Purchaser Action*), 5.2 (*Change of control*), 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*), 5.4 (*Termination rights of the Company in the Additional Grace Period*) and 5.5 (*Termination rights in the Final Grace Period*), the Company shall not suspend, rescind or terminate or agree to any suspension, rescission or termination to, of or under, the Services and Right to Use Agreement or present any petition or analogous application for the appointment of any liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of Studio City Entertainment or any of its assets at any time prior to the Direct Undertakings Termination Date without the prior written consent of the Security Agent.

### 5.2 Change of control

In the event that Studio City Entertainment ceases to be under MCE Control following a Sale, or otherwise following a Change of Control (as defined in the Facilities Agreement) where the Agent (acting on the instructions of the Majority Lenders) have expressly consented in writing to such Change of Control for the purpose of this Clause 5.2, the Company may exercise any rights or claims under or in respect of the Services and Right to Use Agreement (including its rights of termination, if any) in accordance with the terms of the Services and Right to Use Agreement.

5.3 **Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement**

(a) Subject to paragraph (b) and (c) below, if at any time from the Funding Date until the earlier of:

(i) the date that is nine months from the Funding Date; and

(ii) the date of completion of any SCE Sale,

(such period, the "**Initial Grace Period**") and if the Services and Right to Use Agreement has not otherwise terminated, (x) Studio City Entertainment fails to pay or fund any shortfall in the Minimum Balance or provide the Company with sufficient funds to pay for the relevant Costs of Operation, in each case which Studio City Entertainment is required to pay or fund under the Services and Right to Use Agreement [***] or (y) any suspension costs contemplated by Clause 4.9(a) have arisen, the Company:

(A) shall, to the extent insufficient standing to the credit of the Trust Account, Tax Account, Enterprise Accounts, Cost of Operations Account and/or the Operator Account, pay or fund any shortfall to the extent necessary to meet such Costs of Operation then due and shall pay or fund such suspension costs, unless the Security Agent has otherwise notified the Company that a Finance Party proposes to do so instead; and

(B) shall not exercise any right it may have to terminate the Services and Right to Use Agreement because of this paragraph (a), other than in accordance with the terms of this Agreement.

(b) If the Company is unable to withdraw any amounts or access any funds standing to the credit of the Trust Account, Tax Account, Enterprise Accounts, Cost of Operations Account or the Operator Account for paying, reimbursing or funding any amounts required to be made under the Services and Right to Use Agreement (including but not limited to, paying the relevant Costs of Operations which it is required to be provided by Studio City Entertainment under the Services and Right to Use Agreement [***] as a result of enforcement by the Security Agent of any rights, discretions or remedies it may have under the Transaction Security Documents (including any failure to direct, permit or procure the transfer of Studio City Entertainment's funds or funds from the Trust Account, whether pursuant to section 8.3(c) of the Services and Right to Use Agreement (as supplemented by this Agreement) or otherwise), then the Company shall promptly notify the Security Agent in writing of the occurrence of such event. Unless such event ceases and the Company is able to withdraw amounts and/or access funding standing to the credit of the Trust Account, the Tax Account, the Enterprise Accounts, the Cost of Operations Account and the Operator Account within 2 Business Days of the date the notice is received by the Security Agent, the Initial Grace Period shall expire on the date which is 2 Business Days after receipt by the Security Agent of the notice from the Company. For the avoidance of doubt, the early expiry of the Initial Grace Period pursuant to this Clause 5.3(b) shall

be without prejudice to the operation of Clause 5.4 (*Termination rights of the Company in the Additional Grace Period*) or other provisions of this Agreement.

(c) If the Company is unable to withdraw any amounts or access any funds standing to the credit of the Trust Account, Tax Account, Enterprise Accounts, Cost of Operations Account or the Operator Account for paying, reimbursing or funding any amounts required to be made under the Services and Right to Use Agreement (including but not limited to, paying the relevant Costs of Operations which it is required to be provided by Studio City Entertainment under the Services and Right to Use Agreement [***] as a result of any actions taken by an Official or by direction or order of a court, then the Company shall promptly notify the Security Agent in writing of the occurrence of such event. Unless such event ceases and the Company is able to withdraw amounts and/or access funding standing to the credit of the Trust Account, the Tax Account, the Enterprise Accounts, the Cost of Operations Account and the Operator Account within 3 Business Days of the date the notice is received by the Security Agent, the Company's obligation to operate the Gaming Area and perform its obligations in accordance with the requirements of the Services and Right to Use Agreement shall be suspended. For the avoidance of doubt, such suspension shall only apply in respect of the operation and performance of the Company's obligations under the Services and Right to Use Agreement and shall not include a suspension of its obligation (if any) to fund pursuant to Clause 4.9 (*Suspension*) or Clause 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*) of this Agreement nor a suspension of the operation or performance of the Company's obligations (if any) under the Reimbursement Agreement, as supplemented by this Agreement (it being at all times acknowledged and understood that any such obligations only apply to any Reimbursement Amount or part thereof actually received by the Company). If 10 Business Days after the date the notice is received by the Security Agent, the Company is still unable to withdraw any amounts or access any funds standing to the credit of the Trust Account, Tax Account, Enterprise Accounts, Cost of Operations Account and/or the Operator Account due to the subsistence of the actions taken by an Official or by direction or order of a court, the Initial Grace Period shall expire on the date which is 3 Business Days after receipt by the Security Agent of the notice from the Company. For the avoidance of doubt, the early expiry of the Initial Grace Period pursuant to this Clause 5.3(c) shall be without prejudice to the operation of Clause 5.4 (*Termination rights of the Company in the Additional Grace Period*) or other provisions of this Agreement.

(d) If a Finance Party has not paid or funded (when due, and in immediately available funds) any amount which the Security Agent has notified to the Company in accordance with Clause 5.3(a)(A) of this Agreement that the Finance Party will so pay or fund, the Company:

(i) shall immediately notify the Security Agent of such occurrence;

(ii) shall, from the date falling 3 Business Days after such occurrence and until the date of expiry of the Initial Grace Period, pay or fund any shortfall to the extent necessary to meet such Costs of Operation then due; and

(iii) shall not exercise any right it may have to terminate the Services and Right to Use Agreement because of such failure by Studio City Entertainment caused by the failure to fund (when due) by the relevant Finance Party, other than in accordance with the terms of this Agreement until the expiry of the Initial Grace Period.

5.4 **Termination rights of the Company in the Additional Grace Period**

(a) If an SCE Sale has not been completed by the end of the Initial Grace Period (as such Initial Grace Period may be shortened pursuant to the terms of Clause 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement of this Agreement*), then, if at any time from the date of expiry of the Initial Grace Period until the earlier of:

(i) the date that is nine months of the date of expiry of the Initial Grace Period; and

(ii) the date of completion of any SCE Sale,

(such additional period, the "**Additional Grace Period**"), (x) Studio City Entertainment fails to pay or fund any shortfall in the Minimum Balance or provide the Company with sufficient funds to pay for the relevant Costs of Operation, in each case which Studio City Entertainment is required to pay or fund under the Services and Right to Use Agreement [***] or (y) any suspension costs contemplated by Clause 4.9(a) have arisen, then subject to paragraph (b) below and Clause 5.5 (*Termination rights in the Final Grace Period*) below, the Company may (if the Services and Right to Use Agreement is not already terminated) exercise any right it may have to terminate the Services and Right to Use Agreement and the Reimbursement Agreement for such failure by Studio City Entertainment.

(b) The Company shall not exercise any right it may have to terminate the Services and Right to Use Agreement and the Reimbursement Agreement (save as otherwise contemplated under and in accordance with the terms of this Agreement) for any failure by Studio City Entertainment to pay or fund any shortfall in the Minimum Balance or provide the Company with sufficient funds to pay for the relevant Costs of Operation, in each case which Studio City Entertainment is required to pay or fund under the Services and Right to Use Agreement [***], if such amount and any suspension costs contemplated by Clause 4.9(a) during the Additional Grace Period (excluding, for the avoidance of doubt, any amount Studio City Entertainment may have failed to pay or fund during the Initial Grace Period) is paid or funded by a Finance Party when due (and in immediately available funds).

(c) Unless otherwise agreed by the Company, the Reimbursement Agreement shall, unless already terminated, terminate at the end of the Additional Grace Period [***].

5.5 **Termination rights in the Final Grace Period**

(a) If an SCE Sale has not been completed in the Initial Grace Period or in the Additional Grace Period and if the Services and Right to Use Agreement has not otherwise been terminated, then, if at any time from the date of expiry of the Additional Grace Period until the earlier of:

(i) the date that is six months from the date of the expiry of the Additional Grace Period; and

(ii) the date of completion of any SCE Sale,

(such additional period, the "**Final Grace Period**"), (x) Studio City Entertainment fails to pay or fund any shortfall in the Minimum Balance or provide the Company with sufficient funds to pay for the relevant Costs of Operation or pay any Operator Consideration, in each case which it is required to pay or fund under the Services and Right to Use Agreement or (y) any suspension costs contemplated by Clause 4.9(a) have arisen, then subject to (b) below, the Company may terminate the Services and Right to Use Agreement for such failure by Studio City Entertainment.

(b) The Company shall not exercise any right it may have to terminate the Services and Right to Use Agreement (save as otherwise contemplated under and in accordance with the terms of this Agreement) for any failure by Studio City Entertainment to pay or fund any shortfall in the Minimum Balance or provide the Company with sufficient funds to pay for the relevant Costs of Operation or pay any Operator Consideration, in each case which Studio City Entertainment is required to pay or fund under the Services and Right to Use Agreement, if such amount and any suspension costs contemplated by Clause 4.9(a) during the Final Grace Period (excluding, for the avoidance of doubt, any amount Studio City Entertainment may have failed to pay or fund during the Initial Grace Period and/or the Additional Grace Period and which the Company is obliged to fund) is paid or funded by a Finance Party when due (and in immediately available funds).

(c) The Company may terminate the Services and Right to Use Agreement at any time after the expiry of the Final Grace Period.

5.6 **Reimbursement**

(a) Subject to paragraph (b) below, the Company shall be reimbursed (ahead of the Secured Parties other than any sums owing to the Security Agent, any Receiver or any Delegate (as such terms are defined in the Facilities Agreement) and payable pursuant to clause 37.1(a) of the Facilities Agreement and the Security Agent shall ensure that the Company is so reimbursed) for any amounts paid or funded by it under Clause 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*) from and to the extent, if less, of the proceeds of any Sale (or any other disposal or realisation of any of the Disposed Assets) or, as the case may be, dividend or distribution from an Official or a court following a Sale or such disposal or realisation and (where relevant) on a *pro rata* basis with the

Finance Parties where a Finance Party has paid or funded any amount referred to in Clauses 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*) to 5.5 (*Termination rights in the Final Grace Period*) in the order set out in clause 37.1 of the Facilities Agreement.

(b) In respect of the completion of a Sale to a Sponsor, a Sponsor Affiliate or a nominee of any of the foregoing made in accordance with or contemplated by the Purchase Right:

(i) the Company shall not be entitled to any reimbursement for amount paid or funded by it under Clause 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*) from the proceeds of such Sale or disposal or realisation or, as the case may be, dividend or distribution from an Official or a court following a Sale; but

(ii) the Finance Parties shall be entitled to reimbursement for amount paid or funded by them (or any of them) under Clauses 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*) to 5.5 (*Termination rights in the Final Grace Period*) from the proceeds of such Sale or disposal or realisation or, as the case may be, dividend or distribution from an Official or a court following a Sale in the order set out in clause 37.1 of the Facilities Agreement.

## 6. SUBORDINATION OF THE COMPANY'S CLAIMS

The provisions of this Clause 6 shall cease to apply upon the earlier of the completion of any SCE Sale and the date on which the Secured Obligations are discharged in full.

### 6.1 Subordination Generally

6.1.1 Except as otherwise provided herein, the Company agrees that, so long as any Secured Obligation is outstanding, the Subordinated SCE Obligations and the claims of the Company (whether in respect of principal, interest or otherwise including, without limitation, consequential damages for breach) in respect of the Subordinated SCE Obligations shall be subordinated to the Secured Obligations and postponed to the claims of the Secured Parties in respect thereof.

6.1.2 Studio City Entertainment and the Company hereby covenant and undertake with the Security Agent and agree and acknowledge that (save as otherwise permitted in accordance with the terms of the Finance Documents and this Agreement), so long as any Secured Obligation is outstanding:

(a) no Subordinated SCE Obligation (nor any part thereof) other than a Permitted Subordinated SCE Obligation shall be payable or repayable, paid or repaid, **provided that** the Subordinated SCE Obligations may accrue interest in accordance with their terms;

(b) no Subordinated SCE Obligation (nor any part thereof) shall be secured by any Security;

(c) the Company shall not (without the prior written consent of the Security Agent):

(i) exercise, enforce or seek to exercise or enforce any monetary right or remedy which it may have against Studio City Entertainment (including the taking of any steps to enforce or require the enforcement of any Security or suing for, commencing or joining any legal or arbitration proceedings against Studio City Entertainment for payment) in respect of any or all of the Subordinated SCE Obligations;

(ii) (x) demand, accelerate, sue or prove for, or demand any distribution in respect of or on account of, or (y) receive or retain payment of, any Subordinated SCE Obligation in cash or in kind from Studio City Entertainment or other person;

(iii) amend, vary or cancel (or agree to any amendment, variation or cancellation of) so as to make more onerous (or otherwise adversely affect the interests of the Secured Parties) the terms on which any of the Subordinated SCE Obligations is or continues to be or may become owing to the Company (save as permitted pursuant to this Agreement);

(iv) enter into any composition, assignment or arrangement with Studio City Entertainment, solely in respect of the Subordinated SCE Obligations;

(v) petition, apply or vote for, or take any other step (including, but not limited to, the appointment of any liquidator, receiver, administrator or similar officer) in relation to, the winding-up, dissolution, administration or reorganisation of Studio City Entertainment or any suspension of payments or moratorium of any indebtedness of Studio City Entertainment or any analogous procedure or step in any jurisdiction;

(vi) exercise any right to be indemnified or otherwise assured against loss or claim under or in relation to any guarantee, in each case in respect of any or all of the Subordinated SCE Obligations; or

(vii) take the benefit of any Security or the benefit (in whole or in part and whether by subrogation or otherwise) of any rights of any Secured Party or any other Security taken pursuant to, or in connection with, any Finance Document by any Secured Party, in each case in respect of any or all of the Subordinated SCE Obligations; and

(d) neither the Company nor Studio City Entertainment shall have or claim any right of set-off, deduction or counterclaim in respect of any or all of the Subordinated SCE Obligations, and each of the Company and Studio City Entertainment agree that none of them shall exercise any such right which it may otherwise have in relation to the Subordinated SCE Obligations,

**provided that** the Company shall be entitled to receive and retain any amounts paid or funded by it under Clause 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*) pursuant to or in accordance with Clause 5.6 (*Reimbursement*) of this Agreement.

6.1.3 If, notwithstanding the provisions of Clauses 6.1.1 and 6.1.2, any amounts, benefits, moneys, proceeds or distributions in respect of any or all of the Subordinated SCE Obligations shall be received or recovered by the Company at a time when any of the Secured Obligations is outstanding (other than as permitted by the Finance Documents or this Agreement) then, the Company shall forthwith pay and/or transfer that receipt or recovery (or an amount equal thereto) into the Tax Account (to the extent the Tax Account has not yet been sufficiently funded with an amount equal to all Macau Gaming Taxes payable with respect to the Total Gaming Revenues on that day) and the balance into the Trust Account **provided that** if it is not possible to pay and/or transfer such amounts into the Tax Account and/or the Trust Account, the Company shall forthwith pay and/or transfer that receipt or recovery (or an amount equal thereto) into any suspense or impersonal account (which is interest-bearing **provided that** there is no tax liability on the Security Agent with respect to any interest in such account) for application in the manner prescribed by the Services and Right to Use Agreement and if relevant, as amended by this Agreement and afterwards for the discharge of the Secured Obligations, in each case other than any amounts received pursuant to or in accordance with Clause 5.6 (*Reimbursement*) of this Agreement in respect of amounts the Company paid or funded under Clause 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*).

## 6.2 Subordination in Insolvency

6.2.1 Without prejudice to the provisions of Clause 6.1.1, if an Insolvency Event occurs and is continuing in relation to Studio City Entertainment, then the Subordinated SCE Obligations owing by Studio City Entertainment shall be subordinated in right of payment to the Secured Obligations.

6.2.2 Without prejudice to the provisions of Clause 6.1, in any of the circumstances referred to in Clause 6.2.1, the Company shall cooperate with the Security Agent to preserve, and shall take such steps as the Security Agent may reasonably require for the preservation of, the subordination (in respect of the Subordinated SCE Obligations in relation to the Company) effected or contemplated by this Agreement, failing which the Security Agent may, and is irrevocably authorised on behalf of the Company to:

(a) claim, enforce and prove for the Subordinated SCE Obligations or any part thereof;

(b) file claims and proofs, give receipt and take all such proceedings and do all such things as the Security Agent sees fit to recover any amount outstanding in respect of the Subordinated SCE Obligations or any part thereof; and

(c) receive all distributions in respect of the Subordinated SCE Obligations and upon such receipt, pay and/or transfer such amounts, other than any amounts received by the Company pursuant to or in accordance with Clause 5.6 (*Reimbursement*) of this Agreement in respect of amounts the Company paid or funded under Clause 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*) into the Tax Account (to the extent the Tax Account has not yet been sufficiently funded with an amount equal to all Macau Gaming Taxes payable with respect to the Total Gaming Revenues on that day) and the balance into the Trust Account **provided that** if it is not possible to pay and/or transfer such amounts into the Tax Account and/or the Trust Account, the Company shall forthwith pay and/or transfer that amount into any suspense or impersonal account (which is interest-bearing **provided that** there is no tax liability on the Security Agent with respect to any interest in such account) for application in the manner prescribed by the Services and Right to Use Agreement and if relevant, as amended by this Agreement and afterwards for the discharge of the Secured Obligations.

6.2.3 If and to the extent that the Security Agent is not entitled to do any of the things mentioned above in relation to any Subordinated SCE Obligations, the Company shall do so in good time and as directed by the Security Agent.

6.2.4 Without prejudice to the provisions of Clause 6.1.3, in any of the circumstances referred to in Clause 6.2.1 and save as permitted under the terms of the Finance Documents and this Agreement, the Company:

(a) expressly undertakes and agrees that it shall not demand or retain payment of any distributions in respect of or on account of any Subordinated SCE Obligations until the Secured Parties shall have received payment in full of the Secured Obligations;

(b) acknowledges that any payment and/or distribution in cash or in kind received by it before such time in respect of or on account of any Subordinated SCE Obligations shall constitute a breach of this undertaking; and

(c) shall forthwith pay and/or transfer any such payment and/or distribution received by it (or an amount equal thereto) to the Security Agent and the Security Agent shall pay and/or transfer such amounts into the Tax Account (to the extent the Tax Account has not yet been sufficiently funded with an amount equal to all Macau Gaming Taxes payable with respect to the Total Gaming Revenues on that day) and the balance into the Trust Account **provided that** if it is not possible to pay and/or transfer such amounts into the Tax Account and/or the Trust Account, the Company shall forthwith pay and/or transfer the amount into any suspense or impersonal account (which is interest-bearing **provided that** there is no tax liability on the Security Agent with respect to any interest in such account) for application in the manner prescribed by the Services and Right to Use Agreement and if relevant, as amended by this Agreement and afterwards for the discharge of the Secured Obligations, into any suspense or impersonal account (which is interest-bearing **provided that** there is no tax liability on the Security Agent with respect to any interest in such account) for so long as the Security Agent shall think fit, pending full discharge of the Secured Obligations, or as otherwise directed by the Finance Parties,

**provided that** the Company shall be entitled to receive and retain any amounts paid or funded by it under Clause 5.3 (*Non-payment by Studio City Entertainment of arrears under the Services and Right to Use Agreement*) pursuant to and in accordance with Clause 5.6 (*Reimbursement*) of this Agreement.

6.3 **Undertakings**

6.3.1 Studio City Entertainment undertakes that, for so long as any Secured Obligation is outstanding, it will not (except as permitted hereunder or otherwise in accordance with the terms of the Finance Documents) without the prior written consent of the Security Agent:

(a) pay, prepay, redeem, purchase or otherwise acquire any of the Subordinated SCE Obligations other than a Permitted Subordinated SCE Obligation;

(b) create or permit to subsist any Security over any of its assets for, or any guarantee, indemnity or other assurance against loss in respect of, any of the Subordinated SCE Obligations;

(c) amend or supplement so as to make it more onerous (or otherwise adversely affect the interests of the Secured Parties) any of the terms on which any of the Subordinated SCE Obligations is or continues to be or may become owing to the Company (save as permitted pursuant to this Agreement);

(d) novate, assign or release any of the terms on which any of the Subordinated SCE Obligations are or continue to be or may become owing to the Company; or

(e) take or omit any action whereby the subordination contemplated by this Agreement could reasonably be expected to be impaired.

6.3.2 The Company undertakes that, for so long as any Secured Obligation is or may become outstanding, it will not (except as permitted in accordance with the terms of the Finance Documents and this Agreement) without the prior written consent of the Security Agent:

(a) permit or require Studio City Entertainment to pay, prepay, redeem, purchase or otherwise acquire any of the Subordinated SCE Obligations other than a Permitted Subordinated SCE Obligation;

(b) take, accept, demand or receive the benefit of any Security, guarantee, indemnity or other assurance against loss in respect of any of the Subordinated SCE Obligations;

(c) agree to any amendment, supplement, novation, assignment or release to or of so as to make more onerous (or otherwise adversely affect the interests of the Secured Parties) any of the terms on which any of the Subordinated SCE Obligations is or continues to be or may become owing to it (save as permitted pursuant to this Agreement);

(d) assign, transfer, factor, create or permit to subsist any Security over, or otherwise dispose of, any of its rights in respect of any or all of the Subordinated SCE Obligations; or

(e) take or omit to take any action whereby the subordination contemplated by this Agreement could reasonably be expected to be impaired.

## 7. MATTERS RELATING TO THE REIMBURSEMENT AGREEMENT

### 7.1 Payments

From the date of this Agreement until the Direct Undertakings Termination Date and save as otherwise provided herein, the Company shall procure that all amounts due for payment and payable by it to Studio City Entertainment under the Reimbursement Agreement are paid directly into or otherwise available to be applied from the Trust Account (it being at all times acknowledged and understood that any such obligation relates only to any Reimbursement Amount or part thereof actually received by the Company).

### 7.2 Performance of Obligations

Studio City Entertainment agrees that performance by the Company of its obligations hereunder, including payment in accordance with Clause 7.1 (*Payments*) satisfies the Company’s obligation to perform the corresponding obligation under the Reimbursement Agreement.

### 7.3 No Assignment of Reimbursement Agreement

All rights, title and interest from time to time of Studio City Entertainment in and/or under the Reimbursement Agreement assigned to the Security Agent as security pursuant to the Assignment of Reimbursement Agreement shall be for the benefit of the Security Agent or any successor Security Agent, as agent and trustee for the Secured Parties, and shall not be further assigned to, or enforced in favour of, any other parties.

### 7.4 Termination of the Reimbursement Agreement

The Reimbursement Agreement shall terminate, subject to receipt of any necessary Governmental Approvals, upon the occurrence of any of the following:

7.4.1 the termination of the Services and Right to Use Agreement;

7.4.2 at any time after an Enforcement Notice has been issued by the Security Agent and prior to the completion of any SCE Sale, any assignment, transfer or other disposal of the rights and/or obligations of Studio City Entertainment is made under the Services and Right to Use Agreement;

7.4.3 an SCE Sale; or

7.4.4 as provided under this Agreement.

## 8. MATTERS REQUIRING CONSENT AND COPIES OF NOTICES

The provisions of this Clause 8 shall remain in force from the date of this Agreement until the Direct Undertakings Termination Date.

### 8.1 Transfer by the Company

The Company shall not, without the prior written consent of the Security Agent, transfer, assign, give any encumbrance or security interest over or otherwise dispose of any of its rights, title or interests in or to the Services and Right to Use Agreement and/or the Reimbursement Agreement.

### 8.2 Restrictions on Studio City Entertainment's ability to exercise discretions

The Company acknowledges that the Facilities Agreement, the Assignment of the Services and Right to Use Agreement, the Assignment of the Reimbursement Agreement, the Pledge over Accounts and the Melco Crown Finance Documents may (in accordance with the terms agreed between Studio City Entertainment and the Secured Parties from time to time) restrict the ability of Studio City Entertainment to give its consent, approval, decision or agreement in respect of any matter under the Services and Right to Use Agreement and/or the Reimbursement Agreement without first obtaining the consent or approval of the Security Agent.

### 8.3 Changes

The Company acknowledges that Studio City Entertainment may only amend, modify, vary, terminate, supplement or waive a right or permit or consent to the

amendment, modification, variation, termination, supplement or waiver of any provisions or scope of, or give any consent or exercise any other discretion under or in respect of the Services and Right to Use Agreement and/or the Reimbursement Agreement in accordance with the Facilities Agreement, the Assignment of the Services and Right to Use Agreement, the Assignment of the Reimbursement Agreement, the Pledge over Accounts and the Melco Crown Finance Documents.

8.4 **Notices under the Services and Right to Use Agreement**

8.4.1 The Company shall promptly notify the Security Agent of any breach of the Services and Right to Use Agreement and/or the Reimbursement Agreement notified to the Company by Studio City Entertainment. Studio City Entertainment acknowledges and consents that the Company will deliver notices to the Security Agent pursuant to this Clause 8.4.1 and Studio City Entertainment shall not take or bring any action against the Company in connection therewith.

8.4.2 The Company agrees and acknowledges that Studio City Entertainment may provide the Security Agent with copies of any notices, confirmations, written records, correspondence and other information in relation to the Services and Right to Use Agreement and/or the Reimbursement Agreement in order to comply with its obligations under the Finance Documents.

9. **REPRESENTATIONS AND WARRANTIES**

The Company makes the representations and warranties set out in this Clause 9 on the date of this Agreement and acknowledges that the Security Agent is entering into this Agreement in reliance on such representations and warranties.

9.1 **Status**

The Company is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation and no steps have been taken for its liquidation, winding up or dissolution.

9.2 **Binding obligations**

Subject to the Legal Reservations, the obligations expressed to be assumed by the Company in the Melco Crown Finance Documents are legal, valid, binding and enforceable obligations.

9.3 **Pari Passu**

The payment obligations (if any) under the Melco Crown Finance Documents of the Company rank at least *pari passu* with all its other present and future unsecured and unsubordinated obligations, except for obligations mandatorily preferred by law applying to companies generally.

9.4 **Non-conflict with other obligations**

The entry into and performance by the Company of, and the transactions contemplated by, the Melco Crown Finance Documents do not and will not conflict with:

9.4.1 any law or regulation applicable to the Company;

9.4.2 its Constitutional Documents; or

9.4.3 any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument (which would have or is reasonably likely to have, a Material Adverse Effect).

9.5 **Power and authority**

9.5.1 The Company has the power to enter into, perform and deliver, and it has taken all necessary corporate action to authorise its entry into, performance and delivery of, the Melco Crown Finance Documents and the transactions contemplated by the Melco Crown Finance Documents.

9.5.2 No limit on the Company's powers will be exceeded as a result of the entry into or performance of the transactions contemplated by the Melco Crown Finance Documents.

9.6 **Validity and admissibility in evidence**

All Permits and other Authorisations required or desirable:

9.6.1 to enable the Company lawfully to enter into, exercise its rights and comply with its obligations under the Melco Crown Finance Documents; and

9.6.2 to make the Melco Crown Finance Documents admissible in evidence in the Macau SAR,

have been obtained (or will be obtained when required) or effected and are (or will be, when obtained), in full force and effect.

9.7 **No breach of laws**

The Company has not breached any material Legal Requirement nor been notified (which notification has not been withdrawn) that it has done so which breach or notification has or is reasonably likely to have a Material Adverse Effect.

9.8 **Ranking**

Subject to the Legal Reservations, the Transaction Security granted or to be granted by the Company has or (when granted) will have the ranking it is expressed to have.

9.9 **Legal and beneficial ownership**

The Company is the legal holder of the Gaming Subconcession.

9.10 **No Event of Default under the Services and Right to Use Agreement**

No Event of Default (as defined in the Services and Right to Use Agreement) by the Company or event which, with the giving of notice, the passage of time or both would become an Event of Default (as defined in the Services and Right to Use Agreement) by the Company, is continuing or would result from the Company entering into and performing its obligations under this Agreement.

9.11 **No default under the Reimbursement Agreement**

No event which, with the giving of notice, the passage of time or both would become a default on the part of the Company under the Reimbursement Agreement, is continuing or would result from the Company entering into and performing its obligations under this Agreement.

9.12 **Repetition**

Each of the representations set out in Clauses 9.1 (*Status*) to 9.11 (*No default under the Reimbursement Agreement*) are deemed to be made by the Company (by reference to the facts and circumstances then existing) on the date of each Utilisation Request, each Utilisation Date and the first day of each Interest Period until the Direct Undertakings Termination Date.

10. **UNDERTAKINGS**

The undertakings in this Clause 10 remain in force from the date of this Agreement until the Direct Undertakings Termination Date.

10.1 **Information: Notices**

The Company shall supply to the Security Agent (in sufficient copies for all Lenders, if the Security Agent reasonably requests) a copy of each written notice that is material to the interests of the Finance Parties and which is given under or in connection with the Gaming Subconcession, promptly upon receipt of or delivery of such notice. The Company shall notify the Security Agent promptly upon receiving:

(i) notice of any consultations with the Macau SAR in relation to any termination of the Gaming Subconcession;

(ii) any notice from the Macau SAR pursuant to clause 3 of article 80 of the Gaming Subconcession; or

(iii) any notice from the Macau SAR pursuant to clause 4 of article 80 of the Gaming Subconcession,

and keep the Security Agent fully appraised thereof.

10.2 **Compliance with laws**

The Company shall comply in all material respects with all Legal Requirements, the Gaming Subconcession and its Constitutional Documents and will comply with all applicable anti-money laundering, non-corruption, counter-terrorism financing, economic or trade sanctions laws and regulations (including, without limitation, each Anti-Terrorism Law).

10.3 **Conduct of business**

The Company shall ensure that:

(a) it acts in a commercially reasonable manner and in the interests of the Gaming Area when performing its obligations under the Services and Right to Use Agreement;

(b) it uses commercially reasonable endeavours to improve the operation of the Gaming Area;

(c) it refrains from taking actions solely intended to maximise the Gaming Area's:

(i) revenues; or

(ii) short and long term profitability

(to the detriment of either (i) or (ii), as applicable); and

(d) conducts the operations of the Gaming Area commensurate with the level of patronage and Cost of Operations paid to it (and in any event in a manner which does not jeopardise its Gaming Subconcession, save in circumstances where the Company has obtained Governmental Approval to suspend operations at the Casino).

11. **SECURED PARTIES' ENFORCEMENT ACTION**

11.1 **Security Agent Undertaking**

Except by way of a BVI Share Sale, no Finance Party shall (and the Security Agent shall ensure that no Receiver or Delegate shall), at any time prior to the occurrence of a Sponsor Option Termination Event, by the enforcement of Transaction Security:

11.1.1 sell or otherwise dispose;

11.1.2 procure any sale or disposal on its behalf; or

11.1.3 procure any Obligor or Grantor to sell or otherwise dispose,

of any Charged Property, in each case, unless prior to any such sale or disposal:

(a) the Secured Parties shall have obtained a Realisation Adviser's Estimate;

(b) the Security Agent shall have delivered to the Golden Shareholder a Sponsor Option Notice; and

(c) a Sponsor Option Expiry Event shall have occurred.

11.2 **Non-petition**

Notwithstanding the terms of any other Finance Document, unless and until a Sponsor Option Termination Event shall have occurred, no Secured Party shall take any step, in respect of the Secured Obligations, to initiate (or to join in initiating), in relation to any Obligor or Grantor and/or any of their respective assets:

11.2.1 any such proceeding (or an event which under any applicable laws of any jurisdiction, has an analogous effect to any such proceeding) as is referred to in paragraph (d) or (e) of the definition of Insolvency Event; or

11.2.2 any execution, attachment or sequestration or similar legal process.

11.3 **Effect of Sponsor Option Expiry Event**

If at any time a Sponsor Option Expiry Event shall have occurred then:

11.3.1 neither the Preference Holder nor the Golden Shareholder shall be entitled pursuant to this Agreement or any other agreement between the Golden Shareholder, the Preference Holder and the Security Agent (but without prejudice, prior to the occurrence of a Sponsor Option Termination Event, to any right of the Golden Shareholder under applicable law or the memorandum and articles of association of any BVI Entity or a MacauCo or the Preference Holder under applicable law or any Preference Right Agreement) to direct, condition or restrict the enforcement of or the manner of enforcement of any the Transaction Security or the sale or other disposal of any Charged Property howsoever; and

11.3.2 the Security Agent, each Receiver and each Delegate shall be entitled (but without prejudice, prior to the occurrence of a Sponsor Option Termination Event, to any right of the Golden Shareholder under applicable law or the memorandum and articles of association of any BVI Entity or a MacauCo or the Preference Holder under applicable law or any Preference Right Agreement under or pursuant to this Agreement) free from any condition or restriction pursuant to this Agreement or pursuant to this Agreement or any other agreement between the Golden Shareholder, the Preference Holder and the Security Agent, to enforce any of the Transaction Security as it or he may in its or his sole discretion determine and in such manner as it or he sees fit in its or his sole discretion.

11.4 **Effect of Sponsor Option Termination Event**

If at any time a Sponsor Option Termination Event shall have occurred then:

11.4.1 neither the Golden Shareholder nor the Preference Holder shall be entitled pursuant to this Agreement or any other agreement between the Golden Shareholder or, as the case may be, the Preference Holder and the Security

Agent (but without prejudice to any right of the Golden Shareholder or the Preference Holder under applicable law) to direct, condition or restrict the enforcement of or the manner of enforcement of any Transaction Security or the sale or other disposal of any Charged Property howsoever;

11.4.2 the Security Agent, each Receiver and each Delegate shall be entitled (but without prejudice to any right of the Golden Shareholder or the Preference Holder under applicable law) free from any condition or restriction pursuant to this Agreement or any other agreement between the Golden Shareholder or, as the case may be, the Preference Holder and the Security Agent to enforce any of Transaction Security as it or he may in its or his sole discretion determine and in such manner as it or he sees fit in its or his sole discretion;

11.4.3 the Security Agent may deliver a Sponsor Option Termination Notice to one or more Relevant Parties; and

11.4.4 the Security Agent may date and deliver to any Relevant Party to which a Sponsor Option Termination Notice shall have been delivered pursuant to Clause 11.4.3 any such Removal Documents applicable to such Relevant Party as the Security Agent may in its sole discretion determine.

11.5 **Delivery of a Sponsor Option Termination Notice and Removal Documents**

The Security Agent undertakes that:

11.5.1 unless and until it shall have delivered a Sponsor Option Termination Notice to a Relevant Party, it shall not exercise any right pursuant to Clause 11.4.4 in respect of that Relevant Party; and

11.5.2 it shall deliver to the Golden Shareholder:

(a) a copy of each Sponsor Option Termination Notice that is delivered pursuant to Clause 11.4.3; and

(b) a copy of each Removal Document that is dated and delivered pursuant to Clause 11.4.4,

in each case, promptly following delivery of the original thereof to a Relevant Party.

11.6 **Appointment of Realisation Adviser(s)**

11.6.1 Each of the parties to this Agreement (other than the Agent, the Security Agent and the POA Agent) acknowledges, without prejudice to any other rights or remedies that any of the Secured Parties may have under or pursuant to the Finance Documents, that the Agent and/or the Security Agent shall be entitled, whether before, on or after the occurrence of a Default (but, to the extent such costs would be payable, reimbursable or indemnifiable under or pursuant to any Finance Document by the Borrower, at the cost of the Golden Shareholder and the Borrower in respect of fees, costs and expenses accruing in respect of only the period after the occurrence of a Default (the Golden Shareholder and the Borrower being jointly and severally liable therefor), to

engage one or more Realisation Advisers and agree the terms of engagement thereof (including, without limitation, the remuneration and any limitation of liability thereof).

11.6.2 No party to this Agreement (other than the Agent, Security Agent and the POA Agent) shall or shall be entitled at any time to (and the Borrower shall ensure that no Obligor or Grantor shall):

(a) direct, condition or restrict the Agent's or Security Agent's engagement of any Realisation Adviser; or

(b) rely on or challenge the work product, opinion or advice (including, without limitation, any Realisation Adviser's Estimate, any Expert Asset Sale Statement or any Expert Asset Transfer Statement) of any Realisation Adviser or otherwise enjoy any right or remedy against an Realisation Adviser whether in contract, tort or otherwise.

11.6.3 None of the parties to this Agreement (other than the Agent, the Security Agent and the POA Agent) shall or shall be entitled to require any of the Secured Parties to disclose or procure that there is disclosed (whether on a reliance or non-reliance basis) to the Golden Shareholder, any Sponsor Affiliate, any Obligor, any Grantor or any other person any engagement letter, work product or any opinion or advice received or relied upon by any Secured Party (including, without limitation, any Realisation Adviser's Estimate) or any information relating thereto (save as required to be stated in a Sponsor Option Notice).

11.6.4 Each of the parties to this Agreement (other than the Agent, Security Agent and the POA Agent) acknowledges that the Secured Parties may rely on the advice of any Realisation Adviser and the Secured Parties shall not be liable to the Golden Shareholder, any Sponsor Affiliate, any Obligor, any Grantor or any other person for any damages, costs or losses suffered by the Golden Shareholder, any Sponsor Affiliate, any Obligor or any other person, any diminution in value or liability whatsoever as a result of such reliance by the Secured Parties.

11.6.5 Each of the parties to this Agreement (other than the Agent, the Security Agent and the POA Agent) undertakes, promptly on request by the Agent or the Security Agent, to execute any such document as the Agent or the Security Agent may reasonably require in favour of any Realisation Adviser recording that such Realisation Adviser has no liability of whatsoever nature to such party under or in respect of such Realisation Adviser's engagement, work product, opinion, advice or otherwise in relation to this Agreement.

11.7 **Share Sales to Golden Shareholder, etc.**

11.7.1 Subject to the terms of this Agreement, on the completion of any sale pursuant to or as contemplated by this Agreement to the Golden Shareholder, a Sponsor Affiliate or any nominee of any of the foregoing of all of the shares (other than any Golden Share) of SCH2, the BVICo Shares (or, as the case may be, the BVICo Shares other than any Affected BVICo Share) or the MacauCo Shares (or, as the case may be, the MacauCo Shares other than any Affected MacauCo Share), the Security Agent shall:

(a) sell (or procure the sale of) the same to the Golden Shareholder, a Sponsor Affiliate or any nominee of any of the foregoing (as applicable) free and clear of any Secured Obligations or any other claim, right, title or interest by or of any Secured Party and upon completion of such sale shall release and discharge (x) any claims, right, title or interest by or of any Secured Party against each such company whose shares were the subject of such sale, each of its Subsidiaries and the assets of each such company and each such Subsidiary (other than any such claim, right, title or interest of any such Secured Party arising or subsisting otherwise than by virtue of the Finance Documents); (y) all Transaction Security against such shares and/or assets; and (z) either (i) release and discharge any Subordinated Debt owing by any such company (the shares of which were the subject of such sale) and/or (ii) (to the extent the Security Agent has the power to do so) assign or transfer such Subordinated Debt to the Golden Shareholder, a Sponsor Affiliate or a nominee of any of the foregoing by way of enforcement of Transaction Security over that Subordinated Debt or (to the extent the Security Agent does not have the power to so assign or transfer but has the power to release the Transaction Security relating to that Subordinated Debt) to release such Transaction Security, in each case, together with a release of the liabilities and obligations with respect to such Subordinated Debt under or pursuant to the Subordination Deed; and

(b) if the Golden Shareholder shall have delivered to the Security Agent by 4.30 p.m. (Hong Kong time) on the Business Day immediately prior to the Statement Date in respect of such completion a Buy Without Bonds Notice, the Security Agent shall, if all of the conditions specified in paragraphs (1)-(3) (each inclusive) of Section 11.08(c) of the High Yield Note Indenture in respect of such sale are satisfied (or will be upon completion of such sale), give to the Collateral Agent (as defined in the High Yield Note Indenture) written instructions to release each of the High Yield Note Guarantees which are permitted to be released under and pursuant to such Section.

11.7.2 The Secured Parties shall not be under any obligation (express or implied) to do any act or thing or procure or prevent the occurrence of any event or thing in respect of the High Yield Note Guarantees or the High Yield Notes (other than as expressly provided for in Clause 11.7.1(b)) and no Secured Party shall be liable to the Golden Shareholder, the Preference Holder, a Sponsor Affiliate, any Obligor, any Grantor or any other person for any damages, costs or losses suffered by the Golden Shareholder, the Preference Holder, any Sponsor Affiliate, any Obligor, any Grantor or any other person as a direct or indirect result of the Security Agent providing the written instructions referred in to Clause 11.7.1(b).

11.8 **Asset Sales to the Preference Holder, etc.**

Subject to the terms of this Agreement, on the completion of any sale pursuant to this Agreement to the Golden Shareholder, the Preference Holder, a Sponsor Affiliate or any nominee of any of the foregoing of any item of Charged Property other than the shares referred to in Clause 11.7, the Security Agent shall sell (or procure the sale of) the same to the Golden Shareholder, the Preference Holder, a Sponsor Affiliate or, as the case may be, a nominee on behalf of any of the foregoing free and clear of any Secured Obligations or any other claim, right, title or interest by or of any Secured Party and upon completion of such sale shall release and discharge (x) any claims, right, title or interest by or of any Secured Party against each such item (other than any such claim, right, title or interest of any such Secured Party arising or subsisting otherwise than by virtue of the Finance Documents) and (y) all Transaction Security granted over, in respect of or against such item.

## 12. GOLDEN SHAREHOLDER AND PREFERENCE HOLDER UNDERTAKINGS

12.1.1 Each of the Golden Shareholder and the Preference Holder undertakes to the Security Agent that, if a Sponsor Option Termination Event shall occur, it shall promptly (at its own cost) execute and deliver, or cause to be executed and delivered, such additional instruments, certificates or documents, and take all such other actions, as the Security Agent may reasonably request, for the purposes of:

(a) terminating all of the Preference Right Agreements and all of the Preference Rights thereunder, removing any registrations thereof and registering the removal thereof;

(b) terminating and/or removing all of the Transfer and Related Provisions from the articles of the BVI Entities and the MacauCos, removing any registrations thereof and registering the removal thereof; and

(c) implementing or effectuating the provisions of this Agreement.

12.1.2 Upon the exercise by the Security Agent, any Receiver or any Delegate of any power, right, privilege or remedy pursuant to any Finance Document in respect of any transaction the consummation of which requires any consent, approval, notification, registration or Authorisation of any Governmental Authority in respect of the matters referred to in or contemplated by Clause 12.1.1, the Golden Shareholder and the Preference Holder shall execute and deliver, or will cause the execution and delivery of, all applications, certifications, instruments and other documents and shall do, or cause to be done, all things in each case that the Security Agent may reasonably require in relation to any Obligor or the Golden Shareholder or the Preference Holder (or any Sponsor Affiliate) for the purpose of obtaining or achieving such consent, approval, notification, registration or Authorisation.

12.1.3 Each of the Golden Shareholder and the Preference Holder consents to (and shall consent to), and shall not veto or otherwise impede, any sale or disposal of any Charged Property after the occurrence of a Sponsor Option Termination

Event (including, without limitation, any sale or disposal of any shares of any Obligor) by (or on behalf of) the Security Agent, or by an Obligor or a Grantor at the request of the Security Agent.

## 13. GOLDEN SHARES

### 13.1 Exercise of rights by Golden Shareholder

The Golden Shareholder undertakes to the Security Agent that it shall exercise each of its rights or, as the case may be, refrain from exercising any right in its capacity as Golden Shareholder under the articles of association of each BVI Entity or Macau Obligor in accordance with this Agreement.

### 13.2 Golden Shareholder Veto (BVI Entity)

The Golden Shareholder undertakes to the Security Agent that it shall not deliver any Veto Notice unless:

13.2.1 the Transfer Notice to which such Veto Notice relates (the "**Reference Transfer Notice**") specifies a Competitor as the Relevant Buyer;

13.2.2 the Reference Transfer Notice is accompanied by a Buyer Response Notice which specifies that the Security Agent has not received from the Relevant Buyer a completed Buyer Information Request;

13.2.3 (x) the Reference Transfer Notice is accompanied by a Buyer Response Notice which attaches a copy of a completed Buyer Information Request from a Relevant Buyer which specifies "Option B" as the Relevant Buyer's response; and (y) on or prior to the relevant Veto Cut-off Date, the Golden Shareholder has delivered to the Security Agent a Sponsor Follow-Up Notice; or

13.2.4 the Reference Transfer Notice is accompanied by a Buyer Response Notice which attaches a copy of a completed Buyer Information Request from a Relevant Buyer which specifies "Option A" or "Option C" as the Relevant Buyer's response.

### 13.3 Buyer Information Request

13.3.1 The Security Agent shall have no duty or obligation to:

(a) procure that any person completes and returns to it a Buyer Information Request; or

(b) enquire as to the accuracy or completeness of, or otherwise verify, any statement made by any person in a Buyer Information Request.

13.3.2 Without prejudice to Clause 13.3.1, the Security Agent shall not be liable for any loss, damage, claim, cost or expense suffered by the Golden Shareholder, any Sponsor Affiliate, any Obligor, any Grantor or any other person which results from (or from the Golden Shareholder, any Sponsor Affiliate, any Obligor, any Grantor or any other person acting or refraining from acting upon) any response in any Buyer Information Request (including, without limitation,

any misstatement or any inaccurate or incomplete information or response provided therein) or any statement made in or the absence of any information in or from any Buyer Response Notice.

13.4 **Delivery of a Transfer Notice**

13.4.1 The Security Agent undertakes to the Golden Shareholder that it shall not deliver, or cause or permit to be delivered on its behalf, any Transfer Notice otherwise than in accordance with this Agreement and (if applicable) the articles of association of the relevant BVI Entity.

13.4.2 The Security Agent undertakes in favour of the Golden Shareholder that it will not deliver (or cause or permit to be delivered on its behalf) any Transfer Notice (other than a Transfer Notice which specifies the Golden Shareholder or a Sponsor Affiliate as the Relevant Buyer) unless, on the date on which the Security Agent delivers such Transfer Notice to the relevant BVI Entity, it delivers to the Golden Shareholder:

(a) a completed Buyer Response Notice dated no earlier than the date which falls immediately after the Response Date; and

(b) a written notice specifying the Route A MacauCo Purchase Price for each MacauCo.

13.5 **BVI Entity Articles of Association**

13.5.1 Notwithstanding the provisions of any other Finance Document:

(a) the memorandum and articles of association of each BVICo and SCH2 (each BVICo and SCH2 being a "**BVI Entity**") may be amended (in accordance with their respective existing constitutional documents and applicable law) to conform with the form set out in Schedule 4 (*Form of BVI Entity Memoranda and Articles of Association*); and

(b) the Golden Share of each BVI Entity may be issued to the Golden Shareholder,

**provided that:**

(i) there shall be delivered to the Agent a certified copy of the memorandum and articles of association of each BVI Entity (as amended pursuant to this Clause 13.5) promptly after such amended memorandum and articles of association are adopted;

(ii) the Golden Shareholder shall have promptly (and in any event within five Business Days) after the issuance thereof granted Security over such Golden Shares pursuant to a Debenture; and

(iii) the Golden Shareholder shall (and the Borrower shall procure that the Golden Shareholder shall) promptly on (and in any event within five Business Days of) any Golden Share being

issued to the Golden Shareholder, deliver to the Security Agent an original of each duly executed and delivered Power of Attorney (notarised if applicable) and a duly executed but undated original of each Removal Document applicable to such Golden Share.

13.6 **Macau Obligor Articles of Association**

13.6.1 Notwithstanding the provisions of any other Finance Document:

(a) the memorandum and articles of association of each Macau Obligor may be amended (in accordance with their respective existing constitutional documents and applicable law) to conform with the form set out in Schedule 5 (*Form of Macau Obligor Articles of Association*); and

(b) the Golden Share of each Macau Obligor may be issued to the Golden Shareholder,

**provided that:**

(i) the Agent shall have been provided with a commercial certificate including the articles of association of each Macau Obligor (as amended pursuant to this Clause 13.6) promptly after such amended articles of association are adopted;

(ii) the Golden Shareholder shall have promptly (and in any event within five Business Days) after the issuance thereof granted Security over such Golden Shares of the Macau Obligors pursuant to a Macau Golden Share Security Agreement; and

(iii) the Golden Shareholder shall (and the Borrower shall procure that the Golden Shareholder shall) promptly on (and in any event within five Business Days of) any Golden Share being issued to the Golden Shareholder, deliver to the Security Agent an original of each duly executed and delivered Power of Attorney (notarised if applicable) and a duly executed but undated original of each Removal Document applicable to such Golden Share.

13.7 **Transfers by Golden Shareholder**

13.7.1 The Golden Shareholder shall not transfer or assign any of its rights or title to or interest in a Golden Share unless:

(a) no Event of Default is continuing at the time of such transfer or assignment;

(b) the transfer or assignment is of all of the Golden Shares to another Sponsor Affiliate, and such Sponsor Affiliate is a company incorporated in the British Virgin Islands, the Cayman Islands, Hong Kong or England;

(c) on the completion of such transfer or assignment, the transferee shall have delivered to the Security Agent an original of (i) each duly executed and delivered Power of Attorney (notarised if applicable) and (ii) a duly executed but undated original of each Removal Document applicable to each Golden Share;

(d) on the completion of such transfer or assignment, the transferee shall have granted Security over the Golden Shares in favour of the Security Agent pursuant to (in the case of a Golden Share in a MacauCo) a Macau Golden Share Security Agreement or (in the case of a Golden Share in a BVI Entity) a Debenture; and

(e) the requirements of Clause 13.7.2 are satisfied.

13.7.2 The Golden Shareholder shall not transfer or assign any of its rights or title to or interest in a Golden Share to any person unless such person, at the same time as or prior to such transfer or assignment, has acceded to, and undertakes to the other parties to this Agreement that it shall be bound by (in each case on terms reasonably satisfactory to the Security Agent), (and the other parties to this Agreement agree that it shall enjoy rights under, and undertake to it that they shall be bound by), the provisions of this Agreement (including, without limitation, this Clause 13.7) as if it were the Golden Shareholder and this Agreement shall apply between it and the other parties accordingly.

13.7.3 The Golden Shareholder acknowledges that any right or title to or interest in any Golden Share is not capable of being transferred or assigned otherwise than in accordance with this Agreement.

13.7.4 The Agent shall promptly upon it being satisfied that the requirements of Clause 13.7.1 have been satisfied, instruct the Security Agent to (and the Security Agent shall) provide its express consent to such transfer by delivering a written notice to the Golden Shareholder confirming such consent.

### 13.8 Golden Shareholder Waivers (Macau Obligor)

13.8.1 The Golden Shareholder undertakes to the Security Agent that it waives (and shall waive), to the extent the same would be applicable to any such sale or disposal, any preference, pre-emption or similar rights under the articles of association of each Macau Obligor and shall not vote to amortise any shares of such Macau Obligor in respect of (in each case effective immediately prior to the completion of such sale or disposal):

(a) any sale or other disposal by the Secured Parties;

(b) any sale or disposal on behalf of the Secured Parties that is procured by the Secured Parties; or

(c) any sale by an Obligor or Grantor which is procured by the Secured Parties,

of shares of a Macau Obligor, if such sale or disposal is made in accordance with the terms of this Agreement and the other Finance Documents.

13.9 **Amendments to articles of association**

The Golden Shareholder shall not without the prior written consent of the Agent (such consent not to be unreasonably withheld or delayed) agree to any amendment, supplement or waiver of the memorandum or articles of association of any BVI Entity or the articles of association of any Macau Obligor (other than a waiver or release of any right enjoyed by the Golden Shareholder), to the extent the relevant amendment, supplement or waiver relates to the operation of this Agreement.

13.10 **No Macau establishment**

The Golden Shareholder shall not (and the Borrower shall procure that the Golden Shareholder shall not), so long as any Secured Obligation is outstanding, establish, open or form in the Macau SAR a branch, agency, representation office, registered office, principal office or main place of business which might, in each case, cause the provisions of Article 20(b) or 16(m) of the Macau Code of Civil Procedure (approved by decree law no. 55/99/M) to apply to the Golden Shareholder.

13.11 **Release on sale**

If at any time a Secured Party, by the enforcement of Transaction Security:

(a) sells or otherwise disposes;

(b) procures any sale or disposal on its behalf; or

(c) procures any Obligor or Grantor to sell or otherwise dispose,

of the BVICo Shares, the MacauCo Shares or SCH2 Shares to a person other than the Golden Shareholder, the Preference Holder (or a Sponsor Affiliate), in each case where such sale or disposal is made in accordance with the terms of this Agreement, the other Finance Documents and the memorandum and/or articles of association of such company (or companies), then the Golden Shareholder:

(i) releases and waives (and shall release and waive) all of its rights in respect of such shares (and the shares of each Subsidiary of the relevant company, and where the shares in more than company are being sold, if the interest of one or more such companies were combined, any company which would, as a result, be a Subsidiary) pursuant to the memorandum and/or articles of association of such company (or companies) or this Agreement (effective, in each case, immediately prior to, and conditional on, the completion of the relevant sale or disposal); and

(ii) undertakes to executed and deliver all such documents and do all such things as may be necessary to give effect to each such release and waiver.

13.12 **Voting**

The Golden Shareholder undertakes that it shall not at any time after the occurrence of a Sponsor Option Termination Event:

(a) vote against any shareholder resolution expressed to be intended to remove, limit, waive or modify the articles of association (or any article thereof) of any Obligor in the share capital of which the Golden Shareholder holds a Golden Share or any share(s) giving a right of preference or pre-emption on any proposed sale or transfer of any share or any interest in any share; or

(b) otherwise exercise any other rights in respect of its Golden Shares (or any other such share(s)) in a manner which would prevent the Security Agent from enforcing the provisions of this Agreement.

13.13 **Waiver of Expert Sale Statement**

If the Golden Shareholder is not entitled pursuant to this Agreement to deliver a Veto Notice in respect of a Transfer Notice, the Golden Shareholder undertakes in favour of the Security Agent that it shall execute all such documents and do all such things as may be required to (x) waive (conditional on the completion of the sale described in the articles of association referred to hereunder to the buyer named in such Transfer Notice) the provisions of the articles of association of the relevant BVI Entity to the extent necessary to remove the requirement that there be delivered to the Golden Shareholder and the relevant BVI Entity an Expert Sale Statement (as defined in such articles of association) in respect of the sale described in such Transfer Notice and/or (y) give effect to the foregoing.

14. **ALTERNATIVE OFFER**

14.1 **Effect of delivery of Transfer Notices**

The delivery by (or on behalf of) the Security Agent of a Transfer Notice in respect of each of the BVICos (such Transfer Notices being the "**Relevant Transfer Notices**") shall constitute an alternative offer by the Security Agent to sell to the Golden Shareholder:

14.1.1 (if no Intervening Event is continuing in respect of any of the MacauCo Shares at the date of the Relevant Transfer Notices) the MacauCo Shares at an aggregate price equal to the Route A Alternative Purchase Price; or

14.1.2 (if no Intervening Event is continuing in respect of any of the SCH2 Shares at the date of the Relevant Transfer Notices) all of the shares (other than any Golden Share) of SCH2 at a price equal to the Reference Price (or such lower amount as may be determined in accordance with the articles of association of SCH2),

unless:

(a) the Golden Shareholder shall be prohibited from delivering a Veto Notice in respect of such Relevant Transfer Notices pursuant to Clause 13.2 (but without prejudice to the Golden Shareholder's right under

Clause 13.2 to deliver a Veto Notice in respect of a Transfer Notice in respect of each of the BVICos which may subsequently be delivered by (or on behalf of) the Security Agent), or

(b) any one or more of the following shall have occurred on or prior to the delivery of such Relevant Transfer Notices:

(i) a Sponsor Option Notice shall have been delivered;

(ii) in relation to any Transfer Notices previously delivered by (or on behalf of) the Security Agent, the Golden Shareholder was entitled pursuant to this Agreement to deliver a Veto Notice, a MacauCo Acceptance Notice or a SCH2 Acceptance Notice but failed to do so; and

(iii) in relation to any Transfer Notices previously delivered by (or on behalf of) the Security Agent, the Golden Shareholder:

(A) was entitled pursuant to this Agreement to deliver a Veto Notice, a MacauCo Acceptance Notice or a SCH2 Acceptance Notice;

(B) shall have delivered a Veto Notice, a MacauCo Acceptance Notice or a SCH2 Acceptance Notice pursuant thereto, in each case, in accordance with this Agreement; and

(C) (or, as the case may be, the Sponsor Affiliate or other nominee specified by the Golden Shareholder) for whatsoever reason (other than the failure of the Security Agent to fulfil its obligation as seller under the relevant sale in accordance with this Agreement), shall have failed (whether lawfully or otherwise) to complete a purchase of any of the BVICo Shares, any of the MacauCo Shares or, as the case may be, any of the SCH2 Shares.

14.2 **Alternative Purchase (MacauCo Shares)**

14.2.1 The Golden Shareholder may accept the offer by the Security Agent to sell the MacauCo Shares (referred to in Clause 14.1.1) by delivering a written notice (a "**MacauCo Acceptance Notice**") to the Security Agent during the period ending on the earliest of: (x) the Veto Cut-off Date; (y) the delivery of a SCH2 Acceptance Notice to the Security Agent; and (z) the delivery of a Veto Notice in accordance with the articles of association of the BVICos.

14.2.2 The delivery of a MacauCo Acceptance Notice by the Golden Shareholder:

(a) constitutes an unconditional undertaking by the Golden Shareholder (subject to the sale and delivery by the Security Agent of the MacauCo Shares on the MacauCo Completion Date (but without prejudice to Clause 14.2.3(b)) to complete the purchase of (or procure the

completion of the purchase by the Sponsor Affiliate or other nominee of the Golden Shareholder specified in the MacauCo Acceptance Notice of) all of the shares of all of the MacauCos (including, without limitation, (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of an amount equal to the sum of the respective Route A MacauCo Purchase Prices) as may be required to complete a purchase of the MacauCo Shares)) on the date falling five Business Days after the delivery of the MacauCo Acceptance Notice (such date being the "**MacauCo Completion Date**") (or such other date as may be agreed between the Security Agent and the Golden Shareholder);

(b) subject to Clause 14.2.3, shall oblige the Security Agent to sell (without any representation or warranty from any Secured Party) the MacauCo Shares to the Golden Shareholder (such Sponsor Affiliate or such nominee) on the MacauCo Completion Date (or such other date as is referred to in Clause 14.2.2(a)) against performance by the Golden Shareholder of the undertaking referred to in Clause 14.2.2(a); and

(c) constitutes the Golden Shareholder's unconditional (x) waiver (effective immediately prior to, and conditional on, the completion of such purchase) of all of the provisions of Articles 6.2 to 6.13 of the articles of association of each BVI Entity and (y) undertaking to execute all such documents and do all such things as may be required to give effect to such waivers.

14.2.3 If an Intervening Event in respect of any share (other than any Golden Share) of a MacauCo is continuing on the MacauCo Completion Date (or such other date as is referred to in Clause 14.2.2(b)), then:

(a) the Security Agent shall not be obliged to sell any Affected MacauCo Share and shall not be under any obligation to the Golden Shareholder or any other person in respect thereof; and

(b) the Golden Shareholder shall be obliged to purchase the MacauCo Shares (other than any Affected MacauCo Share) in accordance with Clause 14.2.2(a) above and the Route A MacauCo Purchase Price in respect of each Affected MacauCo shall be added to the Route A MacauCo Purchase Price in respect of each MacauCo that is not an Affected MacauCo (*pro rata* to the Route A MacauCo Purchase Prices in respect of the shares of each such MacauCo, if more than one, unless the Golden Shareholder shall on or prior to the MacauCo Completion Date have notified the Security Agent in writing of an alternative basis for allocation, in which case, in accordance with such basis so notified) unless:

(i) on the MacauCo Completion Date (or such other date as is referred to in Clause 14.2.2(a)), the Golden Shareholder has delivered to the Security Agent, a written notice (a "**MacauCo Termination Notice**") which satisfies the requirements of Clause 14.2.4; or

(ii) on or prior to the MacauCo Completion Date (or such other date as is referred to in Clause 14.2.2(a)), the Golden Shareholder has delivered to the Security Agent a Surrender Notice.

14.2.4 A MacauCo Termination Notice shall be in writing, signed on behalf of the Golden Shareholder and shall state that it constitutes (and it shall constitute):

(a) the Golden Shareholder's unconditional undertaking (subject to the sale and delivery by the Security Agent of the BVICo Shares):

(i) within one Business Day of receipt by the Golden Shareholder of each Transfer Notice referred to hereunder, to deliver, or procure the delivery of, a Veto Notice in respect of each such Transfer Notice which: (x) is delivered in accordance with the articles of association of each BVICo and this Agreement; and (y) specifies the amount of the relevant Route A BVICo Transfer Price as the Transfer Price (and the Security Agent shall deliver a Transfer Notice in respect of each BVICo in accordance with the foregoing promptly on receipt by it of a MacauCo Termination Notice which satisfies the foregoing requirements); and

(ii) (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the Route A BVICo Transfer Prices (or such lower amount as may be determined in accordance with the articles of association of the relevant BVICo)) as may be required to complete a purchase of the BVICo Shares; or

(b) the Golden Shareholder's unconditional undertaking (subject to the sale and delivery by the Security Agent of all of the shares (other than any Golden Share) of SCH2):

(i) within one Business Day of receipt by the Golden Shareholder of the SCH2 Transfer Notice referred to hereunder, to deliver, or procure the delivery of, a Veto Notice in respect of such SCH2 Transfer Notice which: (x) is delivered in accordance with the articles of association of SCH2 and this Agreement; and (y) specifies the amount of the Reference Price as the Transfer Price (and the Security Agent shall deliver a SCH2 Transfer Notice in accordance with the foregoing promptly on receipt by it of a MacauCo Termination Notice which satisfies the foregoing requirements); and

(ii) (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the Reference Price (or such lower amount as may be determined in

accordance with the articles of association of SCH2)) as may be required to complete a purchase of all of the shares (other than any Golden Share) of SCH2.

14.2.5 If the MacauCo Termination Notice shall have:

(a) been delivered in accordance with Clause 14.2.3(b); and

(b) satisfied the requirements of Clause 14.2.4(a),

then:

(i) the Golden Shareholder shall be bound (against the sale and delivery by the Security Agent of the BVICo Shares on the completion date determined in accordance with the articles of association of the BVICos) to complete the purchase of the BVICo Shares (including, without limitation, to execute all such documents and do all such things (including, without limitation, payment of the Route A BVICo Transfer Prices or such lower amount as may be determined in accordance with the articles of association of each BVICo) as may be required to complete a purchase of the BVICo Shares)) on the completion date determined in accordance with the articles of association of the BVICos; and

(ii) subject to Clause 14.2.7 below, the Security Agent shall sell (without any representation or warranty from any Secured Party) the BVICo Shares to the Golden Shareholder on the completion date determined in accordance with the articles of association of the BVICos against performance by the Golden Shareholder of the undertaking referred to in Clause 14.2.4(a).

14.2.6 If the MacauCo Termination Notice shall have:

(a) been delivered in accordance with Clause 14.2.3(b); and

(b) satisfied the requirements of Clause 14.2.4(b),

then:

(i) the Golden Shareholder shall be bound (against the sale and delivery by the Security Agent of all of the shares (other than any Golden Share) of SCH2 on the completion date determined in accordance with the articles of association of SCH2) to complete the purchase of all of the shares (other than any Golden Share) of SCH2 (including, without limitation, to execute all such documents and do all such things (including, without limitation, payment of a purchase equal to the Reference Price or such lower amount as may be determined in accordance with the articles of association of SCH2) as may be required to complete a purchase all of the shares (other than any Golden Share) of SCH2)) on the completion date determined in accordance with the articles of association of SCH2; and

(ii) subject to Clause 14.2.7 below, the Security Agent shall sell (without any representation or warranty from any Secured Party) all of the shares (other than any Golden Share) of SCH2 to the Golden Shareholder on the completion date determined in accordance with the articles of association of SCH2 against performance by the Golden Shareholder of the undertaking referred to in Clause 14.2.4(b).

14.2.7 If an Intervening Event in respect of a share (other than any Golden Share) of:

(a) one or more BVICos to be purchased pursuant to a MacauCo Termination Notice delivered under Clause 14.2.3(b) is continuing on the relevant completion date determined in accordance with the articles of association of the BVICos, then:

(i) the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any Affected BVICo Share and shall not be under any obligation or liability to the Golden Shareholder or any other person in respect of each such sale thereof; and

(ii) the Golden Shareholder shall be obliged to purchase the BVICo Shares (other than any Affected BVICo Share) in accordance with Clause 14.2.5(b) and the Route A BVICo Transfer Price in respect of each Affected BVICo shall be added to the Route A BVICo Transfer Price in respect of each BVICo that is not an Affected BVICo (*pro rata* to the Route A BVICo Transfer Prices in respect of the shares of each such BVICo, if more than one, unless the Golden Shareholder shall on or prior to the relevant completion date determined in accordance with the articles of association of the BVICos have notified the Security Agent in writing of an alternative basis for allocation, in which case, in accordance with such basis so notified) unless, on or prior to the relevant completion date determined in accordance with the articles of association of the BVICos, the Golden Shareholder has delivered to the Security Agent an IE Stop Notice. If the Golden Shareholder delivers an IE Stop Notice to the Security Agent on or prior to such date, then the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any share of a BVICo and shall not be under any obligation or liability to the Golden Shareholder or any other person in respect of each such sale thereof (**provided that**, prior to the occurrence of a Sponsor Option Termination Event, the foregoing shall be without prejudice to Clause 11.1, any right of the Golden Shareholder under the memorandum and articles of

association of any BVI Entity or a MacauCo or the Preference Holder under any Preference Right Agreement). The Golden Shareholder shall execute all such documents and do all such things as may be required to (x) waive the provisions of the articles of association of the BVICos to the extent necessary to permit the foregoing and/or (y) give effect to the foregoing; and

(b) SCH2 to be purchased pursuant to a MacauCo Termination Notice delivered under Clause 14.2.3(b) is continuing on the relevant completion date determined in accordance with the articles of association of SCH2, then the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any of the shares in SCH2 and shall not be under any obligation or liability to the Golden Shareholder or any other person in respect of each such sale thereof (**provided that**, prior to the occurrence of a Sponsor Option Termination Event, the foregoing shall be without prejudice to Clause 11.1, any right of the Golden Shareholder under the memorandum and articles of association of any BVI Entity or a MacauCo or the Preference Holder under any Preference Right Agreement). The Golden Shareholder shall execute all such documents and do all such things as may be required to (x) waive the provisions of the articles of association of SCH2 to the extent necessary to permit the foregoing and/or (y) give effect to the foregoing.

14.3 **Alternative Purchase (SCH2 Shares)**

14.3.1 The Golden Shareholder may accept the offer by the Security Agent to sell all of the shares of SCH2 (referred to in Clause 14.1.2) by delivering a written notice (a "**SCH2 Acceptance Notice**") to the Security Agent during the period ending on the earliest of: (x) the Veto Cut-off Date; (y) the delivery of a MacauCo Acceptance Notice to the Security Agent; and (z) the delivery of a Veto Notice in accordance with the articles of association of the BVICos.

14.3.2 The delivery of a SCH2 Acceptance Notice by the Golden Shareholder constitutes the Golden Shareholder's unconditional undertaking (subject to the sale and delivery by the Security Agent of all of the shares (other than any Golden Share) of SCH2):

(a) within one Business Day of receipt by the Golden Shareholder of the SCH2 Transfer Notice referred to hereunder to deliver, or procure the delivery of, a Veto Notice in respect of such SCH2 Transfer Notice which: (x) is delivered in accordance with the articles of association of SCH2 and this Agreement; and (y) specifies the amount of the Reference Price as the Transfer Price (and the Security Agent shall promptly deliver a SCH2 Transfer Notice in respect of SCH2 in accordance with the foregoing on receipt by it of a SCH2 Acceptance Notice which satisfies the foregoing requirements);

(b) (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the purchase price determined in accordance with the articles of association of SCH2) as may be required to complete a purchase of all of the shares (other than any Golden Share) of SCH2 in accordance with the articles of association of SCH2; and

(c) (x) waiver (effective immediately prior to, and conditional on, the completion of such purchase) of all of the provisions of Articles 6.2 to 6.13 of the articles of association of each BVICo and (y) undertaking to execute all such documents and do all such things as may be required to give effect to such waivers.

14.3.3 If an Intervening Event is continuing in respect of any share of SCH2 to be purchased pursuant to the SCH2 Acceptance Notice delivered under Clause 14.3.1 on the SCH2 GS Completion Date, then:

(a) the Security Agent shall not be obliged to sell any share of SCH2 and shall not be under any obligation to the Golden Shareholder or any other person in respect of such sale thereof;

(b) any agreement for such sale constituted under the articles of association of SCH2 shall be terminated immediately without recourse;

(c) the Golden Shareholder shall execute all such documents and do all such things as may be required to (x) waive the provisions of such articles of association to the extent necessary to permit such termination and/or (y) give effect to such termination; and

(d) the Golden Shareholder may deliver to the Security Agent:

(i) on the SCH2 GS Completion Date a written notice (a "**SCH2 Intervening Event Notice**") which satisfies the requirements of Clause 14.3.4; or

(ii) on or prior to the SCH2 GS Completion Date, a Surrender Notice.

14.3.4 A SCH2 Intervening Event Notice shall be in writing, signed on behalf of the Golden Shareholder and shall state that it constitutes (and it shall constitute):

(a) the Golden Shareholder's unconditional undertaking (subject to the sale and delivery by the Security Agent of the MacauCo Shares):

(i) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee of the Golden Shareholder specified in the SCH2 Intervening Event Notice of) the MacauCo Shares (including, without limitation, (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of all of the Route A MacauCo Purchase Prices) as may be required to complete a purchase of the MacauCo Shares) on the date falling

five Business Days after the delivery of the SCH2 Intervening Event Notice (such date being the "**SCH2 IE Completion Date**") (or such other date as may be agreed between the Security Agent and the Golden Shareholder); and

(ii) (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the Route A MacauCo Purchase Prices) as may be required to complete a purchase of the MacauCo Shares; or

(b) the Golden Shareholder's unconditional undertaking (subject to the sale and delivery by the Security Agent of the BVICo Shares):

(i) within one Business Day of receipt by the Golden Shareholder of each Transfer Notice referred to hereunder to deliver, or procure the delivery of, a Veto Notice in respect of each such Transfer Notice which: (x) is delivered in accordance with the articles of association of each BVICo and this Agreement; and (y) specifies the amount of the relevant Route A BVICo Transfer Price as the Transfer Price (and the Security Agent shall deliver a Transfer Notice in respect of each BVICo in accordance with the foregoing promptly receipt by it of a SCH2 Intervening Event Notice which satisfies the foregoing requirements); and

(ii) (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the Route A BVICo Transfer Prices (or such lower amount as may be determined in accordance with the articles of association of the relevant BVICo)) as may be required to complete a purchase of the BVICo Shares.

14.3.5 If the SCH2 Intervening Event Notice shall have:

(a) been delivered in accordance with Clause 14.3.3(d); and

(b) satisfied the requirements of Clause 14.3.4(a),

then:

(i) the Golden Shareholder shall be bound (against sale and delivery by the Security Agent of the MacauCo Shares on the SCH2 IE Completion Date) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee of the Golden Shareholder specified in the SCH2 Intervening Event Notice of) the MacauCo Shares (including, without limitation, to execute all such documents and do all such things (including, without limitation, payment of an amount equal to the Route A MacauCo Purchase Prices) as may be required to complete a purchase of the MacauCo Shares) on the SCH2 IE Completion Date (or such other date as may be agreed between the Security Agent and the Golden Shareholder); and

(ii) subject to Clause 14.3.7 below, the Security Agent shall sell (without any representation or warranty from any Secured Party) the MacauCo Shares to the Golden Shareholder (or such Sponsor Affiliate or nominee) on the SCH2 IE Completion Date (or such other date as is referred to in Clause 14.3.5(i)) against performance by the Golden Shareholder of the undertaking referred to in Clause 14.3.4(a).

14.3.6 If the SCH2 Intervening Event Notice shall have:

(a) been delivered in accordance with Clause 14.3.3(d); and

(b) satisfied the requirements of Clause 14.3.4(b),

then:

(i) the Golden Shareholder shall be bound (against sale and delivery by the Security Agent of the BVICo Shares on the completion date determined in accordance with the articles of association of the BVICos) to complete the purchase of the BVICo Shares (including, without limitation, to execute all such documents and do all such things (including, without limitation, payment of the Route A BVICo Transfer Prices (or such lower amount as may be determined in accordance with the articles of association of the relevant BVICo) as may be required to complete a purchase of the BVICo Shares)) on the completion date determined in accordance with the articles of association of the BVICos; and

(ii) subject to Clause 14.3.7 below, the Security Agent shall sell (without any representation or warranty from any Secured Party) the BVICo Shares to the Golden Shareholder on the completion date determined in accordance with the articles of association of the BVICos against performance by the Golden Shareholder of the undertaking referred to in Clause 14.3.4(b).

14.3.7 If an Intervening Event in respect of a share (other than any Golden Share) of:

(a) one or more of the MacauCos to be purchased pursuant to a SCH2 Intervening Event Notice delivered in accordance with Clause 14.3.3(d) is continuing on the SCH2 IE Completion Date (or such other date as may have been agreed between the Security Agent and the Golden Shareholder in respect of the MacauCo Shares, as contemplated in Clause 14.3.5(i)), then:

(i) the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any Affected MacauCo Share and shall not be under any obligation or liability to the Golden Shareholder or any other person in respect of each such sale thereof; and

(ii) the Golden Shareholder shall be obliged to purchase the MacauCo Shares (other than any Affected MacauCo Share) in accordance with Clause 14.3.4(a) and the Route A MacauCo Purchase Price in respect of each Affected MacauCo shall be added to the Route A MacauCo Purchase Price in respect of each MacauCo that is not an Affected MacauCo (*pro rata* to the Route A MacauCo Purchase Prices in respect of the shares of each such MacauCo, if more than one, unless the Golden Shareholder shall on or prior to SCH2 IE Completion Date have notified the Security Agent in writing of an alternative basis for allocation, in which case, in accordance with such basis so notified) unless, on or prior to the SCH2 IE Completion Date, the Golden Shareholder has delivered to the Security Agent an IE Stop Notice. If the Golden Shareholder delivers an IE Stop Notice to the Security Agent on or prior to such date, then the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any share of a MacauCo and shall not be under any obligation or liability to the Golden Shareholder or any other person in respect of each such sale thereof (**provided that**, prior to the occurrence of a Sponsor Option Termination Event, the foregoing shall be without prejudice to Clause 11.1 (*Security Agent Undertaking*), any right of the Golden Shareholder under the memorandum and articles of association of any BVI Entity or a MacauCo or the Preference Holder under any Preference Right Agreement); and

(b) one or more of the BVICos to be purchased pursuant to a SCH2 Intervening Event Notice delivered in accordance with Clause 14.3.3(d) is continuing on the completion date determined in accordance with the articles of association of the BVICos, then:

(i) the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any Affected BVICo Share and shall not be under any obligation or liability to the Golden Shareholder or any other person in respect of each such sale thereof; and

(ii) the Golden Shareholder shall be obliged to purchase the BVICo Shares (other than any Affected BVICo Share) in accordance with Clause 14.3.6 and the Route A BVICo Transfer Price in respect of each Affected BVICo shall be added to the Route A BVICo Transfer Price in respect of each BVICo that is not an Affected BVICo (*pro rata* to the Route A BVICo Transfer Prices in respect of the shares of each such

BVICo, if more than one, unless the Golden Shareholder shall on or prior to the completion date determined in accordance with the articles of association of the BVICos have notified the Security Agent in writing of an alternative basis for allocation, in which case, in accordance with such basis so notified) unless, on or prior to the SCH2 IE Completion Date, the Golden Shareholder has delivered to the Security Agent an IE Stop Notice. If the Golden Shareholder delivers an IE Stop Notice to the Security Agent on or prior to such date, then the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any share of a BVICo and shall not be under any obligation or liability to the Golden Shareholder or any other person in respect of each such sale thereof (**provided that**, prior to the occurrence of a Sponsor Option Termination Event, the foregoing shall be without prejudice to Clause 11.1, any right of the Golden Shareholder under the memorandum and articles of association of any BVI Entity or a MacauCo or the Preference Holder under any Preference Right Agreement). The Golden Shareholder shall execute all such documents and do all such things as may be required to (x) waive the provisions of the articles of association of the BVICos to the extent necessary to permit the foregoing and/or (y) give effect to the foregoing.

14.4 **BVICo Intervening Event**

14.4.1 If an Intervening Event in respect of a share (other than any Golden Share) of one or more BVICos is continuing on a GS Completion Date (other than an Intervening Event referred to in Clauses 14.2.7(a) or 14.3.7), then:

(a) the Security Agent shall not be obliged to sell any Affected BVICo Shares and shall not be under any obligation to the Golden Shareholder or any other person in respect thereof;

(b) any agreement for such sale constituted under the articles of association of the Affected BVICo shall be terminated immediately without recourse;

(c) the Golden Shareholder shall execute all such documents and do all such things as may be required to (x) waive the provisions of such articles of association to the extent necessary to permit such termination and/or (y) give effect to such termination; and

(d) the Golden Shareholder shall be obliged to:

(i) complete (or procure the completion of) the purchase of the BVICo Shares (other than any Affected BVICo Shares) and the Transfer Price specified in the Transfer Notice in respect of each Affected BVICo shall (only for the purposes of calculating any purchase price to be paid by the Golden

Shareholder) be added to the Transfer Price specified in the Transfer Notice in respect of each BVICo that is not an Affected BVICo (*pro rata* to the Route A BVICo Transfer Price in respect of the shares of each such BVICo, if more than one, unless the Golden Shareholder shall on or prior to the applicable GS Completion Date have notified the Security Agent in writing of an alternative basis for allocation, in which case, in accordance with such basis so notified); and

(ii) the Golden Shareholder shall execute, or cause to be executed, all such documents and do, or cause to be done, all such things as may be required to (x) waive the provisions of such articles of association to the extent necessary to permit the foregoing and/or (y) give effect to the foregoing,

unless:

(A) on the applicable GS Completion Date, the Golden Shareholder has delivered to the Security Agent, a written notice (a "**BVICo Termination Notice**") which satisfies the requirements of Clause 14.4.2); or

(B) on or prior to the applicable GS Completion Date, the Golden Shareholder has delivered to the Security Agent, a Surrender Notice.

14.4.2 A BVICo Termination Notice shall be in writing, signed on behalf of the Golden Shareholder and shall state that it constitutes (and it shall constitute):

(a) the Golden Shareholder's unconditional undertaking (subject to sale and delivery by the Security Agent of the MacauCo Shares):

(i) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in the BVICo Termination Notice of) the MacauCo Shares (including, without limitation, (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the Route A MacauCo Purchase Prices) as may be required to complete a purchase of the MacauCo Shares) on the date falling five Business Days after the delivery of the BVICo Termination Notice (such date being the "**BVICo IE Completion Date**") (or such other date as may be agreed between the Security Agent and the Golden Shareholder); and

(ii) (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the Route A MacauCo Purchase Prices) as may be required to complete a purchase of the MacauCo Shares; or

(b) the Golden Shareholder's unconditional undertaking (subject to the sale and delivery by the Security Agent of all of the shares (other than any Golden Share) of SCH2):

(i) within one Business Day of receipt by the Golden Shareholder of the SCH2 Transfer Notice referred to hereunder to deliver, or procure the delivery of, a Veto Notice in respect of such SCH2 Transfer Notice which: (x) is delivered in accordance with the articles of association of SCH2 and this Agreement; and (y) specifies the Reference Price as the Transfer Price (and the Security Agent shall deliver a SCH2 Transfer Notice in accordance with the foregoing promptly on receipt by it of a BVICo Termination Notice which satisfies the foregoing requirements); and

(ii) (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the Reference Price (or such lower amount as may be determined in accordance with the articles of association of SCH2)) as may be required to complete a purchase of all of the shares (other than any Golden Share) of SCH2.

14.4.3 If the BVICo Termination Notice shall have:

(a) been delivered in accordance with Clause 14.4.1(d); and

(b) satisfied the requirements of Clause 14.4.2(a),

then:

(i) the Golden Shareholder shall be bound (against sale and delivery by the Security Agent of the MacauCo Shares on the BVICo IE Completion Date) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in the BVICo Termination Notice of) the MacauCo Shares (including, without limitation, to execute all such documents and do all such things (including, without limitation, payment of an amount equal to the Route A MacauCo Purchase Prices) as may be required to complete a purchase of the MacauCo Shares) on the BVICo IE Completion Date (or such other date as may be agreed between the Security Agent and the Golden Shareholder); and

(ii) subject to Clause 14.4.5, the Security Agent shall sell (without any representation or warranty from any Secured Party) the MacauCo Shares to the Golden Shareholder (or such Sponsor Affiliate or nominee) on the BVICo IE Completion Date (or such other date as is referred to in Clause 14.4.3(i)) against performance by the Golden Shareholder of the undertaking referred to in Clause 14.4.2(a).

14.4.4 If the BVICo Termination Notice shall have:

(a) been delivered in accordance with Clause 14.4.1(d); and

(b) satisfied the requirements of Clause 14.4.2(b),

then:

(i) the Golden Shareholder shall be bound (against sale and delivery by the Security Agent of all of the shares (other than any Golden Shares) of SCH2 on the completion date determined in accordance with the articles of association of SCH2) to complete the purchase of all of the shares (other than any Golden Share) of SCH2 (including, without limitation, to execute all such documents and do all such things (including, without limitation, payment of the Reference Price (or such lower amount as may determined in accordance with the articles of association of SCH2) as may be required to complete a purchase of all of the shares (other than any Golden Share) of SCH2)) on the completion date determined in accordance with the articles of association of SCH2; and

(ii) subject to Clause 14.4.5, the Security Agent shall sell (without any representation or warranty from any Secured Party) the shares (other than any Golden Share) of SCH2 to the Golden Shareholder on the completion date determined in accordance with the articles of association of SCH2 against performance by the Golden Shareholder of the undertaking referred to in Clause 14.3.4(b).

14.4.5 If an Intervening Event in respect of a share (other than any Golden Share) of:

(a) a MacauCo to be purchased pursuant to a BVICo Termination Notice delivered under Clause 14.4.1(d) is continuing on the BVICo IE Completion Date (or such other date as may have been agreed between the Security Agent and the Golden Shareholder, as contemplated in Clause 14.4.2(a)), then:

(i) the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any Affected MacauCo Share and shall not be under any obligation or liability to the Golden Shareholder or any other person in respect of each such sale thereof; and

(ii) the Golden Shareholder shall be obliged to purchase the MacauCo Shares (other than any Affected MacauCo Share) in accordance with Clause 14.4.2(a) above and the Route A MacauCo Purchase Price in respect of each Affected MacauCo shall be added to the Route A MacauCo Purchase Price in respect of each MacauCo that is not an Affected

MacauCo (*pro rata* to the Route A MacauCo Purchase Prices in respect of the shares of each such MacauCo, if more than one, unless the Golden Shareholder shall on or prior to the BVICo IE Completion Date have notified the Security Agent in writing of an alternative basis for allocation, in which case, in accordance with such basis so notified) unless, on or prior to the BVICo IE Completion Date, the Golden Shareholder has delivered to the Security Agent an IE Stop Notice. If the Golden Shareholder delivers an IE Stop Notice to the Security Agent shall not be obliged to sell on the BVICo IE Completion Date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any share of any MacauCo and shall not be under any obligation to the Golden Shareholder or any other person in respect of each such sale thereof (**provided that**, prior to the occurrence of a Sponsor Option Termination Event, the foregoing shall be without prejudice to Clause 11.1 (*Security Agent Undertaking*), any right of the Golden Shareholder under the memorandum and articles of association of any BVI Entity or a MacauCo or the Preference Holder under any Preference Right Agreement); and

(b) SCH2 to be purchased pursuant to a BVICo Termination Notice delivered under Clause 14.4.1(d) is continuing on the completion date determined in accordance with the articles of association of SCH2, then the Security Agent shall not be obliged to sell on the relevant completion date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any share of SCH2 and shall not be under any obligation to the Golden Shareholder or any other person in respect of each such sale thereof (**provided that**, prior to the occurrence of a Sponsor Option Termination Event, the foregoing shall be without prejudice to Clause 11.1, any right of the Golden Shareholder under applicable law or the memorandum and articles of association of any BVI Entity or a MacauCo or the Preference Holder under any Preference Right Agreement). The Golden Shareholder shall execute all such documents and do all such things as may be required to (x) waive the articles of association of SCH2 to the extent necessary to permit the foregoing and/or (y) to give effect to the foregoing

## 15. FURTHER SPONSOR OPTION

### 15.1 Effect of delivery of a Sponsor Option Notice

The delivery to the Golden Shareholder by (or on behalf of) the Security Agent of a Sponsor Option Notice shall constitute an offer by the Security Agent to sell to the Golden Shareholder:

15.1.1 (if no Intervening Event is continuing in respect of any of the shares (other than any Golden Share) of a MacauCo at the date of the Sponsor Option Notice) the MacauCo Shares at an aggregate price equal to the Route B Purchase Price;

15.1.2 (if no Intervening Event is continuing in respect of any shares (other than any Golden Share) of SCH2 at the date of the Sponsor Option Notice) the SCH2 Shares at a price equal to the Route B Purchase Price; or

15.1.3 (if no Intervening Event is continuing in respect of any of the shares (other than any Golden Share) of a BVICo at the date of the Sponsor Option Notice) the BVICo Shares at an aggregate price equal to the Route B Purchase Price.

15.2 **Sponsor Acceptance Notice**

15.2.1 The Golden Shareholder may accept an offer by the Security Agent pursuant to Clause 15.1 by delivering a Sponsor Acceptance Notice to the Security Agent on or prior to the Sponsor Option Expiry Date **provided that** no more than one Sponsor Acceptance Notice may be delivered.

15.2.2 The delivery of a Sponsor Acceptance Notice (in relation to a Sponsor Option Notice) shall:

(a) if the Sponsor Acceptance Notice specifies that the Golden Shareholder wishes to purchase the BVICo Shares at their respective Route B BVICo Purchase Prices:

(i) constitute:

(A) the Golden Shareholder's irrevocable undertaking (subject to the sale and delivery by the Security Agent of the BVICo Shares on the Route B Completion Date but without prejudice to Clause 15.2.3(a)) to complete the purchase of the BVICo Shares (including, without limitation, to execute all such documents and do all such things (including, without limitation, payment of the respective Route B BVICo Purchase Prices) as may be required to complete a purchase of the BVICo Shares at their respective Route B BVICo Purchase Prices) on the Route B Completion Date (or such other date as may be agreed between the Golden Shareholder and the Security Agent); and

(B) the Golden Shareholder's irrevocable (x) waiver (effective immediately prior to, and conditional on, the completion of such purchase) of all of the provisions of Articles 6.2 to 6.13 of the articles of association of each BVICo and (y) undertaking to execute all such documents and do all such things as may be required to give effect to such waiver, and

(ii) subject to Clause 15.2.3 below, oblige the Security Agent to sell to the Golden Shareholder the BVICo Shares on the Route B Completion Date (or such other date as may be agreed between the Golden Shareholder and the Security Agent) against performance by the Golden Shareholder of the undertaking referred to in Clause 15.2.2(a)(i);

(b) if the Sponsor Acceptance Notice specifies that the Golden Shareholder wishes to purchase the SCH2 Shares at the Route B SCH2 Purchase Price:

(i) constitute:

(A) the Golden Shareholder's irrevocable undertaking (subject to the sale and delivery by the Security Agent of the SCH2 Shares on the Route B Completion Date) to complete the purchase of the SCH2 Shares (including, without limitation, to execute all such documents and do all such things (including, without limitation, payment of the Route B SCH2 Purchase Price) as may be required to complete a purchase of the SCH2 Shares at the Route B SCH2 Purchase Price) on the Route B Completion Date (or such other date as may be agreed between the Golden Shareholder and the Security Agent);

(B) the Golden Shareholder's irrevocable (x) waiver (effective immediately prior to, and conditional on, the completion of such purchase) of all of the provisions of Articles 6.2 to 6.13 of the articles of association of SCH2 and (y) undertaking to execute all such documents and do all such things as may be required to give effect to such waiver, and

(ii) subject to Clause 15.2.3, oblige the Security Agent to sell (without any representation or warranty from any Secured Party) to the Golden Shareholder the SCH2 Shares on the Route B Completion Date (or such other date as may be agreed between the Golden Shareholder and the Security Agent) against performance by the Golden Shareholder of the undertaking referred to in Clause 15.2.2(b)(i); and

(c) if the Sponsor Acceptance Notice specifies that the Golden Shareholder wishes to purchase the MacauCo Shares at their respective Route B MacauCo Purchase Prices:

(i) constitute the Golden Shareholder's irrevocable undertaking (subject to the sale and delivery by the Security Agent of the MacauCo Shares on the Route B Completion Date (but without prejudice to Clause 15.2.3(c)) to complete the purchase of the MacauCo Shares (including, without limitation, to execute all such documents and do all such things (including, without limitation, payment of all of the

Route B MacauCo Purchase Prices) as may be required to complete a purchase of the MacauCo Shares at their respective Route B MacauCo Purchase Prices) on the Route B Completion Date (or such other date as may be agreed between the Golden Shareholder and the Security Agent); and

(ii) subject to Clause 15.2.3, oblige the Security Agent to sell (without any representation or warranty from any Secured Party) to the Golden Shareholder the MacauCo Shares on the Route B Completion Date (or such other date as may be agreed between the Golden Shareholder and the Security Agent) against performance by the Golden Shareholder of the undertaking referred to in Clause 15.2.2(c)(i).

15.2.3 If an Intervening Event in respect of any share (other than any Golden Share) of a BVICo, SCH2 or a MacauCo to be purchased pursuant to Clause 15.2.2 is continuing on the Route B Completion Date (or such other date as is referred to in Clauses 15.2.2(a)(i)(A), 15.2.2(b)(i)(A) or, as the case may be, 15.2.2(c)(i)), then:

(a) in respect of Clause 15.2.2(a)(i):

(i) the Security Agent shall not be obliged to sell any Affected BVICo Share and shall not be under any obligation to the Golden Shareholder or any other person in respect of such sale thereof; and

(ii) the Golden Shareholder shall be obliged to purchase the BVICo Shares (other than any Affected BVICo Share) in accordance with Clause 15.2.2(a)(i) above and the Route B BVICo Purchase Price in respect of each Affected BVICo shall be added to the Route B BVICo Purchase Price in respect of each BVICo that is not an Affected BVICo (*pro rata* to the Route B BVICo Purchase Price in respect of the shares of each such BVICo, if more than one, unless the Golden Shareholder shall on or prior to the Route B Completion Date have notified the Security Agent in writing of an alternative basis for allocation, in which case, in accordance with such alternative basis) unless (x) on or prior to the Route B Completion Date (or such other date as is referred to in Clause 15.2.2(a)(i)(A)), the Golden Shareholder has delivered to the Security Agent a Surrender Notice or (y) on the Route B Completion Date (or such other date as is referred to in Clause 15.2.2(a)(i)(A)), the Golden Shareholder has delivered to the Security Agent a written notice to the Security Agent (a "**Route B BVICo Termination Notice**") which satisfies the requirements of Clause 15.2.4 or; or

(b) in respect of Clause 15.2.2(b)(i), the Security Agent shall not be obliged to sell any of the shares of SCH2 and shall not be under any obligation to the Golden Shareholder or any other person in respect of

such sale thereof and the Golden Shareholder may, on the Route B Completion Date, deliver a written notice to the Security Agent (a "**Route B SCH2 Termination Notice**") which satisfies the requirement of Clause 15.2.12; or

(c) in respect of Clause 15.2.2(c)(i):

(i) the Security Agent shall not be obliged to sell any Affected MacauCo Share and shall not be under any obligation to the Golden Shareholder or any other person in respect of such sale thereof; and

(ii) the Golden Shareholder shall be obliged to purchase the MacauCo Shares (other than any Affected MacauCo Share) in accordance with Clause 15.2.2(c)(i) above and the Route B MacauCo Purchase Price in respect of each Affected MacauCo shall be added to the Route B MacauCo Purchase Price in respect of each MacauCo that is not an Affected MacauCo (*pro rata* to the Route B MacauCo Purchase Prices in respect the shares of each such MacauCo, if more than one, unless the Golden Shareholder shall on or prior to the Route B Completion Date have notified the Security Agent in writing of an alternative basis for allocation, in which case, in accordance with such alternative basis) unless (x) on or prior to the Route B Completion Date (or such other date as is referred to in Clause 15.2.2(c)(i) the Golden Shareholder has delivered to the Security Agent a Surrender Notice or (y) on the Route B Completion Date (or such other date as is referred to in Clause 15.2.2(c)(i), the Golden Shareholder has delivered to the Security Agent a written notice to the Security Agent (a "**Route B MacauCo Termination Notice**") which satisfies the requirements of Clause 15.2.9.

15.2.4 A Route B BVICo Termination Notice shall be in writing, signed on behalf of the Golden Shareholder and shall state that it constitutes (and it shall constitute):

(a) the Golden Shareholder's:

(i) unconditional undertaking (subject to the sale and delivery by the Security Agent of the MacauCo Shares) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in the Route B BVICo Termination Notice of) the MacauCo Shares (including, without limitation, (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the respective Route B MacauCo Purchase Prices) as may be required to complete a purchase of the MacauCo Shares) on the date falling five Business Days after the delivery of the Route B BVICo Termination Notice (such date being the "**Route B BVICo IE Completion Date**") (or such other date as may be agreed between the Security Agent and the Golden Shareholder); and

(ii) unconditional undertaking (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of their respective Route B MacauCo Purchase Prices) as may be required to complete a purchase of the MacauCo Shares; or

(b) the Golden Shareholder's:

(i) unconditional undertaking (subject to the sale and delivery by the Security Agent of the SCH2 Shares) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in the Route B BVICo Termination Notice of) the SCH2 Shares (including, without limitation, (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the Route B SCH2 Purchase Price) as may be required to complete a purchase of the SCH2 Shares) on the Route B BVICo IE Completion Date (or such other date as may be agreed between the Security Agent and the Golden Shareholder);

(ii) unconditional undertaking (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the Route B SCH2 Purchase Price) as may be required to complete a purchase of the SCH2 Shares; and

(iii) irrevocable (x) waiver (effective immediately prior to, and conditional on, the completion of such purchase) of all of the provisions of Articles 6.2 to 6.13 of the articles of association of SCH2 and (y) undertaking to execute all such documents and do all such things as may be required to give effect to such waiver.

15.2.5 If the Route B BVICo Termination Notice shall have:

(a) been delivered in accordance with Clause 15.2.3(a); and

(b) satisfied the requirements of Clause 15.2.4(a),

then:

(i) the Golden Shareholder shall be bound (against the sale and delivery by the Security Agent of the MacauCo Shares on the Route B BVICo IE Completion Date) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in the Route B BVICo Termination Notice of) the MacauCo Shares (including,

without limitation, to execute all such documents and do all such things (including, without limitation, payment of the respective Route B MacauCo Purchase Prices) as may be required to complete a purchase of the MacauCo Shares) on the Route B BVICo IE Completion Date (or such other date as may be agreed between the Security Agent and the Golden Shareholder); and

(ii) subject to Clause 15.2.7, the Security Agent shall sell (without any representation or warranty from any Secured Party) the MacauCo Shares to the Golden Shareholder (or such Sponsor Affiliate or other nominee) on the Route B BVICo IE Completion Date (or such other date as is referred to in Clause 15.2.5(i)) against performance by the Golden Shareholder of the undertaking referred to in Clause 15.2.4(a).

15.2.6 If the Route B BVICo Termination Notice shall have:

(a) been delivered in accordance with Clause 15.2.3(a); and

(b) satisfied the requirements of Clause 15.2.4(b),

then:

(i) the Golden Shareholder shall be bound (against the sale and delivery by the Security Agent of the SCH2 Shares to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in the Route B BVICo Termination Notice of) of the SCH2 Shares (including, without limitation, to execute all such documents and do all such things (including, without limitation, payment of the Route B SCH2 Purchase Price) as may be required to complete a purchase of the SCH2 Shares on the Route B BVICo IE Completion Date (or such other date as may be agreed between the Security Agent and the Golden Shareholder); and

(ii) subject to Clause 15.2.7, the Security Agent shall sell (without any representation or warranty from any Secured Party) the SCH2 Shares (other than any Golden Share) of SCH2 to the Golden Shareholder (or such Sponsor Affiliate or other nominee) on the Route B BVICo IE Completion Date (or such other date as is referred to in Clause 15.2.6(b)(i)) against performance by the Golden Shareholder of the undertaking referred to in Clause 15.2.4(b).

15.2.7 If an Intervening Event in respect of a share (other than any Golden Share) of:

(a) a MacauCo to be purchased pursuant a Route B BVI Termination Notice delivered in accordance with Clause 15.2.3 is continuing on the Route B BVICo IE Completion Date (or such other date as may have been agreed between the Security Agent and the Golden Shareholder, as contemplated in Clause 15.2.5(b)(i)), then:

(i) the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any Affected MacauCo Share and shall not be under any obligation to the Golden Shareholder or any other person in respect of such sale thereof; and

(ii) the Golden Shareholder shall be obliged to purchase the MacauCo Shares (other than any Affected MacauCo Share) in accordance with Clause 15.2.2(c)(i) above and the Route B MacauCo Purchase Price in respect of each Affected MacauCo shall be added to the Route B MacauCo Purchase Price in respect of each MacauCo that is not an Affected MacauCo (*pro rata* to the Route B MacauCo Purchase Prices in respect of the shares of each such MacauCo, if more than one, unless the Golden Shareholder shall on or prior to the Route B BVICo IE Completion Date have notified the Security Agent in writing of an alternative basis for allocation, in which case, in accordance with such alternative basis) unless on the Route B BVICo IE Completion Date the Golden Shareholder shall have delivered to the Security Agent an IE Stop Notice. If the Golden Shareholder delivers an IE Stop Notice to the Security Agent on or prior to such date, then the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any share of a MacauCo and shall not be under any obligation or liability to the Golden Shareholder or any other person in respect of each such sale thereof (**provided that**, prior to the occurrence of a Sponsor Option Termination Event, the foregoing shall be without prejudice to Clause 11.1 (*Security Agent Undertaking*), any right of the Golden Shareholder under the memorandum and articles of association of any BVI Entity or a MacauCo or the Preference Holder under any Preference Right Agreement); and

(b) SCH2 to be purchased pursuant a Route B BVI Termination Notice delivered in accordance with Clause 15.2.3 is continuing on the Route B BVICo IE Completion Date (or such other date as may have been agreed between the Security Agent and the Golden Shareholder, as contemplated in Clause 15.2.6(b)(i)), then the Security Agent shall not be obliged to sell on the relevant completion date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any share of SCH2 and shall not be under any obligation to the Golden Shareholder or any other person in respect thereof (**provided that**, prior to the occurrence of a Sponsor Option Termination Event, the foregoing shall be without prejudice to Clause 11.1, any right of the Golden Shareholder under the memorandum and articles of association of any BVI Entity or a MacauCo or the Preference Holder under any Preference Right Agreement).

15.2.8 A Route B MacauCo Termination Notice shall be in writing, signed on behalf of the Golden Shareholder and shall state that it constitutes (and it shall constitute):

(a) the Golden Shareholder's:

(i) unconditional undertaking (subject to the sale and delivery by the Security Agent of the BVICo Shares) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in the Route B MacauCo Termination Notice of) the BVICo Shares (including, without limitation, (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of all of the Route B BVICo Purchase Prices) as may be required to complete a purchase of the BVICo Shares) on the date falling five Business Days after the delivery of the Route B MacauCo Termination Notice (such date being the "**Route B MacauCo IE Completion Date**") (or such other date as may be agreed between the Security Agent and the Golden Shareholder);

(ii) unconditional undertaking (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of all of the Route B BVICo Purchase Prices) as may be required to complete a purchase of the BVICo Shares; and

(iii) irrevocable (x) waiver (effective immediately prior to, and conditional on, the completion of such purchase) of all of the provisions of Articles 6.2 to 6.13 of the articles of association of each BVICo and (y) undertaking to execute all such documents and do all such things as may be required to give effect to such waiver; or

(b) the Golden Shareholder's:

(i) unconditional undertaking (subject to the sale and delivery by the Security Agent of the SCH2 Shares) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in the Route B MacauCo Termination Notice of) the SCH2 Shares (including, without limitation, (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the Route B SCH2 Purchase Price) as may be required to complete a purchase of the SCH2 Shares) on the Route B MacauCo IE Completion Date (or such other date as may be agreed between the Security Agent and the Golden Shareholder);

(ii) unconditional undertaking (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the Route B SCH2 Purchase Price) as may be required to complete a purchase of the SCH2 Shares; and

(iii) irrevocable (x) waiver (effective immediately prior to, and conditional on, the completion of such purchase) of all of the provisions of Articles 6.2 to 6.13 of the articles of association of SCH2 and (y) undertaking to execute all such documents and do all such things as may be required to give effect to such waiver.

15.2.9 If the Route B MacauCo Termination Notice shall have:

(a) been delivered in accordance with Clause 15.2.3(c); and

(b) satisfied the requirements of Clause 15.2.8(a),

then:

(i) the Golden Shareholder shall be bound (against the sale and delivery by the Security Agent of the BVICo Shares on the Route B MacauCo IE Completion Date) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in the Route B MacauCo Termination Notice of) the BVICo Shares (including, without limitation, to execute all such documents and do all such things (including, without limitation, payment of the Route B BVICo Purchase) as may be required to complete a purchase of the BVICo Shares) on the Route B MacauCo IE Completion Date (or such other date as may be agreed between the Security Agent and the Golden Shareholder); and

(ii) subject to Clause 15.2.11, the Security Agent shall sell (without any representation or warranty from any Secured Party) the BVICo Shares to the Golden Shareholder (or such Sponsor Affiliate or other nominee) on the Route B MacauCo IE Completion Date (or such other date as is referred to in Clause 15.2.9(b)(i) against performance by the Golden Shareholder of the undertaking referred to in Clause 15.2.8(a)).

15.2.10 If the Route B MacauCo Termination Notice shall have:

(a) been delivered in accordance with Clause 15.2.3(c); and

(b) satisfied the requirements of Clause 15.2.8(b),

then:

(i) the Golden Shareholder shall be bound (against the sale and delivery by the Security Agent of all of the SCH2 Shares on the

Route B MacauCo IE Completion Date) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in the Route B MacauCo Termination Notice of) the SCH2 Shares (including, without limitation, to execute all such documents and do all such things (including, without limitation, payment of the Route B SCH2 Purchase Price) as may be required to complete a purchase of the SCH2 Shares on the Route B MacauCo IE Completion Date (or such other date as may be agreed between the Security Agent and the Golden Shareholder); and

(ii) subject to Clause 15.2.11, the Security Agent shall sell (without any representation or warranty from any Secured Party) the SCH2 Shares to the Golden Shareholder (or such Sponsor Affiliate or other nominee) on the Route B MacauCo IE Completion Date (or such other date as is referred to in Clause 15.2.10(i)) against performance by the Golden Shareholder of the undertaking referred to in Clause 15.2.8(b).

15.2.11 If an Intervening Event in respect of any share (other than any Golden Share) of:

(a) a BVICo to be purchased pursuant to a Route B MacauCo Termination Notice delivered in accordance with Clause 15.2.3(c) is continuing on the Route B MacauCo IE Completion Date (or such other date as may have been agreed between the Security Agent and the Golden Shareholder, as contemplated in Clause 15.2.8(a)), then:

(i) the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any Affected BVICo Share and shall not be under any obligation to the Golden Shareholder or any other person in respect of such sale thereof; and

(ii) the Golden Shareholder shall be obliged to purchase the BVICo Shares (other than any Affected BVICo Share) in accordance with Clause 15.2.8(a) above and the Route B BVICo Purchase Price in respect of each Affected BVICo shall be added to the Route B BVICo Purchase Price in respect of each BVICo that is not an Affected BVICo (*pro rata* to the Route B BVICo Purchase Prices in respect of the shares of each such BVICo, if more than one, unless the Golden Shareholder shall on or prior to the Route B MacauCo IE Completion Date have notified the Security Agent in writing of an alternative basis for allocation, in which case, in accordance with such alternative basis) unless on the Route B MacauCo IE Completion Date the Golden Shareholder shall have delivered to the Security Agent an IE Stop Notice. If the Golden Shareholder delivers an IE Stop Notice to the Security Agent on or prior to such date, then the Security Agent shall not be obliged to sell on such date (or any other date unless

agreed between the Golden Shareholder and the Security Agent) any share in a BVICo and shall not be under any obligation or liability to the Golden Shareholder or any other person in respect thereof (**provided that**, prior to the occurrence of a Sponsor Option Termination Event, the foregoing shall be without prejudice to Clause 11.1 (*Security Agent Undertaking*), any right of the Golden Shareholder under the memorandum and articles of association of any BVI Entity or a MacauCo or the Preference Holder under any Preference Right Agreement); and

(b) SCH2 to be purchased pursuant to a Route B MacauCo Termination Notice delivered in accordance with Clause 15.2.3(c)(ii) is continuing on the Route B MacauCo IE Completion Date (or such other date as may have been agreed between the Security Agent and the Golden Shareholder, as contemplated in Clause 15.2.10(b)(i)), then the Security Agent shall not be obliged to sell on the relevant completion date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any share of SCH2 and shall not be under any obligation to the Golden Shareholder or any other person in respect of each such sale thereof (**provided that**, prior to the occurrence of a Sponsor Option Termination Event, the foregoing shall be without prejudice to Clause 11.1 (*Security Agent Undertaking*), any right of the Golden Shareholder under the memorandum and articles of association of any BVI Entity or a MacauCo or the Preference Holder under any Preference Right Agreement).

15.2.12 A Route B SCH2 Termination Notice shall be in writing, signed on behalf of the Golden Shareholder and shall state that it constitutes (and it shall constitute):

(a) the Golden Shareholder’s:

(i) unconditional undertaking (subject to the sale and delivery by the Security Agent of the BVICo Shares) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in the Route B SCH2 Termination Notice of) the BVICo Shares (including, without limitation, (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of all of the Route B BVICo Purchase Prices) as may be required to complete a purchase of the BVICo Shares) on the date falling five Business Days after the delivery of the Route B SCH2 Termination Notice (such date being the “**Route B SCH2 IE Completion Date**”) (or such other date as may be agreed between the Security Agent and the Golden Shareholder);

(ii) unconditional undertaking (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the respective Route B BVICo Purchase Prices) as may be required to complete a purchase of the BVICo Shares; and

(iii) irrevocable (x) waiver (effective immediately prior to, and conditional on, the completion of such purchase) of all of the provisions of Articles 6.2 to 6.13 of the articles of association of each BVICo and (y) undertaking to execute all such documents and do all such things as may be required to give effect to such waiver; or

(b) the Golden Shareholder's:

(i) unconditional undertaking (subject to the sale and delivery by the Security Agent of the MacauCo Shares) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in the Route B SCH2 Termination Notice of) the MacauCo Shares (including, without limitation, (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of all of the Route B MacauCo Purchase Prices) as may be required to complete a purchase of the MacauCo Shares) on the Route B SCH2 IE Completion Date (or such other date as may be agreed between the Security Agent and the Golden Shareholder); and

(ii) unconditional undertaking (at its own cost) to execute all such documents and do all such things (including, without limitation, payment of the respective Route B MacauCo Purchase Prices) as may be required to complete a purchase of the MacauCo Shares at their respective Route B MacauCo Purchase Prices.

15.2.13 If the Route B SCH2 Termination Notice shall have:

(a) been delivered in accordance with Clause 15.2.3(b); and

(b) satisfied the requirements of Clause 15.2.12(a),

then:

(i) the Golden Shareholder shall be bound (against the sale and delivery by the Security Agent of the BVICo Shares on the Route B SCH2 IE Completion Date) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in the Route B SCH2 Termination Notice of) the BVICo Shares (including, without limitation, to execute all such documents and do all such things (including, without limitation, payment of all of the Route B BVICo Purchase Prices) as may be required to complete a purchase of the BVICo Shares) on the Route B SCH2 IE Completion Date (or such other date as may be agreed between the Security Agent and the Golden Shareholder); and

(ii) subject to Clause 15.2.15, the Security Agent shall sell (without any representation or warranty from any Secured Party) the BVICo Shares to the Golden Shareholder (or such Sponsor Affiliate or other nominee) on the Route B SCH2 IE Completion Date (or such other date as is referred to in Clause 15.2.12) against performance by the Golden Shareholder of the undertaking referred to in Clause 15.2.12(a).

15.2.14 If the Route B SCH2 Termination Notice shall have:

(a) been delivered in accordance with Clause 15.2.13(b); and

(b) satisfied the requirements of Clause 15.2.12(b),

then:

(i) the Golden Shareholder shall be bound (against the sale and delivery by the Security Agent of the MacauCo Shares on the Route B SCH2 IE Completion Date) to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in the Route B MacauCo Termination Notice of) the MacauCo Shares (including, without limitation, to execute all such documents and do all such things (including, without limitation, payment of all of the Route B MacauCo Purchase Prices) as may be required to complete a purchase of the MacauCo Shares on the Route B SCH2 IE Completion Date (or such other date as may be agreed between the Security Agent and the Golden Shareholder); and

(ii) subject to Clause 15.2.15, the Security Agent shall sell (without any representation or warranty from any Secured Party) the MacauCo Shares to the Golden Shareholder (or such Sponsor Affiliate or other nominee) on the Route B SCH2 IE Completion Date (or such other date as is referred to in Clause 15.2.14(b)(i)) against performance by the Golden Shareholder of the undertaking referred to in Clause 15.2.12(b).

15.2.15 If an Intervening Event in respect of a share (other than any Golden Share) of:

(a) a BVICo to be purchased pursuant to a Route B SCH2 Termination Notice delivered in accordance with Clause 15.2.3(b) is continuing on the Route B SCH2 IE Completion Date (or such other date as may have been agreed between the Security Agent and the Golden Shareholder, as contemplated in Clause 15.2.13(b)(i)), then:

(i) the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder

and the Security Agent) any Affected BVICo Share and shall not be under any obligation to the Golden Shareholder or any other person in respect of such sale thereof; and

(ii) the Golden Shareholder shall be obliged to purchase the BVICo Shares (other than any Affected BVICo Share) in accordance with Clause 15.2.13(b)(i) and the Route B BVICo Purchase Price in respect of each Affected BVICo shall be added to the Route B BVICo Purchase Price in respect of each BVICo that is not an Affected BVICo (*pro rata* to the Route B BVICo Purchase Prices in respect of the shares of each such BVICo, if more than one, unless the Golden Shareholder shall on or prior to the Route B SCH2 IE Completion Date have notified the Security Agent in writing of an alternative basis for allocation, in which case, in accordance with such alternative basis) unless on the Route B SCH2 IE Completion Date the Golden Shareholder shall have delivered to the Security Agent an IE Stop Notice. If the Golden Shareholder delivers an IE Stop Notice to the Security Agent on or prior to such date, then the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any share of a BVICo and shall not be under any obligation or liability to the Golden Shareholder or any other person in respect of each such sale thereof (**provided that**, prior to the occurrence of a Sponsor Option Termination Event, the foregoing shall be without prejudice to Clause 11.1 (*Security Agent Undertaking*), any right of the Golden Shareholder under the memorandum and articles of association of any BVI Entity or a MacauCo or the Preference Holder under any Preference Right Agreement); and

(b) a MacauCo to be purchased pursuant to a Route B SCH2 Termination Notice delivered in accordance with Clause 15.2.2(b) is continuing on the Route B SCH2 IE Completion Date (or such other date as may have been agreed between the Security Agent and the Golden Shareholder, as contemplated in Clause 15.2.14(b)(i)), then:

(i) the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any Affected MacauCo and shall not be under any obligation to the Golden Shareholder or any other person in respect of such sale thereof; and

(ii) the Golden Shareholder shall be obliged to purchase the MacauCo Shares (other than any Affected MacauCo Share) in accordance with Clause 15.2.14(b)(i) above and the Route B MacauCo Purchase Price in respect of each Affected MacauCo shall be added to the Route B MacauCo Purchase Price in respect of each MacauCo that is not an Affected MacauCo (*pro rata* to the Route B MacauCo Purchase Prices

in respect of the shares of each such MacauCo, if more than one, unless the Golden Shareholder shall on or prior to the Route B SCH2 IE Completion Date have notified the Security Agent in writing of an alternative basis for allocation, in which case, in accordance with such alternative basis) unless on the Route B SCH2 IE Completion Date the Golden Shareholder shall have delivered to the Security Agent an IE Stop Notice. If the Golden Shareholder delivers an IE Stop Notice to the Security Agent on or prior to such date, then the Security Agent shall not be obliged to sell on such date (or any other date unless agreed between the Golden Shareholder and the Security Agent) any share of a MacauCo and shall not be under any obligation or liability to the Golden Shareholder or any other person in respect of each such sale thereof (**provided that**, prior to the occurrence of a Sponsor Option Termination Event, the foregoing shall be without prejudice to Clause 11.1, any right of the Golden Shareholder under the memorandum and articles of association of any BVI Entity or a MacauCo or the Preference Holder under any Preference Right Agreement).

## 16. PREFERENCE RIGHTS

### 16.1 Grant of MacauCo Preference Rights

16.1.1 Notwithstanding the provisions of any other Finance Document, each Macau Obligor may:

(a) enter into agreements with the Preference Holder (and may grant the preference rights in respect of its assets to the extent expressly provided for thereunder in form and substance substantially similar to those set out in Schedule 6 (*Forms of MacauCo Preference Right Agreements*) hereto;

(b) take such actions (if any) necessary to perfect each such right, including the making of any filings or registrations, the execution and delivery of any necessary documents or instruments,

**provided that**:

(i) there shall be delivered to the Agent a certified copy of each such agreement promptly following execution of the same; and

(ii) the Preference Holder shall (and the Borrower shall procure that the Preference Holder shall) promptly on (and in any event within five Business Days of) any Preference Right being granted to it:

(A) deliver to the Security Agent an original of each duly executed and delivered Power of Attorney (notarised if applicable); and

(B) grant fixed charge security over its right under, title to and interest in the relevant Preference Right Agreement and Preference Rights thereunder or pursuant thereto and floating charge security over all its assets in favour of the Security Agent pursuant to a Debenture.

16.2 **Transfers by the Preference Holder of Preference Rights**

16.2.1 The Preference Holder shall not transfer or assign any of its rights or title to or interest in a Preference Right Agreement unless:

(a) no Event of Default is continuing at the time of such transfer or assignment;

(b) the transfer or assignment is of all of the Preference Rights under each Preference Right Agreement to another Sponsor Affiliate, and such Sponsor Affiliate is a company incorporated in the British Virgin Islands, the Cayman Islands, Hong Kong or England;

(c) the transferee or assignee shall have delivered to the Security Agent an original of each duly executed and delivered Power of Attorney (notarised if applicable);

(d) on the completion of such transfer or assignment, the transferee shall have granted fixed charge security over its right under, title to and interest in the relevant Preference Right Agreement and Preference Rights thereunder or pursuant thereto and floating charge security over all its assets in favour of the Security Agent pursuant to a Debenture; and

(e) the requirements of Clause 16.2.2 are satisfied.

16.2.2 The Preference Holder shall not transfer or assign any of its Preference Rights to any person unless such person, at the same time as or prior to such transfer or assignment, has acceded to, and undertakes to the other parties to this Agreement that it shall be bound by (in each case on terms reasonably satisfactory to the Agent), (and the other parties to this Agreement agree that it shall enjoy rights under, and undertake to it that they shall be bound by), the provisions of this Agreement (including, without limitation, this Clause 16.2) as if it were the Preference Holder and this Agreement shall apply between it and the other parties accordingly.

16.2.3 The Preference Holder acknowledges that the Preference Rights may not be transferred or assigned otherwise than in accordance with this Agreement.

16.3 **Exercise of Preference Rights**

16.3.1 Each of the Golden Shareholder and the Preference Holder undertakes to the Security Agent that it shall not (and the Borrower undertakes to the Security Agent to procure that neither the Golden Shareholder nor the Preference Holder shall) exercise any of its Preference Rights and/or deliver an Asset Acceptance Notice and/or exercise any special pre-emptive right under the articles of association a Macau Company) (if applicable) in respect of the sale or disposal to a buyer of any item of Charged Property subject, or as the case may be, applicable thereto or otherwise affected thereby (such item of Charged Property being the "**Relevant Asset**") if:

(a) in respect of any sale or disposal which is conducted otherwise than pursuant to any court or judicial proceeding in the Macau SAR, the Security Agent has delivered an Asset Transfer Notice which specifies a named person (the "**bidder**") as the Relevant Asset Buyer and, after the Preference Holder has made reasonable efforts to investigate whether, as at the date of such proposed sale or disposal (x) such bidder is or is controlled by a Competitor; or (y) such bidder or any direct or indirect material shareholder thereof has any present intention to on-sell its interest in the Relevant Asset or the bidder to a Competitor or any entity controlled by a Competitor and based on the results of such investigation, the Preference Holder is reasonably satisfied:

(i) the bidder is not, and is not controlled by, a Competitor; or

(ii) neither the bidder nor any direct or indirect material shareholder thereof has any present intent to on-sell its interest in the Project or the bidder to a Competitor or any entity controlled by a Competitor.

(b) in respect of any sale or disposal which is conducted pursuant to any court or judicial proceeding in the Macau SAR, the proposed buyer of the Relevant Asset is:

(i) not a Competitor; or

(ii) any person who, after the Preference Holder has made reasonable efforts to investigate whether, as at the date of such proposed sale or disposal (x) such proposed buyer is or is controlled by a Competitor; or (y) such proposed buyer or any direct or indirect material shareholder thereof has any present intention to on-sell its interest in the Relevant Asset or such proposed buyer to a Competitor or any entity controlled by a Competitor and based on the results of such investigation, the Preference Holder is reasonably satisfied:

(A) the proposed buyer is not, and is not controlled by, a Competitor; or

(B) neither such proposed buyer nor any direct or indirect material shareholder thereof has any present intent to on-sell its interest in the Project or such proposed buyer to a Competitor or any entity controlled by a Competitor.

16.4 **Asset Sales by Security Agent**

16.4.1 Subject to Clause 11.1 (*Security Agent Undertaking*), the Security Agent shall give notice in writing to the Preference Holder (each such written notice being an "**Asset Transfer Notice**") if it wishes prior to the occurrence of a Sponsor Option Termination Event and otherwise than pursuant to any court or judicial proceeding in the Macau SAR:

(a) to sell or otherwise dispose;

(b) to procure the sale or disposal; or

(c) to procure the sale or disposal by any Obligor or Grantor,

of any Charged Property which is the subject of a Preference Right (other than any Charged Property which is the subject of any other sale pursuant to or contemplated by this Agreement).

16.4.2 Each Asset Transfer Notice shall:

(a) set out:

(i) a description of the item(s) of Charged Property proposed to be sold (the "**Sale Assets**");

(ii) the name of the proposed buyer (the "**Asset Buyer**");

(iii) the proposed purchase price (in US dollars cash) (the "**Asset Transfer Price**"); and

(iv) details of the bank account (the "**Asset Purchase Account**") into which the Asset Transfer Price is to be paid,

and incorporate a statement that either:

(A) the relevant Asset Transfer Price is not greater than the amount of US dollars cash proposed to be paid by the relevant Asset Buyer in respect of a sale of the Sale Assets at closing of such sale of the Sale Assets; or

(B) the Asset Transfer Price is not greater than the equivalent of the consideration proposed to be provided by the Asset Buyer in respect of a sale of the Sale Assets, as stated in the Expert Asset Transfer Statement; and

(b) if sub-paragraph (B) of paragraph (a) above shall apply, be accompanied by a copy of an Expert Asset Transfer Statement in relation thereto; and

(c) constitute an offer by the Security Agent to sell the Sale Assets to the Preference Holder at the Asset Transfer Price.

16.4.3 The Security Agent shall deliver to the Preference Holder an Expert Asset Sale Statement prior to the completion of any sale or disposal to the relevant Asset Buyer of any Sale Assets which (a) takes place prior to the occurrence of a Sponsor Option Termination Event and (b) is conducted otherwise than pursuant to any court or judicial proceeding in the Macau SAR.

16.4.4 The Preference Holder may accept the offer (as referred to in Clause 16.4.2(c)) by the Security Agent to sell the Sale Assets specified in the relevant Asset Transfer Notice by delivering to the Security Agent a written notice (an "**Asset Acceptance Notice**") signed by the Preference Holder prior to the earlier of (x) the occurrence of any Sponsor Option Termination Event and (y) the date (such date being the "**Asset Acceptance Expiry Date**") falling 10 Business Days after the date of the relevant Asset Transfer Notice.

16.4.5 The delivery of an Asset Acceptance Notice by the Preference Holder:

(a) constitutes an unconditional undertaking (subject to the sale and delivery by the Security Agent of the Sale Assets on the Asset Purchase Completion Date) by the Preference Holder to complete the purchase of (or procure the completion of the purchase by the Sponsor Affiliate or other nominee specified in such Asset Acceptance Notice of) the Sale Assets (including, without limitation, (at its own cost) to execute all such documents and do all such things (including, without limitation, payment to the Asset Purchase Account of an amount equal to the Asset Consideration) as may be required to complete a purchase of the Sale Assets) on the date falling five Business Days after the delivery of the Asset Acceptance Notice (such date being the "**Asset Purchase Completion Date**") (or such other date as may be agreed between the Security Agent and the Preference Holder); and

(b) subject to Clause 16.4.6, shall oblige the Security Agent to sell (without any representation or warranty from any Secured Party) the Sale Assets on the Asset Purchase Completion Date (or such other date as is referred to in Clause 16.4.5(a)) against performance by the Preference Holder of the undertaking referred to in Clause 16.4.5(a).

16.4.6 If an Intervening Event in respect of any Sale Asset is continuing on the Asset Purchase Completion Date (or such other date as may have been agreed between the Security Agent and the Preference Holder, as contemplated in Clauses 16.4.5(a), then the Security Agent shall not be obliged to sell any Sale Assets on such Asset Purchase Completion Date (or any other date unless agreed in writing between the Preference Holder and the Security Agent) and shall not be under any obligation to the Preference Holder or any other person in respect of such sale thereof (**provided that** the foregoing shall be without prejudice to Clause 11.1 (*Security Agent Undertaking*)).

16.5 **Individual Preference Right Termination**

16.5.1 If at any time a Secured Party, by the enforcement of Transaction Security:

(a) sells or otherwise disposes;

(b) procures any sale or disposal on its behalf; or

(c) procures any Obligor or Grantor to sell or otherwise dispose,

of:

(i) any asset (including any share) which is subject to one or more Preference Rights (an “**Affected Asset**”) to a person other than the Preference Holder (or a Sponsor Affiliate); or

(ii) shares (other than any Golden Share) of the company or companies (or the Holding Company or Holding Companies of such company or companies) that owns or, as the case may be, own any Affected Asset to a person other than the Golden Shareholder, the Preference Holder, a Sponsor Affiliate or a nominee of any of the foregoing,

in each case where such sale or disposal is made in accordance with the terms of this Agreement, the memorandum and/or articles of association of such company or companies or the Preference Right Agreement and the other Finance Documents, then the Preference Holder:

(A) releases and waives (and shall release and waive) all of its Preference Rights in respect of such Affected Asset (effective immediately prior to, and conditional on, the completion of the relevant sale or disposal); and

(B) undertakes to execute and deliver all such documents and do all such things as may be necessary to give effect to such release and waiver.

16.5.2 If the Preference Holder fails to deliver on or prior to the applicable Asset Acceptance Expiry Date an Asset Acceptance Notice in respect of an Asset Transfer Notice, then the Preference Holder:

(a) releases and waives (and shall release and waive) all of its Preference Rights in respect of the Sale Assets specified in such Asset Transfer Notice (effective immediately prior to, and conditional on, the completion of the relevant sale or disposal);

(b) undertakes to execute and deliver all such documents and do all such things as may be necessary to give effect to such release and waiver.

16.5.3 Following the completion of any sale or disposal described in Clauses 16.5.1(c)(i) or 16.5.1(c)(ii) or 16.5.2 then:

(a) the Preference Holder shall not be entitled pursuant to this Agreement or any other agreement between the Preference Holder and the Security Agent (but without prejudice to any of the rights of the Preference Holder under applicable law) to direct, condition or restrict the enforcement of or the manner of enforcement of any Transaction Security in respect of any such Affected Asset or any such Sale Asset or the sale or other disposal of any such Affected Asset or any such Sale Asset howsoever; and

(b) the Security Agent, any Receiver and any Delegate shall be entitled (but without prejudice to any of the rights of the Preference Holder under applicable law) free from any condition or restriction pursuant to this Agreement or any other agreement between the Preference Holder and the Security Agent to enforce any of Transaction Security in respect of any such Affected Asset or any such Sale Asset as it or he may in its or his sole discretion determine and in such manner as it or he sees fit in its or his sole discretion.

16.6 **No Macau establishment**

The Preference Holder shall not (and the Borrower shall procure that the Preference Holder shall not), so long as any Secured Obligation is outstanding, establish, open or form in the Macau SAR a branch, agency, representation office, registered office, principal office or main place of business which might, in each case, cause the provisions of Article 20(b) or 16(m) of the Macau Code of Civil Procedure (approved by decree law no. 55/99/M) to apply to the Preference Holder.

16.7 **Macau SAR Court Sale**

Subject to Clause 16.3.1(b), in respect of any sale or disposal which is conducted pursuant to any court or judicial proceedings in the Macau SAR, the Preference Holder may exercise its Preference Rights in accordance with applicable law.

17. **OBLIGOR ACKNOWLEDGEMENT**

17.1 Each MacauCo hereby acknowledges that the Golden Shareholder (and, if the requirements of Clause 17.2 are satisfied, any delegate or nominee on behalf of the

Golden Shareholder) may (and authorises the Golden Shareholder and any such delegate or nominee to) pay or discharge on behalf of such MacauCo (and hereby consents to such payment or discharge) any liability, claim or any other amount owed or payable by such MacauCo to any third party (including in court proceedings in the Macau SAR) and undertakes to provide the Golden Shareholder and any such delegate or nominee with a power of attorney with such powers.

17.2 No MacauCo shall permit any delegate or nominee of the Golden Shareholder to make any payment or make any discharge contemplated by Clause 17.1 unless, at the same time as or prior to the making of such payment or discharge, such delegate or nominee has provided an undertaking in favour of the Secured Parties on substantially the same terms as Clause 18 (as if references to the Golden Shareholder in the definition of Subordinated IE Obligations were references to such delegate or nominee).

17.3 Each party to this Agreement hereby acknowledges and agrees that each of Studio City Hotels and Studio City Developments is a party to this Agreement only for the purposes of providing the acknowledgement and agreements set out in this Clause 17.

## 18. SUBORDINATION OF THE GOLDEN SHAREHOLDER'S CLAIMS

### 18.1 IE Subordination Generally

18.1.1 Except as otherwise provided herein, the Golden Shareholder agrees that, so long as any Secured Obligation is outstanding, the Subordinated IE Obligations and the claims of each Obligor (whether in respect of principal, interest or otherwise including, without limitation, consequential damages for breach) in respect of the Subordinated IE Obligations shall be subordinated to the Secured Obligations and postponed to the claims of the Secured Parties in respect thereof.

18.1.2 The Golden Shareholder and the Borrower hereby covenant and undertake with the Security Agent and agree and acknowledge that (save as otherwise permitted in accordance with the terms of the Finance Documents and this Agreement), so long as any Secured Obligation is outstanding:

(a) no Subordinated IE Obligation (nor any part thereof) other than a Permitted Subordinated IE Obligation shall be payable or repayable, paid or repaid, **provided that** the Subordinated IE Obligations may accrue interest in accordance with their terms;

(b) no Subordinated IE Obligation (nor any part thereof) shall be secured by any Security;

(c) the Golden Shareholder shall not (without the prior written consent of the Security Agent):

(i) exercise, enforce or seek to exercise or enforce any monetary right or remedy which it may have against any Obligor (including the taking of any steps to enforce or require the enforcement of any Security or suing for, commencing or

joining any legal or arbitration proceedings against any Obligor for payment) in respect of any or all of the Subordinated IE Obligations;

(ii) (x) demand, accelerate, sue or prove for, or demand any distribution in respect of or on account of, or (y) receive or retain payment of, any Subordinated IE Obligation in cash or in kind from any person;

(iii) amend, vary or cancel (or agree to any amendment, variation or cancellation of) so as to make more onerous (or otherwise adversely affect the interests of the Secured Parties) the terms on which any of the Subordinated IE Obligations is or continues to be or may become owing to the Company (save as permitted pursuant to this Agreement);

(iv) enter into any composition, assignment or arrangement with an Obligor, solely in respect of its Subordinated IE Obligations;

(v) petition, apply or vote for, or take any other step (including, but not limited to, the appointment of any liquidator, receiver, administrator or similar officer) in relation to, the winding-up, dissolution, administration or reorganisation of an Obligor or any suspension of payments or moratorium of any indebtedness of an Obligor or any analogous procedure or step in any jurisdiction;

(vi) exercise any right to be indemnified or otherwise assured against loss or claim under or in relation to any guarantee, in each case in respect of any or all of the Subordinated IE Obligations; or

(vii) take the benefit of any Security or the benefit (in whole or in part and whether by subrogation or otherwise) of any rights of any Secured Party or any other Security taken pursuant to, or in connection with, any Finance Document by any Secured Party, in each case in respect of any or all of the Subordinated IE Obligations; and

(d) neither the Golden Shareholder or the Borrower shall (and the Borrower shall ensure that no other Obligor shall) have or claim any right of set-off, deduction or counterclaim in respect of any or all of the Subordinated IE Obligations, and each of the Golden Shareholder and the Borrower agree that none of them shall (and the Borrower shall ensure that no other Obligor shall) exercise any such right which it may otherwise have in relation to the Subordinated IE Obligations.

18.1.3 If, notwithstanding the provisions of Clauses 18.1.1 or 18.1.2, any amounts, benefits, moneys, proceeds or distributions in respect of any or all of the Subordinated IE Obligations shall be received or recovered by the Golden

Shareholder at a time when any of the Secured Obligations is outstanding (other than as permitted by the Finance Documents or this Agreement) then, the Golden Shareholder shall forthwith pay and/or transfer that receipt or recovery (or an amount equal thereto) to the Security Agent for application in accordance with the Finance Documents.

18.2 **IE Subordination in Insolvency**

18.2.1 Without prejudice to the provisions of Clause 18.1.1, if an Insolvency Event occurs and is continuing in relation to an Obligor, then the Subordinated IE Obligations owing by such Obligor shall be subordinated in right of payment to the Secured Obligations.

18.2.2 Without prejudice to the provisions of Clause 18.1 (*IE Subordination Generally*), in any of the circumstances referred to in Clause 18.2.1, the Golden Shareholder shall cooperate with the Security Agent to preserve, and shall take such steps as the Security Agent may reasonably require for the preservation of, the subordination (in respect of the Subordinated IE Obligations in relation to the Golden Shareholder) effected or contemplated by this Agreement, failing which the Security Agent may, and is irrevocably authorised on behalf of the Golden Shareholder to:

(a) claim, enforce and prove for the Subordinated IE Obligations or any part thereof;

(b) file claims and proofs, give receipt and take all such proceedings and do all such things as the Security Agent sees fit to recover any amount outstanding in respect of the Subordinated IE Obligations or any part thereof; and

(c) receive all distributions in respect of the Subordinated IE Obligations and upon such receipt, pay and/or transfer such amounts into any suspense or impersonal account (which is interest-bearing **provided that** there is no tax liability on the Security Agent with respect to any interest in such account) for so long as the Security Agent shall think fit, pending full discharge of the Secured Obligations, or as otherwise directed by the Finance Parties.

18.2.3 If and to the extent that the Security Agent is not entitled to do any of the things mentioned above in relation to any Subordinated IE Obligations, the Company shall do so in good time and as directed by the Security Agent.

18.2.4 Without prejudice to the provisions of Clause 18.1.3, in any of the circumstances referred to in Clause 18.2.1 and save as permitted under the terms of the Finance Documents and this Agreement, the Company:

(a) expressly undertakes and agrees that it shall not demand or retain payment of any distributions in respect of or on account of any Subordinated IE Obligations until the Secured Parties shall have received payment in full of the Secured Obligations;

(b) acknowledges that any payment and/or distribution in cash or in kind received by it before such time in respect of or on account of any Subordinated IE Obligations shall constitute a breach of this undertaking; and

(c) shall forthwith pay and/or transfer any such payment and/or distribution received by it (or an amount equal thereto) to the Security Agent and the Security Agent shall pay and/or transfer such amounts into any suspense or impersonal account (which is interest-bearing **provided that** there is no tax liability on the Security Agent with respect to any interest in such account) for so long as the Security Agent shall think fit, pending full discharge of the Secured Obligations, or as otherwise directed by the Finance Parties.

18.3 **Undertakings in respect of Subordinated IE Obligations**

18.3.1 The Borrower undertakes that, for so long as any Secured Obligation is outstanding, it will not (and the Borrower shall procure that no Obligor shall) (except as permitted hereunder or otherwise in accordance with the terms of the Finance Documents) without the prior written consent of the Security Agent:

(a) pay, prepay, redeem, purchase or otherwise acquire any of the Subordinated IE Obligations other than a Permitted Subordinated IE Obligation;

(b) create or permit to subsist any Security over any of its assets for, or any guarantee, indemnity or other assurance against loss in respect of, any of the Subordinated IE Obligations;

(c) amend or supplement so as to make it more onerous (or otherwise adversely affect the interests of the Secured Parties) any of the terms on which any of the Subordinated IE Obligations is or continues to be or may become owing to the Golden Shareholder (save as permitted pursuant to this Agreement);

(d) novate, assign or release any of the terms on which any of the Subordinated IE Obligations are or continue to be or may become owing to the Company; or

(e) take or omit any action whereby the subordination contemplated by this Agreement could reasonably be expected to be impaired.

18.3.2 The Golden Shareholder undertakes that, for so long as any Secured Obligation is or may become outstanding, it will not (except as permitted in accordance with the terms of the Finance Documents and this Agreement) without the prior written consent of the Security Agent:

(a) permit or require any Obligor to pay, prepay, redeem, purchase or otherwise acquire any of the Subordinated IE Obligations other than a Permitted Subordinated IE Obligation;

(b) take, accept, demand or receive the benefit of any Security, guarantee, indemnity or other assurance against loss in respect of any of the Subordinated IE Obligations;

(c) agree to any amendment, supplement, novation, assignment or release to or of so as to make more onerous (or otherwise adversely affect the interests of the Secured Parties) any of the terms on which any of the Subordinated IE Obligations is or continues to be or may become owing to it (save as permitted pursuant to this Agreement);

(d) assign, transfer, factor, create or permit to subsist any Security over, or otherwise dispose of, any of its rights in respect of any or all of the Subordinated IE Obligations; or

(e) take or omit to take any action whereby the subordination contemplated by this Agreement could reasonably be expected to be impaired.

## 19. STATEMENT OF SECURED OBLIGATIONS

### 19.1 Initial statement of account

The Agent shall, on the same day as the Security Agent delivers a Transfer Notice or a Sponsor Option Notice, deliver to the Borrower a statement of account (and the Borrower shall forward a copy of such statement of account to the Golden Shareholder and the Preference Holder) which shall state the following:

19.1.1 the aggregate amount of Hedging Liabilities (assuming that the date falling two Business Days prior to the date on which such statement of account is delivered was the early termination date in respect of each hedging transaction under the Hedging Agreements which (x) had not terminated or been terminated prior to such date or (y) did not terminate or was not terminated on such date); and

19.1.2 the aggregate amount of principal, interest, fees, costs and expenses, indemnity claims, default interest and any other amounts payable to the Secured Parties (assuming that the date falling two Business Days prior to the date on which such statement of account is delivered was the date on which the Secured Obligations were to be repaid and/or discharged in full).

### 19.2 Statement of Secured Obligations

The Agent shall, on each Statement Date, deliver to the Borrower a Statement of Secured Obligations (and the Borrower shall forward a copy of such Statement of Secured Obligations to the Golden Shareholder and the Preference Holder).

### 19.3 High Yield Notes

The Borrower shall:

(a) promptly on the written request of the Security Agent; and

(b) on each Statement Date,

notify the Security Agent in writing of the aggregate (x) principal amount outstanding under the High Yield Notes and (y) amount of accrued but unpaid interest in respect of the High Yield Notes as at, in the case of (a) above, the date of such notification from the Borrower and in the case of (b) above, the relevant Statement Date, in each case as calculated by the Paying Agent (as defined in the High Yield Note Indenture). The Security Agent shall be entitled to rely upon such notification and assume that it is correct. If the Borrower shall fail to notify the Security Agent in writing of any amount described above, the Security Agent may itself determine any such amount in such manner as it may consider appropriate in order to produce a commercially reasonable result.

## 20. CONFIDENTIALITY

### 20.1 Confidential Information

Each of the parties to this Agreement (other than the Agent, the Security Agent and the POA Agent) agrees to keep the terms of Clauses 11 to 19 (each inclusive) and each other document or instrument related or connected thereto (except for any such document or instrument which is required by law or any stock exchange to be registered with a government authority or otherwise made available for public inspection) (such terms, in each case, being the "**Confidential Information**") confidential and not to disclose it to anyone, save to the extent permitted by Clause 20.2, and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to its own confidential information.

### 20.2 Disclosure of Confidential Information

20.2.1 Each of the parties to this Agreement (other than the Agent, the Security Agent and the POA Agent) may disclose:

(a) to any of its Affiliates and any of its or their officers, directors, employees, professional advisers, Representatives and auditors such Confidential Information as that party shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph (a) is informed in writing of its confidential nature except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information; and

(b) to any person:

(i) to the extent required by law or regulation or order of a court or regulatory body (including any stock exchange, securities exchange or Macau gaming regulatory authority), or pursuant to government action, regulatory requirement or request, or necessary in the view of the disclosing person to seek to establish any defence or pursue any claim in any legal, arbitration or regulatory proceeding or investigation or otherwise to comply with its own regulatory obligations

(ii) to the extent that the Confidential Information is in or subsequently enters the public domain other than as a consequence of breach of any undertaking under this Agreement by any party hereto (other than the Agent, the Security Agent or the POA Agent);

(iii) for the purpose of and in any offering memorandum (or equivalent document) and marketing materials in relation to the High Yield Notes or any debt or equity issuance of MCE or Studio City International Holdings Limited, to the extent such Confidential Information is (1) required to be disclosed by law, regulation or any applicable regulatory body (including any stock exchange) and/or (2) customarily required to be disclosed in issuances of such type;

(iv) who is a party to this Agreement; or

(v) with the prior written consent of the Agent;

(c) to the extent necessary, to the Macau authorities (including any relevant gaming authority); and

(d) to The Stock Exchange of Hong Kong Limited and/or any other applicable stock exchange **provided that** (A) the terms of (and content of) such disclosure (including, without limitation, in any announcement in respect of this Agreement) are customarily disclosed in disclosure of similar nature,

**provided that**, in the case of b(i), (c) and (d), (x) the disclosing party shall give the Agent reasonable prior notice of any intended disclosure pursuant to the foregoing to the extent practicable to give prior notice (or, if not practicable, promptly after such disclosure), in each case to the extent that the giving of such prior notice (or, as the case may be, subsequent notice) is not contrary to the requirements of any applicable law, stock exchange or government or other regulatory authority and (y) the disclosing party shall, if requested by the Agent and to the extent reasonably practicable, take into account the comments of the Agent.

20.2.2 Each of the parties to this Agreement (other than the Agent, the Security Agent and the POA Agent) shall take all reasonable steps to (x) ensure that their respective directors, officers, employees, agents shall keep and (y) request their accountants, attorneys and other advisers to keep such terms and conditions confidential on the foregoing basis.

20.2.3 The Agent (on behalf of each Finance Party) agrees that each of the Golden Shareholder and the Preference Holder may take the benefit of the provisions of clause 44 (*Confidentiality*) of the Facilities Agreement to the same extent as if it were an Obligor.

## 21. PAYMENT INSTRUCTIONS

If instructed to do so in writing by an Obligor and if provided with the information required to make such payment, the Security Agent shall (to the extent permitted by applicable law) promptly pay to the person or persons specified in such written instruction all Excess Proceeds. The Security Agent will have no liability or obligation to any person in respect of such Excess Proceeds (including, without limitation, for acting in accordance with such instruction) other than as set forth herein.

## 22. CHANGES TO THE PARTIES

### 22.1 The Security Agent, the Agent and the POA Agent

The Security Agent, the Agent and the POA Agent may each assign and transfer all of their respective rights and obligations under this Agreement to a replacement Security Agent, the Agent and POA Agent (as applicable) appointed in accordance with the terms of the Finance Documents.

### 22.2 The Company and Studio City Entertainment

Neither the Company nor Studio City Entertainment may assign, transfer, novate or dispose of any of its rights or obligations under this Agreement without the prior written consent of the Security Agent (acting on behalf of itself and the other Secured Parties party to this Agreement).

### 22.3 The Secured Parties

The Company and Studio City Entertainment irrevocably and unconditionally confirms that:

(a) it consents to the transfer by any Secured Party (including by the Security Agent, the Agent and the POA Agent under Clause 22.1 (*The Security Agent, the Agent and the POA Agent*)) of that Secured Party's rights or obligations in accordance with the Finance Documents;

(b) it shall continue to be bound by the terms of this Agreement, notwithstanding the transfer by any Secured Party of any of its rights or obligations in accordance with the Finance Documents; and

(c) the transferee of any Secured Party shall (through the Security Agent) acquire an interest in this Agreement upon the transfer taking effect.

## 23. REMEDIES AND WAIVERS AND PARTIAL INVALIDITY

### 23.1 Remedies and Waivers

No failure to exercise, nor any delay in exercising, on the part of the Security Agent of any right or remedy under this Agreement shall operate as a waiver hereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise hereof or the exercise of any other right or remedy. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.

23.2 **Partial Invalidity**

If, at any time, any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provision hereof nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

## 24. NOTICES

24.1 **Communications in writing**

Any communication to be made under or in connection with this Agreement shall be made in writing but, unless otherwise stated, may be made by fax or letter.

24.2 **Addresses**

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this Agreement is identified with its signature below, or any substitute address, fax number or department or officer as the party may notify to the other party by not less than 10 Business Days' notice.

24.3 **Delivery**

Any communication or document made or delivered by one person to another under or in connection with this Agreement shall only be effective:

(a) if delivered personally or by overnight courier, when left at the relevant address;

(b) if by way of fax, immediately after confirmation of transmission; or

(c) if by way of letter, when it has been left at the relevant address or 5 Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 24.2 (*Addresses*), if addressed to that department or officer.

## 25. SECURITY AGENT, AGENT AND POA AGENT'S ACKNOWLEDGEMENT

The Security Agent, the Agent and POA Agent each acknowledge and agree that the terms of this Agreement are binding upon each of them (including, but not limited to, those terms governing the enforcement of any Transaction Security Document).

26. **FURTHER ASSURANCE**

Each of Studio City Entertainment and the Company shall promptly, at the cost of Studio City Entertainment, do all such acts or execute and cause each of their successors to execute all such documents as the Security Agent may reasonably require it to do in order to bind them and their successors under this Agreement and to give the Secured Parties the full benefit of this Agreement **provided that** all such requirements must be consistent with the terms and provisions of the Direct Agreements.

27. **GOVERNING LAW AND JURISDICTION**

27.1 This Agreement is governed by the laws of the Macau SAR.

27.2 The parties hereto irrevocably and unconditionally submit to the exclusive jurisdiction of the courts of the Macau SAR.

28. **OVERRIDE**

The parties hereto agree that:

28.1.1 any reference to a Reimbursement Agreement Direct Agreement in the Facilities Agreement shall be a reference to the Services and Right to Use Direct Agreement and the Reimbursement Agreement Direct Agreement shall be taken to be comprised in and forms part of this Agreement; and

28.1.2 paragraph 4.2 (*Reimbursement Agreement*) of schedule 7 (*Accounts*) to the Facilities Agreement shall be deleted in its entirety and replaced with the following:

"**4.2 Reimbursement Agreement**

Each Obligor shall ensure that all amounts which Melco Crown Gaming is entitled to receive as any Operator's Consideration (less the amounts attributable to Rent) under (and in each case as defined in) the Services and Right to Use Agreement, as supplemented by the Services and Right to Use Direct Agreement, shall be transferred to or otherwise be available to be applied from the Trust Account (as defined in the Services and Right to Use Agreement) on a monthly basis for application in the manner prescribed by the Services and Right to Use Agreement and if relevant, as amended by the Services and Right to Use Direct Agreement."

28.1.3 the giving by the Company of a notification of its intention to terminate the Services and Right to Use Agreement to the Security Agent notwithstanding that such notification of the Company's intention to terminate shall have no effect, other than for the purpose of the "Funding Date" definition of this Agreement, shall constitute an immediate Event of Default under the Facilities Agreement and as such, the following shall be added as a new paragraph 26 of part I of schedule 9 (*Events of Default and Review Events*) of the Facilities Agreement:

“**26 Melco Crown Gaming Notification**

Melco Crown Gaming notifies the Security Agent in writing of its intention to terminate the Services and Right to Use Agreement (whether or not any such notification has any effect on the “Funding Date” definition of the Services and Right to Use Direct Agreement).”

## 29. SURVIVING PROVISIONS

29.1.1 Following an SCE Sale, the following provisions shall continue to be in full force and effect until the date of termination of the Services and Right to Use Agreement in accordance with its terms and the terms of this Agreement:

(a) Clause 3.2.10 (and any definitions used therein) (other than the proviso after paragraph (c) thereto starting with the words “other than (until such time as an SCE Sale has occurred” and ending with the words “….of Change of Control in the Facilities Agreement.”); and

(b) Clause 3.2.12 (and any definitions used therein).

29.1.2 The provisions of Clauses 11 (*Secured Parties’ Enforcement Action*) to Clause 19 (*Statement of Secured Obligations*) and Clause 21 (*Payment Instructions*) (and any definitions used therein) shall, in each case, continue in full force and effect until the earliest of:

(a) the first date on which no Secured Obligations are outstanding; and

(b) the occurrence of a Sponsor Option Termination Event.

29.1.3 The provisions of Clause 20 (*Confidentiality*) shall cease to be in full force and effect on the first date on which no Finance Party is under any obligation under or pursuant to clause 44 (*Confidentiality*) of the Facilities Agreement.

**SCHEDULE 1**
**BUYER INFORMATION REQUEST**

From: [Security Agent (or person acting on its behalf)] (“**Requesting Party**”)

To: [Insert name of Relevant Buyer] (“**Confirming Party**”)

Date: [•] 20[•]

Dear Sirs

Please complete the enclosed copy of this notice by **TICKING THE APPLICABLE RESPONSE BELOW**, signing and dating the notice where indicated below and return to us promptly (and, in any event on or prior to [*insert date that is 7 days from (but excluding) the date of this Buyer Information Request*] (the “**Response Date**”) a scanned copy of such completed, signed and dated copy of this notice using the contact details specified below.

Yours faithfully

[*Security Agent*]

[*Contact details*]

**PLEASE TICK ONE OF THE FOLLOWING:**

☐ OPTION A: The Confirming Party is controlled by a Competitor*.

☐ OPTION B: The Confirming Party is not controlled by a Competitor*.

☐ OPTION C: The Confirming Party opts not to respond by Option A or Option B above.

For and on behalf of

[***Insert name of Confirming Party***]

______________________________________________
Signature:

Print Name:

Date:

* In this Buyer Information Request:

“**Affiliate**” means, in relation to any person, any other person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such person. For purposes of this definition, “**control**” means, in relation to a person, the

power, directly or indirectly, to (a) vote 20 per cent. or more of the shares or other securities having ordinary voting power for the election of the board of directors (or persons performing similar functions) of such person or (b) direct or cause the direction of the management and policies of such person, whether by contract or otherwise.

"**Capital Stock**" means any and all shares, interest, participations or other equivalents (howsoever designated) of capital stock of a corporation, any and all classes of membership interests in a limited liability company, any and all classes of partnership interests in a partnership, any and all equivalent ownership interests in a person and any and all agreements, warrants, rights or options to acquire any of the foregoing.

"**Competitor**" means any of the following:

(a) Genting Berhad;

(b) Mr Lim Kok Thay and his Related Parties;

(c) Caesars Entertainment Corporation;

(d) any Subsidiary of any one or (if interests held by (a), (b), and (c) above were combined and as if any individual were a company or corporation) more of the above;

(e) any Affiliate of any one or (if interests held by (a), (b), and (c) above were combined and as if any individual were a company or corporation) more of the above which is controlled (as defined in the definition of "Affiliate") by any one or (if interests held by (a), (b), and (c) above were combined) more of the above; and/or

(f) any trust, fund or other entity controlled (as defined in the definition of "Affiliate") by any one (if interests held by (a), (b), and (c) above were combined and as if any individual were a company or corporation) more of the above.

"**Subsidiary**" means in relation to any company or corporation, a company or corporation:

(a) which is controlled, directly or indirectly, by the first mentioned company or corporation;

(b) more than half the issued Capital Stock of which is beneficially owned, directly or indirectly by the first mentioned company or corporation; or

(c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

**SCHEDULE 2**
**BUYER RESPONSE NOTICE**

From: [Security Agent] (“**Security Agent**”)

To: [Golden Shareholder] (“**Recipient**”)

Date: [•] 20[•]

Dear Sirs

**Buyer Response Notice relating to a Transfer Notice dated 20[•] in respect of [*Enter name of relevant BVICo*]**

1. Please find attached as Annex 1 a copy of the Buyer Information Request which was given to the Relevant Buyer named in the above mentioned Transfer Notice on [***insert date of delivery of Buyer Information Request***].
2. The Security Agent has not received a completed Buyer Information Request from the Relevant Buyer referred to in paragraph 1 above.*
3. Please find attached as Annex 2 a copy of the completed Buyer Information Request that the Security Agent has received from the Relevant Buyer referred to in paragraph 1 above *.

* *Delete as appropriate.*

For and on behalf of

[***Security Agent***]

| | |
|---|---|
| Signature: | Signature: |
| Print Name: | Print Name: |
| Date: | Date: |

**ANNEX 1**

**COPY OF BUYER INFORMATION REQUEST SENT BY SECURITY AGENT (OR A PERSON ON ITS BEHALF) TO THE RELEVANT BUYER**

**ANNEX 2***

**COPY OF BUYER INFORMATION REQUEST RECEIVED FROM RELEVANT BUYER**

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* **Delete if not required.**

**SCHEDULE 3**
**SPONSOR FOLLOW-UP NOTICE**

From: Studio City Holdings Five Limited

To: [Security Agent] ("**Security Agent**")

Date: [•] 20[•]

Dear Sirs

**Direct Agreement dated [•] 2013 between, among others, Studio City Holdings Five Limited, Melco Crown (Macau) Limited and the Security Agent relating to the Services and Right to Use Agreement (as defined therein) (the "Agreement")**

1. We refer to the Buyer Response Notice dated [•] 20[•] relating to a Transfer Notice dated [•] 20[•] in respect of [*Enter name of relevant BVICo*]. Defined terms used herein shall have the meaning given to them in the Agreement.

2. We hereby confirm to the Security Agent that we have made reasonable efforts to investigate whether, as at the date hereof:

   (a) the buyer named in such Transfer Notice is, or is controlled by, a Competitor; and

   (b) such buyer or any direct or indirect material shareholder thereof has any present intention to on sell its interest in the Project or such buyer to a Competitor or any entity controlled by a Competitor.

3. Based on the results of such investigation, we are not reasonably satisfied that, as at the date hereof:

   (a) the Buyer is not and is not controlled by a Competitor; and

   (b) neither the Buyer nor any direct or indirect material shareholder thereof has any present intent to on sell its interest in the Project or such buyer to a Competitor or any entity controlled by a Competitor.

4. This confirmation is governed by the laws of the Macau SAR.

For and on behalf of

**Studio City Holdings Five Limited**

______________________________

Signature:

Print Name:

Date:

**SCHEDULE 4**
**FORM OF BVI ENTITY MEMORANDA AND ARTICLES OF ASSOCIATION**

**PART A**
**BVICO MEMORANDA AND ARTICLES OF ASSOCIATION**

**TERRITORY OF THE BRITISH VIRGIN ISLANDS**

**BVI BUSINESS COMPANIES ACT, 2004**

**Memorandum of Association**

**and**

**Articles of Association**

**of**

**[ LIMITED]**

**Incorporated on**

TERRITORY OF THE BRITISH VIRGIN ISLANDS

THE BVI BUSINESS COMPANIES ACT 2004

**MEMORANDUM OF ASSOCIATION**

**OF**

**[•] LIMITED**

COMPANY LIMITED BY SHARES

1. **DEFINITIONS AND INTERPRETATION**

1.1 In this Memorandum of Association and the attached Articles of Association, if not inconsistent with the subject or context:

"**Account**" has the meaning given to it in Sub-Regulation 6.3(a)(iv);

"**Act**" means the BVI Business Companies Act (No. 16 of 2004) and includes the regulations made under the Act;

"**Agent**" means the Agent for the time being under the Senior Facilities Agreement;

"**Aggregate Transfer Price**" means the sum of (a) the Transfer Price specified in a Transfer Notice given in accordance with Sub-Regulation 6.3(a) and 6.3(b) the 'Transfer Prices' (as therein defined) specified in the 'Transfer Notices' in respect of the Sister Companies referred to in Sub-Regulation 6.3(d);

"**Articles**" means the attached Articles of Association of the Company;

"**Balance Amount**" has the meaning given to it in Sub-Regulation 6.9;

"**Balance Statement**" has the meaning given to it in Sub-Regulation 6.9;

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in the Macau Special Administrative Region of the People's Republic of China, Hong Kong and London;

"**Buyer**" has the meaning given to it in Sub-Regulation 6.3(a)(ii);

"**Chairman of the Board**" has the meaning specified in Regulation 12;

"**Determination Basis**" means, in relation to an Expert Transfer Statement or an Expert Sale Statement, generally accepted accounting principles in Hong Kong and/or principles of financial analysis generally accepted in Hong Kong and such publicly available information as the Expert may in its discretion consider appropriate in order to notionally convert the consideration (which does not consist entirely of US dollars cash payable within 30 Business Days of the date of the relevant Expert Transfer

Statement) for a sale of the Sale Shares and the Sister Company Sale Shares into the equivalent of an amount of US dollars cash payable on the date falling 30 Business Days after the date of the relevant Expert Transfer Statement (such date being the "**Assumed Transfer Date**"), without any warranties, indemnities or other post-closing arrangements in relation to such sale;

"**Distribution**" in relation to a distribution by the Company means the direct or indirect transfer of an asset, other than Shares, to or for the benefit of the Shareholder in relation to Shares held by a Shareholder, and whether by means of a purchase of an asset, the redemption or other acquisition of Shares, a distribution of indebtedness or otherwise, and includes a dividend;

"**Expert**" means any:

(a) independent internationally recognised investment bank;

(b) "Big 4" accountancy firm; or

(c) other independent professional turnaround services firm or other professional services firm,

which is regularly engaged in providing valuations of businesses or financial assets or, where applicable, advising on competitive sales processes or the realisation of financially distressed businesses;

"**Expert Transfer Statement**" means, in relation to a Transfer Notice, a written statement from the Expert (acting as expert and not as arbitrator) that (a) the Expert has reviewed a proposal from the Buyer for the purchase of the Sale Shares and the Sister Company Sale Shares and (b) in the Expert's opinion, in accordance with the Determination Basis and having regard to the terms of such proposal, the Aggregate Transfer Price is not greater than an amount equal to the consideration proposed to be provided by the Buyer in respect of a sale of the Sale Shares and the Sister Company Sale Shares;

"**Expert Sale Statement**" means, for the purpose of Sub-Regulation 6.10, a written statement from the Expert (acting as expert and not as arbitrator) that (a) the Expert has reviewed the terms on which the Buyer has agreed to purchase the Sale Shares and the Sister Company Sale Shares and (b) in the Expert's opinion, in accordance with the Determination Basis and having regard to such terms, the Aggregate Transfer Price is not greater than an amount equal to the consideration to be provided by the Buyer in respect of a sale of the Sale Shares and the Sister Company Sale Shares;

"**Golden Share**" means the 1 "A" share of US$1.00 in the capital of the Company;

"**Golden Shareholder**" means the person whose name is entered in the register of members of the Company as the holder of the Golden Share;

"**Gross Debt Amount**" has the meaning given to it in Sub-Regulation 6.7(b)(B);

"**GS Completion Date**" has the meaning given to it in Sub-Regulation 6.7;

“**GS Completion Date Payment**” means:

(a) if the Golden Shareholder shall have undertaken pursuant to Regulation 6.7(ii)(Y) to purchase the Sale Shares and the Sister Company Sale Shares for the Gross Debt Amount, the Relevant Portion of the Indicative Outstanding Gross Debt Amount, or

(b) if the Golden Shareholder shall have undertaken pursuant to Regulations 6.7(ii)(Z) to purchase the Sale Shares and the Sister Company Sale Shares for the Outstanding Facility Debt Amount, the Relevant Portion of the Indicative Outstanding Facility Debt Amount;

“**GS Debenture**” means the Debenture to be entered into and between [ ] as Chargor and Industrial and Commercial Bank of China (Macau) Limited as Security Agent (as from time to time amended, novated, supplemented, extended, replaced or restated (in each case, however fundamentally));

“**GS Election**” has the meaning given to it in Sub-Regulation 6.7(b);

“**GS Insolvency Event**” means:

(i) the winding-up, dissolution or administration of the Golden Shareholder;

(ii) the appointment of a liquidator, administrator, compulsory manager or other similar officer in respect of the Golden Shareholder;

(iii) the commencement of any enforcement process properly commenced of any security consensually granted by the Golden Shareholder in favour of a party other than the Security Agent; or

(iv) the commencement of any proceedings to enforce any judgment entered against the Golden Shareholder by a court of competent jurisdiction and which is properly enforceable in its jurisdiction of incorporation,

or any analogous procedure in any jurisdiction, in each case such winding up, dissolution, administration appointment of a liquidator, administrator, compulsory manager or similar officer or enforcement process having been commenced otherwise than on the application of or on behalf of the Security Agent or its nominees or assigns;

“**GS Purchase Price**” means the total amount payable by the Golden Shareholder in respect of a purchase of the Sale Shares under Sub-Regulation 6.7 or 6.12, as the case may be;

“**GS Transferee**” has the meaning given to it in Sub-Regulations 6.7 and 6.12;

“**High Yield Notes**” has the meaning assigned to that expression in the Senior Facilities Agreement;

“**High Yield Note Guarantees**” has the meaning assigned to that expression in the Senior Facilities Agreement;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“**Indicative Outstanding Facility Debt Amount**” has the meaning given to it in Sub-Regulation 6.3(c);

“**Indicative Outstanding Gross Debt Amount**” has the meaning given to it in Sub- Regulation 6.3(c);

“**Indicative Outstanding High Yield Note Debt Amount**” has the meaning given to it in Sub- Regulation 6.3(c);

“**Memorandum**” means this Memorandum of Association of the Company;

“**Ordinary Shareholder**” means each person whose name is entered in the register of members of the Company as the holder of any Ordinary Share;

“**Ordinary Shares**” means all ordinary or other shares of US$1 (or such other value) each in the capital of the Company.

“**Outstanding Facility Debt**” means, at any time, the aggregate amount then outstanding of the Secured Obligations;

“**Outstanding Facility Debt Amount**” has the meaning given to it in Sub-Regulation 6.7(b)(C);

“**Outstanding High Yield Note Debt**” means, at any time, the aggregate (x) principal amount outstanding under the High Yield Notes and (y) amount of accrued but unpaid interest in respect of the High Yield Notes, in each case as then outstanding;

“**Pre-emption Notice**” has the meaning given to it in Sub-Regulation 6.12(b);

“**Pre-emption Period**” means the period of five Business Days commencing on:

(a) if the event or circumstance referred to in Sub-Regulation 6.10(a) shall have occurred, the Veto Cut-off Date;

(b) if the event or circumstance referred to in Sub-Regulation 6.10(b) shall have occurred, the date on which the Golden Shareholder shall have waived in writing its rights under Sub-Regulation 6.7;

(c) if the event or circumstance described in Sub-Regulation 6.10(c) shall have occurred, the GS Completion Date; and

(d) if two of the events or circumstances described in paragraphs (a), (b) and (c) above shall have occurred, the earlier of the dates on which any such event or circumstance shall have occurred;

“**Registrar**” means the Registrar of Corporate Affairs appointed under section 229 of the Act;

"**Relevant Portion**" of an amount means, for the purpose of Sub-Regulation 6.7(ii)(Y) and (Z) and Sub-Regulation 6.10, the product of the following formula:

$$\frac{TP}{ATP} \times RA$$

where:

ATP is the Aggregate Transfer Price;

RA is the amount of the Indicative Outstanding Gross Debt Amount, the Indicative Outstanding Facility Debt Amount or the Balance Amount, as the case may be; and

TP is the Transfer Price;

"**Resolution of Directors**" means either:

(a) a resolution approved at a duly convened and constituted meeting of directors of the Company or of a committee of directors of the Company by the affirmative vote of a majority of the directors present at the meeting who voted except that where a director is given more than one vote, he shall be counted by the number of votes he casts for the purpose of establishing a majority; or

(b) a resolution consented to in writing by all directors or by all members of a committee of directors of the Company, as the case may be;

"**Resolution of Shareholders**" means either:

(a) a resolution approved at a duly convened and constituted meeting of the Shareholders of the Company by the affirmative vote of a majority of the votes of the Shares entitled to vote thereon which were present at the meeting and were voted; or

(b) a resolution consented to in writing by a majority of the votes of Shares entitled to vote thereon;

"**Sale Period**" means the period commencing on the date immediately following the date on which the Pre-emption Period shall end and ending on the earlier of (a) the day falling one year after such commencement date and (b) the day (if any) on which the Golden Shareholder satisfies the conditions specified in Sub-Regulations 6.12(a) and (b);

"**Sale Shares**" has the meaning given to it in Sub-Regulation 6.3;

"**Seal**" means any seal which has been duly adopted as the common seal of the Company;

"**Secured Obligations**" has the meaning assigned to that expression in the Senior Facilities Agreement;

“**Securities**” means Shares and debt obligations of every kind of the Company, and including without limitation options, warrants and rights to acquire shares or debt obligations;

“**Security Agent**” means the Security Agent for the time being under the Senior Facilities Agreement.

“**Seller**” has the meaning given to it in Sub-Regulation 6.3;

“**Senior Facilities Agreement**” means the HK$10,855,880,000 Senior Term Loan and Revolving Facilities Agreement dated 28 January 2013 and made between *inter alia* Studio City Company Limited as the Borrower, the Company as an Original Guarantor, Deutsche Bank AG, Hong Kong Branch as Agent and Industrial and Commercial Bank of China (Macau) Limited as Security Agent, Disbursement Agent and POA Agent (as from time to time amended, novated supplemented, extended, replaced or restated (in each case, however fundamentally));

“**Share**” means a share issued or to be issued by the Company;

“**Shareholder**” means a person whose name is entered in the register of members of the Company as the holder of one or more Shares or fractional Shares;

“**Share Security Transfer**” means any transfer, assignment or other disposal of a beneficial or other interest in a Share in accordance with powers expressly granted under or pursuant to the Specified Share Charge (including, without limitation, any such transfer, assignment or other disposal (i) of any security interest by a retiring secured party to a new secured party, (ii) arising from the elevation of an equitable mortgage to a legal mortgage and/or (iii) from one nominee of a secured party to another nominee of that secured party), **but excludes** any transfer, assignment or other disposal of a beneficial or other interest in a Share which would have the effect of extinguishing the relevant shareholder’s equity of redemption in respect of a Share or otherwise prejudice the rights granted to the Golden Shareholder in Regulation 6 hereof, including, but not limited to: (a) the exercise of any power of sale under or in respect of the Specified Share Charge; (b) the exercise of any right of appropriation thereunder or pursuant thereto (whether by the Security Agent or any receiver, receiver and manager, administrative receiver or analogous person appointed thereunder); (c) an order for foreclosure made by a court of competent jurisdiction or (d) any other act by way of enforcement which would have the effect of extinguishing the relevant shareholder’s equity of redemption in a Share or otherwise prejudice the rights granted to the Golden Shareholder in Regulation 6 hereof;

“**Sister Companies**” means [ ], [ ], [ ] and [ ][1];

“**Sister Company Account**” means, in relation to a Sister Company, the ‘Account’ (as therein defined) specified in a ‘Transfer Notice’ given in respect of such Sister Company in accordance with its Articles of Association;

1 This should be the five BVICos (i.e. Studio City Holdings Three Limited, Studio City Holdings Four Limited, SCP One Limited, SCP Two Limited and SCP Holdings Limited) but shall exclude the BVICo that is the subject of these Articles of Association.

"**Sister Company Completion Date Payment**" means, in relation to a Sister Company, the 'GS Completion Date Payment Price' (as defined therein) in respect of shares in such Sister Company pursuant to a 'Veto Notice' given in respect of such Sister Company, determined in accordance with its Articles of Association;

"**Sister Company Purchase Price**" means, in relation to a Sister Company, the 'GS Purchase Price' (as defined therein) in respect of shares in such Sister Company under Sub-Regulation 6.7 or, as the case may be, 6.12 of the Articles of Association of such Sister Company;

"**Sister Company Sale Shares**" means the 'Sale Shares' (as therein defined) specified in the 'Transfer Notices' in respect of the Sister Companies referred to in Sub-Regulation 6.3(c);

"**Sister Company Transfer Price**" means, in relation to a Sister Company, the 'Transfer Price' (as therein defined) in respect of shares in such Sister Company pursuant to a 'Transfer Notice' given in respect of such Sister Company in accordance with its Articles of Association;

"**Specified Share Charge**" means the Share Charge to be entered into between [ ][2] as Chargor and Industrial and Commercial Bank of China (Macau) Limited as Security Agent, in respect of Shares (as from time to time amended, novated, supplemented, exte128nded, replaced or restated (in each case, however fundamentally));

"**Subsidiary**" has the meaning assigned to that expression in the Senior Facilities Agreement;

"**Transfer Notice**" has the meaning given to it in Sub-Regulation 6.3(a);

"**Transfer Price**" has the meaning given to it in Sub-Regulation 6.3(a)(iii);

"**Treasury Share**" means a Share that was previously issued but was repurchased, redeemed or otherwise acquired by the Company and not cancelled;

"**US dollars**" and "**US$**" mean the lawful currency of the United States of America;

"**Veto Cut-off Date**" has the meaning given to it in Sub-Regulation 6.7;

"**Veto Notice**" has the meaning given to it in Sub-Regulation 6.7; and

"**written**" or any term of like import includes information generated, sent, received or stored by electronic, electrical, digital, magnetic, optical, electromagnetic, biometric or photonic means, including electronic data interchange, electronic mail, telegram, telex or telecopy, and "**in writing**" shall be construed accordingly.

1.2 In the Memorandum and the Articles, unless the context otherwise requires a reference to:

(a) a "**Regulation**" is a reference to a regulation of the Articles;

2 Insert name of relevant BVICo that is issuing the Golden Share.

(b) a “**Clause**” is a reference to a clause of the Memorandum;

(c) voting by Shareholders is a reference to the casting of the votes attached to the Shares held by the Shareholder voting;

(d) the Act, the Memorandum or the Articles is a reference to the Act or those documents as amended; and

(e) the singular includes the plural and vice versa.

1.3 Any words or expressions defined in the Act unless the context otherwise requires bear the same meaning in the Memorandum and Articles unless otherwise defined herein.

1.4 Headings are inserted for convenience only and shall be disregarded in interpreting the Memorandum and Articles.

2. **NAME**

The name of the Company is [ LIMITED].

3. **STATUS**

The Company is a Company Limited by Shares.

4. **REGISTERED OFFICE AND REGISTERED AGENT**

4.1 The first registered office of the Company is at [•], Road Town, Tortola, British Virgin Islands, the office of the first registered agent.

4.2 The first registered agent of the Company is [•], Road Town, Tortola, British Virgin Islands.

4.3 The Company may by Resolution of Shareholders or by Resolution of Directors change the location of its registered office or change its registered agent.

4.4 Any change of registered office or registered agent will take effect on the registration by the Registrar of a notice of the change filed by the existing registered agent or a legal practitioner in the British Virgin Islands acting on behalf of the Company.

5. **CAPACITY AND POWERS**

5.1 Subject to the Act and any other British Virgin Islands legislation, the Company has, irrespective of corporate benefit:

(a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and

(b) for the purposes of paragraph (a), full rights, powers and privileges,

save that the Company may not:

(i) effect any merger or consolidation with another company; or

(ii) continue in any other jurisdiction,

without the prior written consent of the Golden Shareholder.

5.2 For the purposes of section 9(4) of the Act, there are no limitations on the business that the Company may carry on.

5.3 Section 175 of the Act shall not apply to the Company.

## 6. NUMBER AND CLASSES OF SHARES

6.1 The Company is authorised to issue a maximum of [•] Ordinary Shares of par value USD 1.00 and one "A" Share of par value USD1.00.

6.2 Other than in respect of the Golden Share the Company may issue fractional Shares and a fractional Share shall have the corresponding fractional rights, obligations and liabilities of a whole share of the same class or series of shares.

## 7. DESIGNATIONS, POWERS, PREFERENCES, ETC. OF SHARES

7.1 Each Ordinary Share confers upon its holder:

(a) the right to one vote at a meeting of the Shareholders of the Company or on any Resolution of Shareholders;

(b) the right to an equal share in any dividend paid by the Company; and

(c) the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

7.2 The Golden Share does not confer upon its holder any right to vote at a meeting of the Shareholders of the Company or on any Resolution of Shareholders (other than a meeting of the Golden Shareholder or a resolution of the Golden Shareholder as a separate class), any right to share in a dividend paid by the Company, or any right to share in the distribution of the surplus assets of the Company on its liquidation in excess of its par value. The Golden Share is not, and shall not be regarded in any circumstance as or analogous to, an Ordinary Share.

7.3 The directors may at their discretion by Resolution of Directors redeem, purchase or otherwise acquire all or any of the Shares in the Company subject to Regulation 3 of the Articles.

## 8. VARIATION OF RIGHTS

The rights attached to Shares as specified in Clause 7 may only, whether or not the Company is being wound up, be varied with the consent in writing of or by a resolution passed at a meeting by the holders of more than 50 per cent of the issued Shares of that class.

## 9. RIGHTS NOT VARIED BY THE ISSUE OF SHARES PARI PASSU

The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

## 10. REGISTERED SHARES

10.1 The Company shall issue registered shares only.

10.2 The Company is not authorised to issue bearer shares, convert registered shares to bearer shares or exchange registered shares for bearer shares.

## 11. TRANSFER OF SHARES

Shares may be transferred in accordance with Regulation 6 of the Articles.

## 12. AMENDMENT OF MEMORANDUM AND ARTICLES

The Company may amend its Memorandum or Articles by a Resolution of Shareholders, **provided that** there has been obtained the prior written consent of (i) the holder of the Golden Share and (ii) any mortgagee or chargee whose interest has been noted on the register of members.

We, [•] of [•], Road Town, Tortola, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands hereby sign this Memorandum of Association the [•] day of [•], 20[•].

Incorporator

______________________________

Authorised Signatory
[•]

TERRITORY OF THE BRITISH VIRGIN ISLANDS

THE BVI BUSINESS COMPANIES ACT 2004

# ARTICLES OF ASSOCIATION

# OF

# [ LIMITED]

COMPANY LIMITED BY SHARES

## 1. REGISTERED SHARES

1.1 Every Shareholder is entitled to a certificate signed by a director of the Company or under the Seal specifying the number of Shares held by him and the signature of the director and the Seal may be facsimiles.

1.2 Any Shareholder receiving a certificate shall indemnify and hold the Company and its directors and officers harmless from any loss or liability which it or they may incur by reason of any wrongful or fraudulent use or representation made by any person by virtue of the possession thereof. If a certificate for Shares is worn out or lost it may be renewed on production of the worn out certificate or on satisfactory proof of its loss together with such indemnity as may be required by a Resolution of Directors.

1.3 If several persons are registered as joint holders of any Shares, any one of such persons may give an effectual receipt for any Distribution **provided always that** the Golden Share may at any time be held by only one person.

## 2. SHARES

2.1 Shares and other Securities may be issued at such times, to such persons, for such consideration and on such terms as the directors may by Resolution of Directors determine, **provided that** the Company shall not issue any Shares other than Ordinary Shares and the Golden Share without the consent of the Golden Shareholder.

2.2 A Share may be issued for consideration in any form, including money, a promissory note, real property, personal property (including goodwill and know-how) or a contract for future services.

2.3 No Shares may be issued for a consideration other than money, unless a Resolution of Directors has been passed stating:

(a) the amount to be credited for the issue of the Shares;

(b) their determination of the reasonable present cash value of the non-money consideration for the issue; and

(c) that, in their opinion, the present cash value of the non-money consideration for the issue is not less than the amount to be credited for the issue of the Shares.

2.4 The Company shall keep a register (the "**register of members**") containing:

(a) the names and addresses of the person(s) who hold Shares;

(b) the number of each class and series of Shares held by each Shareholder;

(c) the date on which the name of each Shareholder was entered in the register of members; and

(d) the date on which any person ceased to be a Shareholder.

2.5 The register of members may be in any such form as the directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until the directors otherwise determine, the magnetic, electronic or other data storage form shall be the original register of members.

2.6 A Share is deemed to be issued when the name of the Shareholder is entered in the register of members.

## 3. REDEMPTION OF SHARES AND TREASURY SHARES

3.1 The Company may purchase, redeem or otherwise acquire and hold its own Shares save that the Company may not purchase, redeem or otherwise acquire its own Shares without the consent of Shareholders whose Shares are to be purchased, redeemed or otherwise acquired except in the circumstances set out in Regulations 6.10, 6.15 and 6.16 and no Shareholder shall be entitled to exercise any right conferred on it by section 176 of the Act.

3.2 The Company may only offer to acquire Shares if at the relevant time the directors determine by Resolution of Directors that immediately after the acquisition the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

3.3 Sections 60 (*Process for acquisition of own shares*), 61 (*Offer to one or more shareholders*) and 62 (*Shares redeemed otherwise than at the option of company*) of the Act shall not apply to the Company.

3.4 Shares that the Company purchases, redeems or otherwise acquires pursuant to this Regulation may be cancelled or held as Treasury Shares except to the extent that such Shares are in excess of 50 percent of the issued Shares in which case they shall be cancelled but they shall be available for reissue.

3.5 All rights and obligations attaching to a Treasury Share are suspended and shall not be exercised by the Company while it holds the Share as a Treasury Share.

3.6 Treasury Shares may be disposed of by the Company on such terms and conditions (not otherwise inconsistent with the Memorandum and Articles) as the Company may by Resolution of Directors determine.

3.7 Where Shares are held by another body corporate of which the Company holds, directly or indirectly, shares having more than 50 per cent of the votes in the election of directors of the other body corporate, all rights and obligations attaching to the Shares held by the other body corporate are suspended and shall not be exercised by the other body corporate.

## 4. MORTGAGES AND CHARGES OF SHARES

4.1 Subject to Regulation 6, Shareholders may mortgage or charge their Shares.

4.2 There shall be entered in the register of members at the written request of the Shareholder:

(a) a statement that the Shares held by him are mortgaged or charged;

(b) the name of the mortgagee or chargee; and

(c) the date on which the particulars specified in subparagraphs (a) and (b) are entered in the register of members.

4.3 Where particulars of a mortgage or charge are entered in the register of members, such particulars may be cancelled:

(a) with the written consent of the named mortgagee or chargee or anyone authorised to act on his behalf; or

(b) upon evidence satisfactory to the directors of the discharge of the liability secured by the mortgage or charge and the issue of such indemnities as the directors shall consider necessary or desirable.

4.4 Whilst particulars of a mortgage or charge over Shares are entered in the register of members pursuant to this Regulation:

(a) no transfer of any Share the subject of those particulars shall be effected;

(b) the Company may not purchase, redeem or otherwise acquire any such Share; and

(c) no replacement certificate shall be issued in respect of such Shares,

without the written consent of the named mortgagee or chargee.

## 5. FORFEITURE

5.1 Shares that are not fully paid on issue are subject to the forfeiture provisions set forth in this Regulation and for this purpose Shares issued for a promissory note or a contract for future services are deemed to be not fully paid.

5.2 A written notice of call specifying the date for payment to be made shall be served on the Shareholder who defaults in making payment in respect of the Shares.

5.3 The written notice of call referred to in Sub-Regulation 5.2 shall name a further date not earlier than the expiration of 14 days from the date of service of the notice on or before which the payment required by the notice is to be made and shall contain a statement that in the event of non-payment at or before the time named in the notice the Shares, or any of them, in respect of which payment is not made will be liable to be forfeited.

5.4 Where a written notice of call has been issued pursuant to Sub-Regulation 5.3 and the requirements of the notice have not been complied with, the directors may, at any time before tender of payment, forfeit and cancel the Shares to which the notice relates.

5.5 The Company is under no obligation to refund any moneys to the Shareholder whose Shares have been cancelled pursuant to Sub-Regulation 5.4 and that Shareholder shall be discharged from any further obligation to the Company.

## 6. TRANSFER OF SHARES

6.1 In this Regulation, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share **other than** a Share Security Transfer; and reference to a Share includes a beneficial or other interest in that Share.

6.2 Any transfer of shares by a Shareholder shall be subject to the provisions set out in this Regulation 6. Ordinary Shares may be transferred only in accordance with the provisions of Sub-Regulations 6.2 to 6.13 (inclusive) or with the Golden Shareholder's prior written consent. Without prejudice to the foregoing, the Golden Shareholder may:

(a) at any time by notice in writing to the Company direct that the provisions of Sub-Regulations 6.2 to 6.13 inclusive (and applicable defined terms and/or definitions) shall cease to apply for all purposes; and

(b) from to time to time waive by notice in writing to the Company any or all conditions stipulated in any or all of Sub-Regulations 6.2 to 6.13 inclusive, whether generally or otherwise, as may be specified in such notice.

6.3 A holder of Ordinary Shares (the **Seller**) wishing to transfer its shares (the **Sale Shares**) must give to the Company and to the Golden Shareholder:

(a) a notice in writing (a **Transfer Notice**) setting out:

(i) the number of Sale Shares;

(ii) the name of the proposed buyer of the Sale Shares (the **Buyer**);

(iii) an amount (in US dollars cash) in respect of the consideration proposed to be paid or provided by the Buyer for the Sale Shares at closing of a sale of the Sale Shares (the **Transfer Price**); and

(iv) details of the bank account (the **Account**) into which the Transfer Price (or, as the case may be, the GS Purchase Price) is to be paid,

and incorporating statements:

(A) that either (1) the Aggregate Transfer Price is not greater than the amount of US dollars cash proposed to be paid within 30 Business Days of the date of such Transfer Notice by the Buyer in respect of a sale of the Sale Shares and the Sister Company Shares or (2) the Aggregate Transfer Price is not greater than the consideration proposed to be paid or provided by the Buyer in respect of a sale of the Sale Shares and the Sister Company Sale Shares, determined by the Expert in accordance with the Determination Basis, as stated in the Expert Transfer Statement, and

(B) that either (1) the Buyer proposes to buy the Sale Shares and the Sister Company Sale Shares on the basis that on closing of such sale the Company and the Sister Companies shall be free of any High Yield Note Guarantees granted by any of them or any Subsidiary of any of them or (2) the Buyer proposes to buy the Sale Shares and the Sister Company Sale Shares on the basis that on and following closing of such sale the Company and the Sister Companies and any such Subsidiary shall not be free of any such High Yield Note Guarantees;

(b) if sub-paragraph (A)(2) of paragraph (a) above shall apply, a copy of an Expert Transfer Statement in relation thereto;

(c) a statement in writing from the Agent of:

(i) the aggregate amount (and the currency or currencies thereof) of the Secured Obligations (the **Indicative Outstanding Facility Debt Amount**),

(ii) the aggregate (A) principal amount outstanding under the High Yield Notes and (B) amount of accrued but unpaid interest in respect of the High Yield Notes (the **Indicative Outstanding High Yield Note Debt Amount**), and

(iii) the sum of (i) and (ii) above (the Indicative Outstanding Gross Debt Amount),

in each case as at a date not earlier than two Business Days before the date of the Transfer Notice; and

(d) copies of 'Transfer Notices' (as therein defined) in accordance with the Articles of Association of the Sister Companies, in respect of all the Sister Companies, given contemporaneously with the Transfer Notice.

6.4 Subject to the terms of any waiver by the Golden Shareholder, as contemplated by and in accordance with Sub-Regulation 6.2, the Seller may sell all (but not some only) of its Shares pursuant to the provisions of this Regulation 6, and may do so only in conjunction with a contemporaneous sale of all Sister Company Sale Shares to the Buyer specified in the relevant Transfer Notice.

6.5 Once given under Sub-Regulation 6.3, a Transfer Notice may not be withdrawn.

6.6 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of this Regulation 6.

6.7 The Golden Shareholder may, not later than the date (the **Veto Cut-off Date**) falling 10 Business Days after the date of receipt by the Golden Shareholder of the Transfer Notice and the other documents referred to in Sub-Regulation 6.3, serve on the Company and the Seller a notice (a **Veto Notice**) together with copies of 'Veto Notices' (as therein defined) in accordance with the Articles of Association of the Sister Companies, in respect of all the Sister Companies, given contemporaneously with the Veto Notice (and, in the absence of such other '**Veto Notices**' in respect of the Sister Companies, the Veto Notice shall not be effective for the purpose of these Articles). The Veto Notice shall set out:

(a) the name of the proposed transferee (the **GS Transferee**) of the Sale Shares;

(b) a statement (the **GS Election**) by the Golden Shareholder that it will purchase the Sale Shares and the Sister Company Sale Shares for one of the following (stipulating which of (A), (B) or (C) shall apply):

(A) the Aggregate Transfer Price, or

(B) an amount equal to the aggregate amount of the Outstanding Facility Debt and the Outstanding High Yield Note Debt as at the GS Completion Date (the **Gross Debt Amount**), or

(C) an amount equal to the Outstanding Facility Debt as at the GS Completion Date (the **Outstanding Facility Debt Amount**),

(c) a date (the **GS Completion Date**), being a date no earlier than two Business Days, and no later than five Business Days, after the Veto Cut-off Date.

The Veto Notice:

(i) once given, may not be withdrawn (except with the consent in writing of all the holders for the time being of the Ordinary Shares, given to the Company and the Golden Shareholder), and

(ii) shall constitute, in favour of the Seller:

(X) if the GS Election shall have stipulated the Aggregate Transfer Price, the irrevocable undertaking of the Golden Shareholder:

(1) to purchase the Sale Shares for the Transfer Price, and

(2) to pay or procure the payment of the Transfer Price into the Account on the GS Completion Date; or

(Y) if the GS Election shall have stipulated the Gross Debt Amount, the irrevocable undertaking of the Golden Shareholder:

(1) to purchase the Sale Shares and the Sister Company Sale Shares for the Gross Debt Amount,

(2) to pay or procure the payment of the Relevant Portion of the Indicative Outstanding Gross Debt Amount into the Account on the GS Completion Date, and

(3) to pay or procure the payment of the Relevant Portion of the Balance Amount into the Account within two Business Days of the Seller giving to the Golden Shareholder and the Company a Balance Statement; or

(Z) if the GS Election shall have stipulated the Outstanding Facility Debt Amount, the irrevocable undertaking of the Golden Shareholder:

(1) to purchase the Sale Shares and the Sister Company Sale Shares for the Outstanding Facility Debt Amount,

(2) to pay or procure the payment of the Relevant Portion of the Indicative Outstanding Facility Debt Amount into the Account on the GS Completion Date, and

(3) to pay or procure the payment of the Relevant Portion of the Balance Amount into the Account within two Business Days of the Seller giving to the Golden Shareholder and the Company a Balance Statement.

6.8 If the Golden Shareholder has served a Veto Notice and copies of the other documents referred to in Sub-Regulation 6.7 in accordance with the requirements of Sub-Regulation 6.7 on the Company and the Seller by the Veto Cut-off Date:

(a) the Seller shall, against receipt of the GS Completion Date Payment into the Account and (without double-counting) each Sister Company Completion Date Payment into the relevant Sister Company Account, execute and deliver a transfer of the Sale Shares in favour of the GS Transferee (and execute and deliver transfers of the Sister Company Sale Shares in favour of the GS Transferee); and

(b) the Golden Shareholder shall pay or procure the payment of the GS Completion Date Payment into the Account and (without double-counting) each Sister Company Completion Date Payment into each relevant Sister Company Account,

in each case on the GS Completion Date.

6.9 If the Golden Shareholder has discharged its obligations under Sub-Regulation 6.8(b) on the GS Completion Date (and has provided to the Company evidence in writing that the GS Completion Date Payment has been unconditionally credited to the Account and (without double-counting) each Sister Company Completion Date

Payment has been unconditionally credited to the relevant Sister Company Account, in each case on the GS Completion Date) and the Seller fails to comply with Sub-Regulation 6.8(a), the chairman of the Company (or, failing him, one of the other directors, or some other person nominated by a resolution of the Board) shall:

(a) as agent on behalf of the Seller, complete, execute and deliver in the name of the Seller all documents necessary to give effect to the transfer of the Sale Shares from the Seller to the GS Transferee; and

(b) enter the GS Transferee in the register of members as the holder of the Sale Shares.

For the purpose of Sub-Regulation 6.8 and this Sub-Regulation 6.9, the Seller may at any time (other than where the Golden Shareholder has undertaken to purchase the Sale Shares and the Sister Company Sale Shares for the Aggregate Transfer Price) during the period commencing on the Business Day immediately preceding the GS Completion Date and ending 10 Business Days after the GS Completion Date give to the Golden Shareholder and the Company a statement in writing (a "**Balance Statement**") from the Agent setting out:

(i) if the Golden Shareholder shall have undertaken to purchase the Sale Shares and the Sister Company Sale Shares for the Gross Debt Amount, the difference (and the currency or currencies thereof) between (1) the Gross Debt Amount as at the GS Completion Date and (2) the Indicative Outstanding Gross Debt Amount, or

(ii) if the Golden Shareholder shall have undertaken to purchase the Sale Shares and the Sister Company Sale Shares for the Outstanding Facility Debt, the difference (and the currency or currencies thereof) between (1) the Outstanding Facility Debt as at the GS Completion Date and (2) the Indicative Outstanding Facility Debt Amount,

such difference, in each case, the "**Balance Amount**".

6.10 If:

(a) the Golden Shareholder has not served a Veto Notice and the other documents referred to in sub-Regulation 6.7 in accordance with the requirements of Sub-Regulation 6.7 on the Company and the Seller by the Veto Cut-off Date; or

(b) the Golden Shareholder has waived in writing its rights under Sub-Regulation 6.7 pursuant to Sub-Regulation 6.2 addressed to the Company and the Ordinary Shareholders,

and the Golden Shareholder shall not have satisfied the conditions set out in Sub-Regulation 6.12(a) and (b) during the Pre-emption Period, then if the Seller, at any time during the Sale Period, delivers to the Company a duly executed instrument of transfer in favour of the Buyer in respect of the Sale Shares together with an Expert Sale Statement (and provides to the Company evidence in writing that the Seller has dispatched to the Golden Shareholder copies of such duly executed instrument of transfer, Expert Sale Statement and duly executed instruments of transfer in favour of

the Buyer in respect of the Sister Company Sale Shares) and a written notice to the Golden Shareholder stating that all conditions that have been agreed between the Seller and the Buyer as required to be satisfied at or before a transfer of the Sale Shares from the Seller to the Buyer have been satisfied or waived:

(i) the directors of the Company shall enter the Buyer in the register of members of the Company as the holder of the Sale Shares;

(ii) the Golden Shareholder shall have no rights under these Articles (other than under paragraphs (iii) and/or (iv) below);

(iii) the Golden Share shall become immediately redeemable at par at the option of the Company;

(iv) the Golden Shareholder will be deemed to have offered to sell the Golden Share for US$1.00 to the Ordinary Shareholders and any Ordinary Shareholder may, at any time during the period of five years commencing on the date of the delivery to the Company of the above-mentioned duly executed instrument of transfer and Expert Sale Statement, accept such offer by sending a notice in writing to such effect to the Company and the Golden Shareholder; and

(v) the Company shall thereupon be constituted the agent of the Golden Shareholder for the sale of the Golden Share in accordance with the provisions of this Sub-Regulation 6.10.

6.11 If any Ordinary Shareholder shall accept the deemed offer by the Golden Shareholder by sending a notice in writing to the Company and the Golden Shareholder as contemplated in paragraph (iv) of Sub-Regulation 6.10, such Ordinary Shareholder shall no later than 10 Business Days after such notice pay the sum of US$1.00 to the Golden Shareholder by delivering to the Company at the office of its registered agent for the time being a cheque or money order in the amount of US$1.00 payable to the Golden Shareholder. Promptly on such delivery of such cheque or money order, the chairman of the Company (or, failing him, one of the other directors, or some other person nominated by a resolution of the Board) shall:

(a) as agent on behalf of the Golden Shareholder, complete, execute and deliver in the name of the Golden Shareholder all documents necessary to give effect to the transfer of the Golden Share from the Golden Shareholder to such Ordinary Shareholder, and

(b) enter such Ordinary Shareholder in the register of members as the holder of the Golden Share.

6.12 If the Golden Shareholder, at any time during the Pre-emption Period, shall:

(a) pay or procure the payment of the Transfer Price into the Account and (without double-counting) each Sister Company Transfer Price into the relevant Sister Company Account; and

(b) serve on the Company and the Seller:

(i) a notice ("**Pre-emption Notice**") that the Golden Shareholder wishes to acquire the Sale Shares at the Transfer Price and setting out the name of the proposed transferee (the "**GS Transferee**"), together with evidence in writing that the Transfer Price has been unconditionally credited to the Account; and

(ii) copies of 'Pre-emption Notices' (as therein defined) in accordance with the Articles of Association of the Sister Companies, in respect of all the Sister Companies, given contemporaneously with the Pre-emption Notice together with evidence in writing that (without double-counting) each Sister Company Transfer Price has been unconditionally credited to the relevant Sister Company Account,

the Seller shall, against receipt of the Transfer Price into the Account and (without double-counting) each Sister Company Transfer Price into the relevant Sister Company Account, execute and deliver a transfer of the Sale Shares in favour of the GS Transferee. If the Golden Shareholder shall have satisfied the requirements of paragraphs (a) and (b) above but the Seller shall fail to execute and deliver a transfer of the Sale Shares in favour of the GS Transferee, the chairman of the Company (or, failing him, one of the other directors, or some other person nominated by a resolution of the Board) shall:

(1) as agent on behalf of the Seller, complete, execute and deliver in the name of the Seller all documents necessary to give effect to the transfer of the Sale Shares from the Seller to the GS Transferee; and

(2) enter the GS Transferee in the register of members as the holder of the Sale Shares.

6.13 If the Golden Shareholder has paid or procured the payment of the GS Purchase Price into the Account in accordance with Sub-Regulation 6.8(b) or the Transfer Price into the Account in accordance with Sub-Regulation 6.12(a), the Golden Shareholder shall not be obliged to concern itself with the distribution of the GS Purchase Price or, as the case may be, the Transfer Price.

6.14 Save in respect of a transfer to an Ordinary Shareholder as contemplated in Sub-Regulations 6.10, 6.11, 6.15 and 6.16, the Golden Share may be transferred only with the prior written consent of all the holders for the time being of the Ordinary Shares.

6.15 If the Golden Shareholder shall at any time give to the Company a notice (a "**GS Cessation Notice**") in accordance with Sub-Regulation 6.2(a) (directing that the provisions of Sub-Regulations 6.2 to 6.13 inclusive (and applicable defined terms and/or definitions) shall cease to apply for all purposes), then on and with effect from the Company's receipt of the GS Cessation Notice:

(a) the provisions of Sub-Regulations 6.2 to 6.13 inclusive (and applicable defined terms and/or definitions) shall cease to apply, save as provided in paragraph (d) below;

(b) any transfer of any Ordinary Share shall be effected by the delivery to the Company at the office of its registered agent of a written instrument of transfer signed by the transferor and containing the name and address of the transferee;

(c) the Golden Share shall become immediately redeemable at par at the option of the Company; and

(d) the Golden Shareholder will be deemed to have offered to sell the Golden Share for US$1.00 to the Ordinary Shareholders, and the provisions of paragraphs (iv) and (v) of Sub-Regulation 6.10 and Sub-Regulation 6.11 shall apply *mutatis mutandis*.

6.16 If a GS Insolvency Event shall occur or if the Golden Shareholder shall have failed to discharge its obligations under Sub-Regulation 6.8(b) on the GS Completion Date, then:

(a) the Golden Share shall become immediately redeemable at par at the option of the Company; and

(b) the Golden Shareholder will be deemed to have offered to sell the Golden Share for US$1.00 to the Ordinary Shareholders, and the provisions of paragraphs (iv) and (v) of Sub-Regulation 6.10 and Sub-Regulation 6.11 shall apply *mutatis mutandis*.

6.17 Subject to the provisions of this Regulation 6, Shares may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee, which shall be sent to the Company at the office of its registered agent for registration.

6.18 No transfer of an Ordinary Share or the Golden Share may be effected other than in accordance with this Regulation 6 and the Company shall not (and no director of the Company shall, nor shall any director of the Company purport to) enter the name of any transferee of any Ordinary Shares or the Golden Share onto the register of members of the Company unless such transfer is undertaken in accordance with this Regulation 6.

6.19 The transfer of a Share is effective when the name of the transferee is entered on the register of members.

6.20 Subject to the Memorandum and this Regulation 6, the personal representative of a deceased Shareholder may transfer a Share even though the personal representative is not a Shareholder at the time of the transfer.

## 7. MEETINGS AND CONSENTS OF SHAREHOLDERS

7.1 Any director of the Company may convene meetings of the Shareholders at such times and in such manner and places within or outside the British Virgin Islands as the director considers necessary or desirable.

7.2 Upon the written request of Shareholders entitled to exercise 30 per cent or more of the voting rights in respect of the matter for which the meeting is requested the directors shall convene a meeting of Shareholders.

7.3 The director convening a meeting shall give not less than 7 days' notice of a meeting of Shareholders to:

(a) those Shareholders whose names on the date the notice is given appear as Shareholders in the register of members of the Company and are entitled to vote at the meeting; and

(b) the other directors.

7.4 The director convening a meeting of Shareholders may fix as the record date for determining those Shareholders that are entitled to vote at the meeting the date notice is given of the meeting, or such other date as may be specified in the notice, being a date not earlier than the date of the notice.

7.5 A meeting of Shareholders held in contravention of the requirement to give notice is valid if Shareholders holding at least 90 per cent of the total voting rights on all the matters to be considered at the meeting have waived notice of the meeting and, for this purpose, the presence of a Shareholder at the meeting shall constitute waiver in relation to all the Shares which that Shareholder holds.

7.6 The inadvertent failure of a director who convenes a meeting to give notice of a meeting to a Shareholder or another director, or the fact that a Shareholder or another director has not received notice, does not invalidate the meeting.

7.7 A Shareholder may be represented at a meeting of Shareholders by a proxy who may speak and vote on behalf of the Shareholder.

7.8 The instrument appointing a proxy shall be produced at the place designated for the meeting before the time for holding the meeting at which the person named in such instrument proposes to vote. The notice of the meeting may specify an alternative or additional place or time at which the proxy shall be presented.

7.9 The instrument appointing a proxy shall be in substantially the following form or such other form as the chairman of the meeting shall accept as properly evidencing the wishes of the Shareholder appointing the proxy.

[Name of Company]

I/We being a Shareholder of the above Company HEREBY APPOINT ______________________ of _____________ or failing him _______________ of __________________ to be my/our proxy to vote for me/us at the meeting of Shareholders to be held on the _____ day of ____________, 20___ and at any adjournment thereof.

(Any restrictions on voting to be inserted here.)

Signed this _____ day of _____________, 20___

_____________________________________________________
Shareholder

7.10 The following applies where Shares are jointly owned:

(a) if two or more persons hold Shares jointly each of them may be present in person or by proxy at a meeting of Shareholders and may speak as a Shareholder;

(b) if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners; and

(c) if two or more of the joint owners are present in person or by proxy they must vote as one.

7.11 A Shareholder shall be deemed to be present at a meeting of Shareholders if he participates by telephone or other electronic means and all Shareholders participating in the meeting are able to hear each other.

7.12 A meeting of Shareholders is duly constituted if, at the commencement of the meeting, there are present in person or by proxy not less than 50 per cent of the votes of the Shares or class or series of Shares entitled to vote on Resolutions of Shareholders to be considered at the meeting. A quorum may comprise a single Shareholder or proxy and then such person may pass a Resolution of Shareholders and a certificate signed by such person accompanied where such person be a proxy by a copy of the proxy instrument shall constitute a valid Resolution of Shareholders.

7.13 If within two hours from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Shareholders, shall be dissolved; in any other case it shall stand adjourned to the next business day in the jurisdiction in which the meeting was to have been held at the same time and place or to such other time and place as the directors may determine, and if at the adjourned meeting there are present within one hour from the time appointed for the meeting in person or by proxy not less than one third of the votes of the Shares or each class or series of Shares entitled to vote on the matters to be considered by the meeting, those present shall constitute a quorum but otherwise the meeting shall be dissolved.

7.14 At every meeting of Shareholders, the Chairman of the Board shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present at the meeting, the Shareholders present shall choose one of their number to be the chairman. If the Shareholders are unable to choose a chairman for any reason, then the person representing the greatest number of voting Shares present in person or by proxy at the meeting shall preside as chairman failing which the oldest individual Shareholder or representative of a Shareholder present shall take the chair.

7.15 The chairman may, with the consent of the meeting, adjourn any meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

7.16 At any meeting of the Shareholders the chairman is responsible for deciding in such manner as he considers appropriate whether any resolution proposed has been carried or not and the result of his decision shall be announced to the meeting and recorded in the minutes of the meeting. If the chairman has any doubt as to the outcome of the vote on a proposed resolution, he shall cause a poll to be taken of all votes cast upon such resolution. If the chairman fails to take a poll then any Shareholder present in person or by proxy who disputes the announcement by the chairman of the result of any vote may immediately following such announcement demand that a poll be taken and the chairman shall cause a poll to be taken. If a poll is taken at any meeting, the result shall be announced to the meeting and recorded in the minutes of the meeting.

7.17 Subject to the specific provisions contained in this Regulation for the appointment of representatives of Eligible Persons other than individuals the right of any individual to speak for or represent a Shareholder shall be determined by the law of the jurisdiction where, and by the documents by which, the Eligible Person is constituted or derives its existence. In case of doubt, the directors may in good faith seek legal advice from any qualified person and unless and until a court of competent jurisdiction shall otherwise rule, the directors may rely and act upon such advice without incurring any liability to any Shareholder or the Company.

7.18 Any Eligible Person other than an individual which is a Shareholder may by resolution of its directors or other governing body authorise such individual as it thinks fit to act as its representative at any meeting of Shareholders or of any class of Shareholders, and the individual so authorised shall be entitled to exercise the same rights on behalf of the Eligible Person which he represents as that Eligible Person could exercise if it were an individual.

7.19 The chairman of any meeting at which a vote is cast by proxy or on behalf of any Eligible Person other than an individual may call for a notarially certified copy of such proxy or authority which shall be produced within 7 days of being so requested or the votes cast by such proxy or on behalf of such Eligible Person shall be disregarded.

7.20 Directors of the Company may attend and speak at any meeting of Shareholders and at any separate meeting of the holders of any class or series of Shares.

7.21 An action that may be taken by the Shareholders at a meeting may also be taken by a Resolution of Shareholders consented to in writing, without the need for any notice, but if any Resolution of Shareholders is adopted otherwise than by the unanimous written consent of all Shareholders, a copy of such resolution shall forthwith be sent to all Shareholders not consenting to such resolution. The consent may be in the form of counterparts, each counterpart being signed by one or more Shareholders. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the earliest date upon which Eligible Persons holding a sufficient number of votes of Shares to constitute a Resolution of Shareholders have consented to the resolution by signed counterparts.

8. **DIRECTORS**

8.1 The first directors of the Company shall be appointed by the first registered agent within 6 months of the date of incorporation of the Company; and thereafter, the directors shall be elected by Resolution of Shareholders or by Resolution of Directors for such term as the Shareholders or directors determine.

8.2 No person shall be appointed as a director of the Company unless he has consented in writing to act as a director.

8.3 The minimum number of directors shall be one and the maximum number shall be 12. The Shareholders and the directors shall be entitled to appoint a maximum of 12 directors.

8.4 Each director holds office for the term, if any, fixed by the Resolution of Shareholders or Resolution of Directors appointing him, or until his earlier death, resignation or removal. If no term is fixed on the appointment of a director, the director serves indefinitely until his earlier death, resignation or removal.

8.5 A director may be removed from office,

(a) with or without cause, by a Resolution of Shareholders passed at a meeting of Shareholders called for the purposes of removing the director or for purposes including the removal of the director or by a written resolution passed by a least seventy five per cent of the Shareholders of the Company entitled to vote; or

(b) with cause, by a Resolution of Directors passed at a meeting of directors called for the purpose of removing the director or for purposes including the removal of the director.

8.6 A director may resign his office by giving written notice of his resignation to the Company and the resignation has effect from the date the notice is received by the Company at the office of its registered agent or from such later date as may be specified in the notice. A director shall resign forthwith as a director if he is, or becomes, disqualified from acting as a director under the Act.

8.7 The directors may at any time appoint any person to be a director either to fill a vacancy or as an addition to the existing directors. Where the directors appoint a person as director to fill a vacancy, the term shall not exceed the term that remained when the person who has ceased to be a director ceased to hold office.

8.8 A vacancy in relation to directors occurs if a director dies or otherwise ceases to hold office prior to the expiration of his term of office.

8.9 The Company shall keep a register of directors containing:

(a) the names and addresses of the persons who are directors of the Company;

(b) the date on which each person whose name is entered in the register was appointed as a director of the Company;

(c) the date on which each person named as a director ceased to be a director of the Company; and

(d) such other information as may be prescribed by the Act.

8.10 The register of directors may be kept in any such form as the directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until a Resolution of Directors determining otherwise is passed, the magnetic, electronic or other data storage shall be the original register of directors.

8.11 The directors may, by a Resolution of Directors, fix the emoluments of directors with respect to services to be rendered in any capacity to the Company.

8.12 A director is not required to hold a Share as a qualification to office.

9. **POWERS OF DIRECTORS**

9.1 The business and affairs of the Company shall be managed by, or under the direction or supervision of, the directors of the Company. The directors of the Company have all the powers necessary for managing, and for directing and supervising, the business and affairs of the Company. The directors may pay all expenses incurred preliminary to and in connection with the incorporation of the Company and may exercise all such powers of the Company as are not by the Act or by the Memorandum or the Articles required to be exercised by the Shareholders.

9.2 Each director shall exercise his powers for a proper purpose and shall not act or agree to the Company acting in a manner that contravenes the Memorandum, the Articles or the Act. Each director, in exercising his powers or performing his duties, shall act honestly and in good faith in what the director believes to be the best interests of the Company.

9.3 If the Company is the wholly owned subsidiary of a holding company, a director of the Company may, when exercising powers or performing duties as a director, act in a manner which he believes is in the best interests of the holding company even though it may not be in the best interests of the Company.

9.4 Any director which is a body corporate may appoint any individual as its duly authorised representative for the purpose of representing it at meetings of the directors, with respect to the signing of consents or otherwise.

9.5 The continuing directors may act notwithstanding any vacancy in their body.

9.6 The directors may by Resolution of Directors exercise all the powers of the Company to incur indebtedness, liabilities or obligations and to secure indebtedness, liabilities or obligations whether of the Company or of any third party.

9.7 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as shall from time to time be determined by Resolution of Directors.

## 10. PROCEEDINGS OF DIRECTORS

10.1 Any one director of the Company may call a meeting of the directors by sending a written notice to each other director.

10.2 The directors of the Company or any committee thereof may meet at such times and in such manner and places within or outside the British Virgin Islands as the directors may determine to be necessary or desirable.

10.3 A director is deemed to be present at a meeting of directors if he participates by telephone or other electronic means and all directors participating in the meeting are able to hear each other.

10.4 A director shall be given not less than 3 days' notice of meetings of directors, but a meeting of directors held without 3 days' notice having been given to all directors shall be valid if all the directors entitled to vote at the meeting who do not attend waive notice of the meeting, and for this purpose the presence of a director at a meeting shall constitute waiver by that director. The inadvertent failure to give notice of a meeting to a director, or the fact that a director has not received the notice, does not invalidate the meeting.

10.5 A director may by a written instrument appoint an alternate who need not be a director and the alternate shall be entitled to attend meetings in the absence of the director who appointed him and to vote or consent in place of the director until the appointment lapses or is terminated.

10.6 A meeting of directors is duly constituted for all purposes if at the commencement of the meeting there are present in person or by alternate not less than one-half of the total number of directors, unless there are only 2 directors in which case the quorum is 2.

10.7 If the Company has only one director the provisions herein contained for meetings of directors do not apply and such sole director has full power to represent and act for the Company in all matters as are not by the Act, the Memorandum or the Articles required to be exercised by the Shareholders. In lieu of minutes of a meeting the sole director shall record in writing and sign a note or memorandum of all matters requiring a Resolution of Directors. Such a note or memorandum constitutes sufficient evidence of such resolution for all purposes.

10.8 At meetings of directors at which the Chairman of the Board is present, he shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present, the directors present shall choose one of their number to be chairman of the meeting.

10.9 An action that may be taken by the directors or a committee of directors at a meeting may also be taken by a Resolution of Directors or a resolution of a committee of directors consented to in writing by all directors or by all members of the committee, as the case may be, without the need for any notice. The consent may be in the form of counterparts each counterpart being signed by one or more directors. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the date upon which the last director has consented to the resolution by signed counterparts.

## 11. COMMITTEES

11.1 The directors may, by Resolution of Directors, designate one or more committees, each consisting of one or more directors, and delegate one or more of their powers, including the power to affix the Seal, to the committee.

11.2 The directors have no power to delegate to a committee of directors any of the following powers:

(a) to amend the Memorandum or the Articles;

(b) to designate committees of directors;

(c) to delegate powers to a committee of directors;

(d) to appoint directors;

(e) to appoint an agent;

(f) to approve a plan of merger, consolidation or arrangement; or

(g) to make a declaration of solvency or to approve a liquidation plan.

11.3 Sub-Regulation 11.2(b) and 11.2(c) do not prevent a committee of directors, where authorised by the Resolution of Directors appointing such committee or by a subsequent Resolution of Directors, from appointing a sub-committee and delegating powers exercisable by the committee to the sub-committee.

11.4 The meetings and proceedings of each committee of directors consisting of 2 or more directors shall be governed *mutatis mutandis* by the provisions of the Articles regulating the proceedings of directors so far as the same are not superseded by any provisions in the Resolution of Directors establishing the committee.

11.5 Where the directors delegate their powers to a committee of directors they remain responsible for the exercise of that power by the committee, unless they believed on

reasonable grounds at all times before the exercise of the power that the committee would exercise the power in conformity with the duties imposed on directors of the Company under the Act.

## 12. OFFICERS AND AGENTS

12.1 The Company may by Resolution of Directors appoint officers of the Company at such times as may be considered necessary or expedient. Such officers may consist of a Chairman of the Board of Directors, a president and one or more vice-presidents, secretaries and treasurers and such other officers as may from time to time be considered necessary or expedient. Any number of offices may be held by the same person.

12.2 The officers shall perform such duties as are prescribed at the time of their appointment subject to any modification in such duties as may be prescribed thereafter by Resolution of Directors. In the absence of any specific prescription of duties it shall be the responsibility of the Chairman of the Board to preside at meetings of directors and Shareholders, the president to manage the day to day affairs of the Company, the vice-presidents to act in order of seniority in the absence of the president but otherwise to perform such duties as may be delegated to them by the president, the secretaries to maintain the register of members, minute books and records (other than financial records) of the Company and to ensure compliance with all procedural requirements imposed on the Company by applicable law, and the treasurer to be responsible for the financial affairs of the Company.

12.3 The emoluments of all officers shall be fixed by Resolution of Directors.

12.4 The officers of the Company shall hold office until their successors are duly appointed, but any officer elected or appointed by the directors may be removed at any time, with or without cause, by Resolution of Directors. Any vacancy occurring in any office of the Company may be filled by Resolution of Directors.

12.5 The directors may, by a Resolution of Directors, appoint any person, including a person who is a director, to be an agent of the Company. An agent of the Company shall have such powers and authority of the directors, including the power and authority to affix the Seal, as are set forth in the Articles or in the Resolution of Directors appointing the agent, except that no agent has any power or authority with respect to the matters specified in Sub-Regulation 11.2. The Resolution of Directors appointing an agent may authorise the agent to appoint one or more substitutes or delegates to exercise some or all of the powers conferred on the agent by the Company. The directors may remove an agent appointed by the Company and may revoke or vary a power conferred on him.

## 13. CONFLICT OF INTERESTS

13.1 A director of the Company shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to all other directors of the Company.

13.2 For the purposes of Sub-Regulation 13.1, a disclosure to all other directors to the effect that a director is a member, director or officer of another named entity or has a

fiduciary relationship with respect to the entity or a named individual and is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered into with that entity or individual, is a sufficient disclosure of interest in relation to that transaction.

13.3 A director of the Company who is interested in a transaction entered into or to be entered into by the Company may:

(a) vote on a matter relating to the transaction;

(b) attend a meeting of directors at which a matter relating to the transaction arises and be included among the directors present at the meeting for the purposes of a quorum; and

(c) sign a document on behalf of the Company, or do any other thing in his capacity as a director, that relates to the transaction,

and, subject to compliance with the Act shall not, by reason of his office be accountable to the Company for any benefit which he derives from such transaction and no such transaction shall be liable to be avoided on the grounds of any such interest or benefit.

14. **INDEMNIFICATION**

14.1 Subject to the limitations hereinafter provided the Company shall indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any person who:

(a) is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director of the Company; or

(b) is or was, at the request of the Company, serving as a director of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise.

14.2 The indemnity in Sub-Regulation 14.1 only applies if the person acted honestly and in good faith with a view to the best interests of the Company and, in the case of criminal proceedings, the person had no reasonable cause to believe that their conduct was unlawful.

14.3 The decision of the directors as to whether the person acted honestly and in good faith and with a view to the best interests of the Company and as to whether the person had no reasonable cause to believe that his conduct was unlawful is, in the absence of fraud, sufficient for the purposes of the Articles, unless a question of law is involved.

14.4 The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a *nolle prosequi* does not, by itself, create a presumption that the person did not act honestly and in good faith and with a view to the best interests of the Company or that the person had reasonable cause to believe that his conduct was unlawful.

14.5 The Company may purchase and maintain insurance in relation to any person who is or was a director, officer or liquidator of the Company, or who at the request of the Company is or was serving as a director, officer or liquidator of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability as provided in the Articles.

## 15. RECORDS

15.1 The Company shall keep the following documents at the office of its registered agent:

(a) the Memorandum and the Articles;

(b) the register of members, or a copy of the register of members;

(c) the register of directors, or a copy of the register of directors; and

(d) copies of all notices and other documents filed by the Company with the Registrar in the previous 10 years.

15.2 If the Company maintains only a copy of the register of members or a copy of the register of directors at the office of its registered agent, it shall:

(a) within 15 days of any change in either register, notify the registered agent in writing of the change; and

(b) provide the registered agent with a written record of the physical address of the place or places at which the original register of members or the original register of directors is kept.

15.3 The Company shall keep the following records at the office of its registered agent or at such other place or places, within or outside the British Virgin Islands, as the directors may determine:

(a) minutes of meetings and Resolutions of Shareholders and classes of Shareholders;

(b) minutes of meetings and Resolutions of Directors and committees of directors; and

(c) an impression of the Seal, if any.

15.4 Where any original records referred to in this Regulation are maintained other than at the office of the registered agent of the Company, and the place at which the original records is changed, the Company shall provide the registered agent with the physical address of the new location of the records of the Company within 14 days of the change of location.

15.5 The records kept by the Company under this Regulation shall be in written form or either wholly or partly as electronic records complying with the requirements of the Electronic Transactions Act (No. 5 of 2001).

## 16. REGISTERS OF CHARGES

16.1 The Company shall maintain at the office of its registered agent a register of charges in which there shall be entered the following particulars regarding each mortgage, charge and other encumbrance created by the Company:

(a) the date of creation of the charge;

(b) a short description of the liability secured by the charge;

(c) a short description of the property charged;

(d) the name and address of the trustee for the security or, if there is no such trustee, the name and address of the chargee;

(e) unless the charge is a security to bearer, the name and address of the holder of the charge; and

(f) details of any prohibition or restriction contained in the instrument creating the charge on the power of the Company to create any future charge ranking in priority to or equally with the charge.

## 17. SEAL

The Company may have more than one Seal and references herein to the Seal shall be references to every Seal which shall have been duly adopted by Resolution of Directors. The directors shall provide for the safe custody of the Seal and for an imprint thereof to be kept at the registered office. Except as otherwise expressly provided herein, the Seal when affixed to any written instrument shall be witnessed and attested to by the signature of any one director or other person so authorised from time to time by Resolution of Directors. Such authorisation may be before or after the Seal is affixed, may be general or specific and may refer to any number of sealings. The directors may provide for a facsimile of the Seal and of the signature of any director or authorised person which may be reproduced by printing or other means on any instrument and it shall have the same force and validity as if the Seal had been affixed to such instrument and the same had been attested to as hereinbefore described.

## 18. DISTRIBUTIONS BY WAY OF DIVIDEND

18.1 The directors of the Company may, by Resolution of Directors, authorise a distribution by way of dividend at a time and of an amount they think fit if they are satisfied, on reasonable grounds, that, immediately after the distribution, the value of the Company’s assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

18.2 Dividends may be paid in money, shares, or other property.

18.3 Notice of any dividend that may have been declared shall be given to each Shareholder as specified in Regulation 20 and all dividends unclaimed for 3 years after having been declared may be forfeited by Resolution of Directors for the benefit of the Company.

18.4 No dividend shall bear interest as against the Company and no dividend shall be paid on Treasury Shares.

## 19. ACCOUNTS AND AUDIT

19.1 The Company shall keep records that are sufficient to show and explain the Company's transactions and that will, at any time, enable the financial position of the Company to be determined with reasonable accuracy.

19.2 The Company may by Resolution of Shareholders call for the directors to prepare periodically and make available a profit and loss account and a balance sheet. The profit and loss account and balance sheet shall be drawn up so as to give respectively a true and fair view of the profit and loss of the Company for a financial period and a true and fair view of the assets and liabilities of the Company as at the end of a financial period.

19.3 The Company may by Resolution of Shareholders call for the accounts to be examined by auditors.

19.4 The first auditors shall be appointed by Resolution of Directors; subsequent auditors shall be appointed by a Resolution of Shareholders.

19.5 The auditors may be Shareholders, but no director or other officer shall be eligible to be an auditor of the Company during their continuance in office.

19.6 The remuneration of the auditors of the Company:

(a) in the case of auditors appointed by the directors, may be fixed by Resolution of Directors; and

(b) subject to the foregoing, shall be fixed by Resolution of Shareholders or in such manner as the Company may by Resolution of Shareholders determine.

19.7 The auditors shall examine each profit and loss account and balance sheet required to be laid before a meeting of the Shareholders or otherwise given to Shareholders and shall state in a written report whether or not:

(a) in their opinion the profit and loss account and balance sheet give a true and fair view respectively of the profit and loss for the period covered by the accounts, and of the assets and liabilities of the Company at the end of that period; and

(b) all the information and explanations required by the auditors have been obtained.

19.8 The report of the auditors shall be annexed to the accounts and shall be read at the meeting of Shareholders at which the accounts are laid before the Company or shall be otherwise given to the Shareholders.

19.9 Every auditor of the Company shall have a right of access at all times to the books of account and vouchers of the Company, and shall be entitled to require from the directors and officers of the Company such information and explanations as he thinks necessary for the performance of the duties of the auditors.

19.10 The auditors of the Company shall be entitled to receive notice of, and to attend any meetings of Shareholders at which the Company's profit and loss account and balance sheet are to be presented.

## 20. NOTICES

20.1 Except as otherwise provided in these Articles, any notice or document may be served by the Company or by the person entitled to give notice to any Shareholder either personally, by facsimile or by sending it through the post in a prepaid letter or via a recognised courier service, fees prepaid, addressed to the Shareholder at his address as appearing in the register of members or, to the extent permitted by all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the Shareholder to the Company or by placing it on the Company's Website **provided that** the Company has obtained the Shareholder's prior express positive confirmation in writing to receive notices in such manner. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register of members in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders.

20.2 Notices posted to addresses outside the point of origin of such posting shall be forwarded by prepaid airmail.

20.3 Any Shareholder present, either personally or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.

20.4 Any notice or other document, if served by (a) post, shall be deemed to have been served five days after the time when the letter containing the same is posted and if served by courier, shall be deemed to have been served five days after the time when the letter containing the same is delivered to the courier (in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed and duly posted or delivered to the courier), or (b) facsimile, shall be deemed to have been served upon confirmation of receipt, or (c) recognised delivery service, shall be deemed to have been served 48 hours after the time when the letter containing the same is delivered to the courier service and in proving such service it shall be sufficient to provide that the letter containing the notice or documents was properly addressed and duly posted or delivered to the courier or (d) electronic means as provided herein shall be deemed to have been served and delivered at the expiration of 24 hours after the time it was sent.

20.5 Any notice or document delivered or sent to any Shareholder in accordance with the terms of these Articles shall notwithstanding that such Shareholder be then dead or

bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Shareholder as sole or joint holder, unless his name shall at the time of the service of the notice or document, have been removed from the register of members as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

21. **VOLUNTARY WINDING UP AND DISSOLUTION**

The Company may by a Resolution of Shareholders or by a Resolution of Directors appoint a voluntary liquidator.

22. **CONTINUATION**

The Company may by Resolution of Shareholders or by a resolution passed unanimously by all directors of the Company continue as a company incorporated under the laws of a jurisdiction outside the British Virgin Islands in the manner provided under those laws.

23. **EQUITABLE RELIEF**

The Company and the Shareholders acknowledge that damages alone may not be an adequate remedy for the breach of any of the provisions of these Articles. Accordingly, without prejudice to any other rights and remedies they may have, the Company and the Shareholders shall be entitled to seek equitable relief (including, without limitation, injunctive relief) concerning any threatened or actual breach of any of the provisions of these Articles.

We, [•] Limited of [•], Road Town, Tortola, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands hereby sign these Articles of Association the [•] day of [•], 20[•].

Incorporator

______________________________

Authorised Signatory
[•] Limited

**TERRITORY OF THE BRITISH VIRGIN ISLANDS**

**BVI BUSINESS COMPANIES ACT, 2004**

# Memorandum of Association

**and**

# Articles of Association

**of**

# STUDIO CITY HOLDINGS TWO LIMITED

**Incorporated on**

TERRITORY OF THE BRITISH VIRGIN ISLANDS

THE BVI BUSINESS COMPANIES ACT 2004

**MEMORANDUM OF ASSOCIATION**

**OF**

**STUDIO CITY HOLDINGS TWO LIMITED**

COMPANY LIMITED BY SHARES

## 1. DEFINITIONS AND INTERPRETATION

1.1 In this Memorandum of Association and the attached Articles of Association, if not inconsistent with the subject or context:

"**Account**" has the meaning given to it in Sub-Regulation 6.3(a)(iv);

"**Act**" means the BVI Business Companies Act (No. 16 of 2004) and includes the regulations made under the Act;

"**Agent**" means the Agent for the time being under the Senior Facilities Agreement;

"**Articles**" means the attached Articles of Association of the Company;

"**Balance Amount**" has the meaning given to it in Sub-Regulation 6.9;

"**Balance Statement**" has the meaning given to it in Sub-Regulation 6.9

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in the Macau Special Administrative Region of the People's Republic of China, Hong Kong and London;

"**Buyer**" has the meaning given to it in Sub-Regulation 6.3(a)(ii);

"**Chairman of the Board**" has the meaning specified in Regulation 12;

"**Determination Basis**" means, in relation to an Expert Transfer Statement or an Expert Sale Statement, generally accepted accounting principles in Hong Kong and/or principles of financial analysis generally accepted in Hong Kong and such publicly available information as the Expert may in its discretion consider appropriate in order to notionally convert the consideration (which does not consist entirely of US dollars cash payable within 30 Business Days of the date of the relevant Expert Transfer Statement) for a sale of the Sale Shares into the equivalent of an amount of US dollars cash payable on the date falling 30 Business Days after the date of the relevant Expert Transfer Statement (such date being the "**Assumed Transfer Date**"), without any warranties, indemnities or other post-closing arrangements in relation to such sale;

“**Distribution**” in relation to a distribution by the Company means the direct or indirect transfer of an asset, other than Shares, to or for the benefit of the Shareholder in relation to Shares held by a Shareholder, and whether by means of a purchase of an asset, the redemption or other acquisition of Shares, a distribution of indebtedness or otherwise, and includes a dividend;

“**Expert**” means any:

(a) independent internationally recognised investment bank;

(b) “Big 4” accountancy firm; or

(c) other independent professional turnaround services firm or other professional services firm,

which is regularly engaged in providing valuations of businesses or financial assets or, where applicable, advising on competitive sales processes or the realisation of financially distressed businesses;

“**Expert Transfer Statement**” means, in relation to a Transfer Notice, a written statement from the Expert (acting as expert and not as arbitrator) that (a) the Expert has reviewed a proposal from the Buyer for the purchase of the Sale Shares and (b) in the Expert’s opinion, in accordance with the Determination Basis and having regard to the terms of such proposal, the Transfer Price is not greater than an amount equal to the consideration proposed to be provided by the Buyer in respect of a sale of the Sale Shares;

“**Expert Sale Statement**” means, for the purpose of Sub-Regulation 6.10, a written statement from the Expert (acting as expert and not as arbitrator) that (a) the Expert has reviewed the terms on which the Buyer has agreed to purchase the Sale Shares and (b) in the Expert’s opinion, in accordance with the Determination Basis and having regard to such terms, the Transfer Price is not greater than an amount equal to the consideration to be provided by the Buyer in respect of a sale of the Sale Shares;

“**Golden Share**” means the 1 “A” share of US$1.00 in the capital of the Company;

“**Golden Shareholder**” means the person whose name is entered in the register of members of the Company as the holder of the Golden Share;

“**Gross Debt Amount**” has the meaning given to it in Sub-Regulation 6.7(b)(B);

“**GS Completion Date**” has the meaning given to it in Sub-Regulation 6.7;

“**GS Completion Date Payment**” means:

(a) if the Golden Shareholder shall have undertaken pursuant to Regulation 6.7(ii)(Y) to purchase the Sale Shares for the Gross Debt Amount, the Indicative Outstanding Gross Debt Amount, or

(b) if the Golden Shareholder shall have undertaken pursuant to Regulations 6.7(ii)(Z) to purchase the Sale Shares for the Outstanding Facility Debt Amount, the Indicative Outstanding Facility Debt Amount;

“**GS Debenture**” means the Debenture to be entered into between [ ] as Chargor and Industrial and Commercial Bank of China (Macau) Limited as Security Agent (as from time to time amended, novated, supplemented, extended, replaced or restated (in each case, however fundamentally));

“**GS Election**” has the meaning given to it in Sub-Regulation 6.7(b);

“**GS Insolvency Event**” means:

(i) the winding-up, dissolution or administration of the Golden Shareholder;

(ii) the appointment of a liquidator, administrator, compulsory manager or other similar officer in respect of the Golden Shareholder;

(iii) the commencement of any enforcement process properly commenced of any security consensually granted by the Golden Shareholder in favour of a party other than the Security Agent; or

(iv) the commencement of any proceedings to enforce any judgment entered against the Golden Shareholder by a court of competent jurisdiction and which is properly enforceable in its jurisdiction of incorporation,

or any analogous procedure in any jurisdiction, in each case such winding up, dissolution, administration appointment of a liquidator, administrator, compulsory manager or similar officer or enforcement process having been commenced otherwise than on the application of or on behalf of the Security Agent or its nominees or assigns;

“**GS Purchase Price**” means the total amount payable by the Golden Shareholder in respect of a purchase of the Sale Shares under Sub-Regulation 6.7 or 6.12, as the case may be;

“**GS Transferee**” has the meaning given to it in Sub-Regulations 6.7 and 6.12;

“**High Yield Notes**” has the meaning assigned to that expression in the Senior Facilities Agreement;

“**High Yield Note Guarantees**” has the meaning assigned to that expression in the Senior Facilities Agreement;

“**High Yield Note Indenture**” has the meaning assigned to that expression in the Senior Facilities Agreement;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“**Indicative Outstanding Facility Debt Amount**” has the meaning given to it in Sub-Regulation 6.3(c);

“**Indicative Outstanding Gross Debt Amount**” has the meaning given to it in Sub- Regulation 6.3(c);

“**Indicative Outstanding High Yield Note Debt Amount**” has the meaning given to it in Sub-Regulation 6.3(c);

“**Memorandum**” means this Memorandum of Association of the Company;

“**Ordinary Shareholder**” means each person whose name is entered in the register of members of the Company as the holder of any Ordinary Share;

“**Ordinary Shares**” means all ordinary or other shares of US$1 (or such other value) each in the capital of the Company.

“**Outstanding Facility Debt**” means, at any time, the aggregate amount then outstanding of the Secured Obligations;

“**Outstanding Facility Debt Amount**” has the meaning given to it in Sub-Regulation 6.7(b)(C);

“**Outstanding High Yield Note Debt**” means, at any time, the aggregate (x) principal amount outstanding under the High Yield Notes and (y) amount of accrued but unpaid interest in respect of the High Yield Notes, in each case as then outstanding;

“**Pre-emption Notice**” has the meaning given to it in Sub-Regulation 6.12(b);

“**Pre-emption Period**” means the period of five Business Days commencing on:

(a) if the event or circumstance referred to in Sub-Regulation 6.10(a) shall have occurred, the Veto Cut-off Date;

(b) if the event or circumstance referred to in Sub-Regulation 6.10(b) shall have occurred, the date on which the Golden Shareholder shall have waived in writing its rights under Sub-Regulation 6.7;

(c) if the event or circumstance described in Sub-Regulation 6.10(c) shall have occurred, the GS Completion Date; and

(d) if two of the events or circumstances described in paragraphs (a), (b) and (c) above shall have occurred, the earlier of the dates on which any such event or circumstance shall have occurred;

“**Registrar**” means the Registrar of Corporate Affairs appointed under section 229 of the Act;

“**Resolution of Directors**” means either:

(a) a resolution approved at a duly convened and constituted meeting of directors of the Company or of a committee of directors of the Company by the affirmative vote of a majority of the directors present at the meeting who voted except that where a director is given more than one vote, he shall be counted by the number of votes he casts for the purpose of establishing a majority; or

(b) a resolution consented to in writing by all directors or by all members of a committee of directors of the Company, as the case may be;

"**Resolution of Shareholders**" means either:

(a) a resolution approved at a duly convened and constituted meeting of the Shareholders of the Company by the affirmative vote of a majority of the votes of the Shares entitled to vote thereon which were present at the meeting and were voted; or

(b) a resolution consented to in writing by a majority of the votes of Shares entitled to vote thereon;

"**Sale Period**" means the period commencing on the date immediately following the date on which the Pre-emption Period shall end and ending on the earlier of (a) the day falling one year after such commencement date and (b) the day (if any) on which the Golden Shareholder satisfies the conditions specified in Sub-Regulations 6.12(a) and (b);

"**Sale Shares**" has the meaning given to it in Sub-Regulation 6.3;

"**Seal**" means any seal which has been duly adopted as the common seal of the Company;

"**Secured Obligations**" has the meaning assigned to that expression in the Senior Facilities Agreement;

"**Securities**" means Shares and debt obligations of every kind of the Company, and including without limitation options, warrants and rights to acquire shares or debt obligations;

"**Security Agent**" means the Security Agent for the time being under the Senior Facilities Agreement.

"**Seller**" has the meaning given to it in Sub-Regulation 6.3;

"**Senior Facilities Agreement**" means the HK$10,855,880,000 Senior Term Loan and Revolving Facilities Agreement dated 28 January 2013 and made between inter alia Studio City Company Limited as the Borrower, the Company as an Original Guarantor, Deutsche Bank AG, Hong Kong Branch as Agent and Industrial and Commercial Bank of China (Macau) Limited as Security Agent, Disbursement Agent and POA Agent (as from time to time amended, novated supplemented, extended, replaced or restated (in each case, however fundamentally));

"**Share**" means a share issued or to be issued by the Company;

"**Shareholder**" means a person whose name is entered in the register of members of the Company as the holder of one or more Shares or fractional Shares;

"**Share Security Transfer**" means any transfer, assignment or other disposal of a beneficial or other interest in a Share in accordance with powers expressly granted under or pursuant to the Specified Share Charge (including, without limitation, any

such transfer, assignment or other disposal (i) of any security interest by a retiring secured party to a new secured party, (ii) arising from the elevation of an equitable mortgage to a legal mortgage and/or (iii) from one nominee of a secured party to another nominee of that secured party), **but excludes** any transfer, assignment or other disposal of a beneficial or other interest in a Share which would have the effect of extinguishing the relevant shareholder's equity of redemption in respect of a Share or otherwise prejudice the rights granted to the Golden Shareholder in Regulation 6 hereof, including, but not limited to: (a) the exercise of any power of sale under or in respect of the Specified Share Charge; (b) the exercise of any right of appropriation thereunder or pursuant thereto (whether by the Security Agent or any receiver, receiver and manager, administrative receiver or analogous person appointed thereunder); (c) an order for foreclosure made by a court of competent jurisdiction or (d) any other act by way of enforcement which would have the effect of extinguishing the relevant shareholder's equity of redemption in a Share or otherwise prejudice the rights granted to the Golden Shareholder in Regulation 6 hereof;

"**Specified Share Charge**" means the Share Charge to be entered into between [ ][3] as Chargor and Industrial and Commercial Bank of China (Macau) Limited as Security Agent, in respect of Shares (as from time to time amended, novated, supplemented, extended, replaced or restated (in each case, however fundamentally));

"**Subsidiary**" has the meaning assigned to that expression in the Senior Facilities Agreement;

"**Transfer Notice**" has the meaning given to it in Sub-Regulation 6.3(a);

"**Transfer Price**" has the meaning given to it in Sub-Regulation 6.3(a)(iii);

"**Treasury Share**" means a Share that was previously issued but was repurchased, redeemed or otherwise acquired by the Company and not cancelled;

"**US dollars**" and "**US$**" mean the lawful currency of the United States of America;

"**Veto Cut-off Date**" has the meaning given to it in Sub-Regulation 6.7;

"**Veto Notice**" has the meaning given to it in Sub-Regulation 6.7; and

"**written**" or any term of like import includes information generated, sent, received or stored by electronic, electrical, digital, magnetic, optical, electromagnetic, biometric or photonic means, including electronic data interchange, electronic mail, telegram, telex or telecopy, and "**in writing**" shall be construed accordingly.

1.2 In the Memorandum and the Articles, unless the context otherwise requires a reference to:

(a) a "**Regulation**" is a reference to a regulation of the Articles;

(b) a "**Clause**" is a reference to a clause of the Memorandum;

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3 Insert name of relevant BVICo that is issuing the Golden Share.

(c) voting by Shareholders is a reference to the casting of the votes attached to the Shares held by the Shareholder voting;

(d) the Act, the Memorandum or the Articles is a reference to the Act or those documents as amended; and

(e) the singular includes the plural and vice versa.

1.3 Any words or expressions defined in the Act unless the context otherwise requires bear the same meaning in the Memorandum and Articles unless otherwise defined herein.

1.4 Headings are inserted for convenience only and shall be disregarded in interpreting the Memorandum and Articles.

## 2. NAME

The name of the Company is STUDIO CITY HOLDINGS TWO LIMITED.

## 3. STATUS

The Company is a Company Limited by Shares.

## 4. REGISTERED OFFICE AND REGISTERED AGENT

4.1 The first registered office of the Company is at Appleby Corporate Services (BVI) Limited, Jayla Place, Wickmans Cay 1, Road Town, Tortola, British Virgin Islands, the office of the first registered agent.

4.2 The first registered agent of the Company is [●], Road Town, Tortola, British Virgin Islands.

4.3 The Company may by Resolution of Shareholders or by Resolution of Directors change the location of its registered office or change its registered agent.

4.4 Any change of registered office or registered agent will take effect on the registration by the Registrar of a notice of the change filed by the existing registered agent or a legal practitioner in the British Virgin Islands acting on behalf of the Company.

## 5. CAPACITY AND POWERS

5.1 Subject to the Act and any other British Virgin Islands legislation, the Company has, irrespective of corporate benefit:

(a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and

(b) for the purposes of paragraph (a), full rights, powers and privileges,

save that the Company may not:

(i) effect any merger or consolidation with another company; or

(ii) continue in any other jurisdiction,

without the prior written consent of the Golden Shareholder.

5.2 For the purposes of section 9(4) of the Act, there are no limitations on the business that the Company may carry on.

5.3 Section 175 of the Act shall not apply to the Company.

## 6. NUMBER AND CLASSES OF SHARES

6.1 The Company is authorised to issue a maximum of [●] Ordinary Shares of par value USD 1.00 and one “A” Share of par value USD1.00.

6.2 Other than in respect of the Golden Share the Company may issue fractional Shares and a fractional Share shall have the corresponding fractional rights, obligations and liabilities of a whole share of the same class or series of shares.

## 7. DESIGNATIONS, POWERS, PREFERENCES, ETC. OF SHARES

7.1 Each Ordinary Share confers upon its holder:

(a) the right to one vote at a meeting of the Shareholders of the Company or on any Resolution of Shareholders;

(b) the right to an equal share in any dividend paid by the Company; and

(c) the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

7.2 The Golden Share does not confer upon its holder any right to vote at a meeting of the Shareholders of the Company or on any Resolution of Shareholders (other than a meeting of the Golden Shareholder or a resolution of the Golden Shareholder as a separate class), any right to share in a dividend paid by the Company, or any right to share in the distribution of the surplus assets of the Company on its liquidation in excess of its par value. The Golden Share is not, and shall not be regarded in any circumstance as or analogous to, an Ordinary Share.

7.3 The directors may at their discretion by Resolution of Directors redeem, purchase or otherwise acquire all or any of the Shares in the Company subject to Regulation 3 of the Articles.

## 8. VARIATION OF RIGHTS

The rights attached to Shares as specified in Clause 7 may only, whether or not the Company is being wound up, be varied with the consent in writing of or by a resolution passed at a meeting by the holders of more than 50 per cent of the issued Shares of that class.

9. **RIGHTS NOT VARIED BY THE ISSUE OF SHARES PARI PASSU**

The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

10. **REGISTERED SHARES**

10.1 The Company shall issue registered shares only.

10.2 The Company is not authorised to issue bearer shares, convert registered shares to bearer shares or exchange registered shares for bearer shares.

11. **TRANSFER OF SHARES**

Shares may be transferred in accordance with Regulation 6 of the Articles.

12. **AMENDMENT OF MEMORANDUM AND ARTICLES**

The Company may amend its Memorandum or Articles by a Resolution of Shareholders, **provided that** there has been obtained the prior written consent of (i) the holder of the Golden Share and (ii) any mortgagee or chargee whose interest has been noted on the register of members.

We, [●] of [●], Road Town, Tortola, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands hereby sign this Memorandum of Association the [●] day of [●], 20[●].

Incorporator

______________________________

Authorised Signatory
[●] Limited

TERRITORY OF THE BRITISH VIRGIN ISLANDS

THE BVI BUSINESS COMPANIES ACT 2004

# ARTICLES OF ASSOCIATION

# OF

# STUDIO CITY HOLDINGS TWO LIMITED

COMPANY LIMITED BY SHARES

## 1. REGISTERED SHARES

1.1 Every Shareholder is entitled to a certificate signed by a director of the Company or under the Seal specifying the number of Shares held by him and the signature of the director and the Seal may be facsimiles.

1.2 Any Shareholder receiving a certificate shall indemnify and hold the Company and its directors and officers harmless from any loss or liability which it or they may incur by reason of any wrongful or fraudulent use or representation made by any person by virtue of the possession thereof. If a certificate for Shares is worn out or lost it may be renewed on production of the worn out certificate or on satisfactory proof of its loss together with such indemnity as may be required by a Resolution of Directors.

1.3 If several persons are registered as joint holders of any Shares, any one of such persons may give an effectual receipt for any Distribution **provided always that** the Golden Share may at any time be held by only one person.

## 2. SHARES

2.1 Shares and other Securities may be issued at such times, to such persons, for such consideration and on such terms as the directors may by Resolution of Directors determine, **provided that** the Company shall not issue any Shares other than Ordinary Shares and the Golden Share without the consent of the Golden Shareholder.

2.2 A Share may be issued for consideration in any form, including money, a promissory note, real property, personal property (including goodwill and know-how) or a contract for future services.

2.3 No Shares may be issued for a consideration other than money, unless a Resolution of Directors has been passed stating:

(a) the amount to be credited for the issue of the Shares;

(b) their determination of the reasonable present cash value of the non-money consideration for the issue; and

(c) that, in their opinion, the present cash value of the non-money consideration for the issue is not less than the amount to be credited for the issue of the Shares.

2.4 The Company shall keep a register (the "**register of members**") containing:

(a) the names and addresses of the person(s) who hold Shares;

(b) the number of each class and series of Shares held by each Shareholder;

(c) the date on which the name of each Shareholder was entered in the register of members; and

(d) the date on which any person ceased to be a Shareholder.

2.5 The register of members may be in any such form as the directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until the directors otherwise determine, the magnetic, electronic or other data storage form shall be the original register of members.

2.6 A Share is deemed to be issued when the name of the Shareholder is entered in the register of members.

## 3. REDEMPTION OF SHARES AND TREASURY SHARES

3.1 The Company may purchase, redeem or otherwise acquire and hold its own Shares save that the Company may not purchase, redeem or otherwise acquire its own Shares without the consent of Shareholders whose Shares are to be purchased, redeemed or otherwise acquired except in the circumstances set out in Regulations 6.10, 6.15 and 6.16 and no Shareholder shall be entitled to exercise any right conferred on it by section 176 of the Act.

3.2 The Company may only offer to acquire Shares if at the relevant time the directors determine by Resolution of Directors that immediately after the acquisition the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

3.3 Sections 60 (Process for acquisition of own shares), 61 (Offer to one or more shareholders) and 62 (Shares redeemed otherwise than at the option of company) of the Act shall not apply to the Company.

3.4 Shares that the Company purchases, redeems or otherwise acquires pursuant to this Regulation may be cancelled or held as Treasury Shares except to the extent that such Shares are in excess of 50 percent of the issued Shares in which case they shall be cancelled but they shall be available for reissue.

3.5 All rights and obligations attaching to a Treasury Share are suspended and shall not be exercised by the Company while it holds the Share as a Treasury Share.

3.6 Treasury Shares may be disposed of by the Company on such terms and conditions (not otherwise inconsistent with the Memorandum and Articles) as the Company may by Resolution of Directors determine.

3.7 Where Shares are held by another body corporate of which the Company holds, directly or indirectly, shares having more than 50 per cent of the votes in the election of directors of the other body corporate, all rights and obligations attaching to the Shares held by the other body corporate are suspended and shall not be exercised by the other body corporate.

## 4. MORTGAGES AND CHARGES OF SHARES

4.1 Subject to Regulation 6, Shareholders may mortgage or charge their Shares.

4.2 There shall be entered in the register of members at the written request of the Shareholder:

(a) a statement that the Shares held by him are mortgaged or charged;

(b) the name of the mortgagee or chargee; and

(c) the date on which the particulars specified in subparagraphs (a) and (b) are entered in the register of members.

4.3 Where particulars of a mortgage or charge are entered in the register of members, such particulars may be cancelled:

(a) with the written consent of the named mortgagee or chargee or anyone authorised to act on his behalf; or

(b) upon evidence satisfactory to the directors of the discharge of the liability secured by the mortgage or charge and the issue of such indemnities as the directors shall consider necessary or desirable.

4.4 Whilst particulars of a mortgage or charge over Shares are entered in the register of members pursuant to this Regulation:

(a) no transfer of any Share the subject of those particulars shall be effected;

(b) the Company may not purchase, redeem or otherwise acquire any such Share; and

(c) no replacement certificate shall be issued in respect of such Shares,

without the written consent of the named mortgagee or chargee.

## 5. FORFEITURE

5.1 Shares that are not fully paid on issue are subject to the forfeiture provisions set forth in this Regulation and for this purpose Shares issued for a promissory note or a contract for future services are deemed to be not fully paid.

5.2 A written notice of call specifying the date for payment to be made shall be served on the Shareholder who defaults in making payment in respect of the Shares.

5.3 The written notice of call referred to in Sub-Regulation 5.2 shall name a further date not earlier than the expiration of 14 days from the date of service of the notice on or before which the payment required by the notice is to be made and shall contain a statement that in the event of non-payment at or before the time named in the notice the Shares, or any of them, in respect of which payment is not made will be liable to be forfeited.

5.4 Where a written notice of call has been issued pursuant to Sub-Regulation 5.3 and the requirements of the notice have not been complied with, the directors may, at any time before tender of payment, forfeit and cancel the Shares to which the notice relates.

5.5 The Company is under no obligation to refund any moneys to the Shareholder whose Shares have been cancelled pursuant to Sub-Regulation 5.4 and that Shareholder shall be discharged from any further obligation to the Company.

6. **TRANSFER OF SHARES**

6.1 In this Regulation, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share other than a Share Security Transfer; and reference to a Share includes a beneficial or other interest in that Share.

6.2 Any transfer of shares by a Shareholder shall be subject to the provisions set out in this Regulation 6. Ordinary Shares may be transferred only in accordance with the provisions of Sub-Regulations 6.2 to 6.13 (inclusive) or with the Golden Shareholder's prior written consent. Without prejudice to the foregoing, the Golden Shareholder may:

(a) at any time by notice in writing to the Company direct that the provisions of Sub-Regulations 6.2 to 6.13 inclusive (and applicable defined terms and/or definitions) shall cease to apply for all purposes; and

(b) from to time to time waive by notice in writing to the Company any or all conditions stipulated in any or all of Sub-Regulations 6.2 to 6.13 inclusive, whether generally or otherwise, as may be specified in such notice.

6.3 A holder of Ordinary Shares (the "**Seller**") wishing to transfer its shares (the "**Sale Shares**") must give to the Company and to the Golden Shareholder:

(a) a notice in writing (a "**Transfer Notice**") setting out:

(i) the number of Sale Shares;

(ii) the name of the proposed buyer of the Sale Shares (the "**Buyer**");

(iii) an amount (in US dollars cash) in respect of the consideration proposed to be paid or provided by the Buyer for the Sale Shares at closing of a sale of the Sale Shares (the "**Transfer Price**"); and

(iv) details of the bank account (the "**Account**") into which the Transfer Price (or, as the case may be, the GS Purchase Price) is to be paid,

and incorporating statements:

(A) that either (1) the Transfer Price is not greater than the amount of US dollars cash proposed to be paid within 30 Business Days of the date of such Transfer Notice by the Buyer in respect of a sale of the Sale Shares or (2) the Transfer Price is not greater than the consideration proposed to be paid or provided by the Buyer in respect of a sale of the Sale Shares, determined by the Expert in accordance with the Determination Basis, as stated in the Expert Transfer Statement, and

(B) that either (1) the Buyer proposes to buy the Sale Shares on the basis that on closing of such sale the Subsidiaries of the Company shall be free of any High Yield Note Guarantees granted by such Subsidiaries (to the extent the release of such High Yield Note Guarantees is permitted by the High Yield Note Indenture) or (2) the Buyer proposes to buy the Sale Shares on the basis that on and following closing of such sale the Subsidiaries of the Company shall not be free of any such High Yield Note Guarantees;

(b) if sub-paragraph (A)(2) of paragraph (a) above shall apply, a copy of an Expert Transfer Statement in relation thereto; and

(c) a statement in writing from the Agent of:

(i) the aggregate amount (and the currency or currencies thereof) of the Secured Obligations (the "**Indicative Outstanding Facility Debt Amount**"),

(ii) the aggregate (A) principal amount outstanding under the High Yield Notes and (B) amount of accrued but unpaid interest in respect of the High Yield Notes (the "**Indicative Outstanding High Yield Note Debt Amount**"), and

(iii) the sum of (i) and (ii) above (the Indicative Outstanding Gross Debt Amount),

in each case as at a date not earlier than two Business Days before the date of the Transfer Notice.

6.4 Subject to the terms of any waiver by the Golden Shareholder, as contemplated by and in accordance with Sub-Regulation 6.2, the Seller may sell all (but not some only) of its Shares pursuant to the provisions of this Regulation 6.

6.5 Once given under Sub-Regulation 6.3, a Transfer Notice may not be withdrawn.

6.6 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of this Regulation 6.

6.7 The Golden Shareholder may, not later than the date (the "**Veto Cut-off Date**") falling 10 Business Days after the date of receipt by the Golden Shareholder of the Transfer Notice and the other documents referred to in Sub-Regulation 6.3, serve on the Company and the Seller a notice (a "**Veto Notice"**). The Veto Notice shall set out:

(a) the name of the proposed transferee (the "**GS Transferee**") of the Sale Shares;

(b) a statement (the "**GS Election**") by the Golden Shareholder that it will purchase the Sale Shares for one of the following (stipulating which of (A), (B) or (C) shall apply):

(A) the Transfer Price, or

(B) an amount equal to the aggregate amount of the Outstanding Facility Debt and the Outstanding High Yield Note Debt as at the GS Completion Date (the "**Gross Debt Amount**"), or

(C) an amount equal to the Outstanding Facility Debt as at the GS Completion Date (the "**Outstanding Facility Debt Amount**"),

(c) a date (the "**GS Completion Date**"), being a date no earlier than two Business Days, and no later than five Business Days, after the Veto Cut-off Date.

The Veto Notice:

(i) once given, may not be withdrawn (except with the consent in writing of all the holders for the time being of the Ordinary Shares, given to the Company and the Golden Shareholder), and

(ii) shall constitute, in favour of the Seller:

(X) if the GS Election shall have stipulated the Transfer Price, the irrevocable undertaking of the Golden Shareholder:

(1) to purchase the Sale Shares for the Transfer Price, and

(2) to pay or procure the payment of the Transfer Price into the Account on the GS Completion Date; or

(Y) if the GS Election shall have stipulated the Gross Debt Amount, the irrevocable undertaking of the Golden Shareholder:

(1) to purchase the Sale Shares for the Gross Debt Amount,

(2) to pay or procure the payment of the Indicative Outstanding Gross Debt Amount into the Account on the GS Completion Date, and

(3) to pay or procure the payment of the Balance Amount into the Account within two Business Days of the Seller giving to the Golden Shareholder and the Company a Balance Statement; or

(Z) if the GS Election shall have stipulated the Outstanding Facility Debt Amount, the irrevocable undertaking of the Golden Shareholder:

(1) to purchase the Sale Shares for the Outstanding Facility Debt Amount,

(2) to pay or procure the payment of the Indicative Outstanding Facility Debt Amount into the Account on the GS Completion Date, and

(3) to pay or procure the payment of the Balance Amount into the Account within two Business Days of the Seller giving to the Golden Shareholder and the Company a Balance Statement.

6.8 If the Golden Shareholder has served a Veto Notice and copies of the other documents referred to in Sub-Regulation 6.7 in accordance with the requirements of Sub-Regulation 6.7 on the Company and the Seller by the Veto Cut-off Date:

(a) the Seller shall, against receipt of the GS Completion Date Payment into the Account, execute and deliver a transfer of the Sale Shares in favour of the GS Transferee; and

(b) the Golden Shareholder shall pay or procure the payment of the GS Completion Date Payment into the Account,

in each case on the GS Completion Date.

6.9 If the Golden Shareholder has discharged its obligations under Sub-Regulation 6.8(b) on the GS Completion Date (and has provided to the Company evidence in writing that the GS Completion Date Payment has been unconditionally credited to the Account on the GS Completion Date) and the Seller fails to comply with Sub-Regulation 6.8(a), the chairman of the Company (or, failing him, one of the other directors, or some other person nominated by a resolution of the Board) shall:

(a) as agent on behalf of the Seller, complete, execute and deliver in the name of the Seller all documents necessary to give effect to the transfer of the Sale Shares from the Seller to the GS Transferee; and

(b) enter the GS Transferee in the register of members as the holder of the Sale Shares.

For the purpose of Sub-Regulation 6.8 and this Sub-Regulation 6.9, the Seller may at any time (other than where the Golden Shareholder has undertaken to purchase the Sale Shares for the Transfer Price) during the period commencing on the Business Day immediately preceding the GS Completion Date and ending 10 Business Days after the GS Completion Date give to the Golden Shareholder and the Company a statement in writing (a “**Balance Statement**”) from the Agent setting out:

(i) if the Golden Shareholder shall have undertaken to purchase the Sale Shares for the Gross Debt Amount, the difference (and the currency or currencies thereof) between (1) the Gross Debt Amount as at the GS Completion Date and (2) the Indicative Outstanding Gross Debt Amount, or

(ii) if the Golden Shareholder shall have undertaken to purchase the Sale Shares for the Outstanding Facility Debt, the difference (and the currency or currencies thereof) between (1) the Outstanding Facility Debt as at the GS Completion Date and (2) the Indicative Outstanding Facility Debt Amount,

such difference, in each case, the "**Balance Amount**".

6.10 If:

(a) the Golden Shareholder has not served a Veto Notice and the other documents referred to in sub-Regulation 6.7 in accordance with the requirements of Sub-Regulation 6.7 on the Company and the Seller by the Veto Cut-off Date; or

(b) the Golden Shareholder has waived in writing its rights under Sub-Regulation 6.7 pursuant to Sub-Regulation 6.2 addressed to the Company and the Ordinary Shareholders,

and the Golden Shareholder shall not have satisfied the conditions set out in Sub-Regulation 6.12(a) and (b) during the Pre-emption Period, then if the Seller, at any time during the Sale Period, delivers to the Company a duly executed instrument of transfer in favour of the Buyer in respect of the Sale Shares together with an Expert Sale Statement (and provides to the Company evidence in writing that the Seller has dispatched to the Golden Shareholder copies of such duly executed instrument of transfer and Expert Sale Statement) and a written notice to the Golden Shareholder stating that all conditions that have been agreed between the Seller and the Buyer as required to be satisfied at or before a transfer of the Sale Shares from the Seller to the Buyer have been satisfied or waived:

(i) the directors of the Company shall enter the Buyer in the register of members of the Company as the holder of the Sale Shares;

(ii) the Golden Shareholder shall have no rights under these Articles (other than under paragraphs (iii) and/or (iv) below);

(iii) the Golden Share shall become immediately redeemable at par at the option of the Company;

(iv) the Golden Shareholder will be deemed to have offered to sell the Golden Share for US$1.00 to the Ordinary Shareholders and any Ordinary Shareholder may, at any time during the period of five years commencing on the date of the delivery to the Company of the above-mentioned duly executed instrument of transfer and Expert Sale Statement, accept such offer by sending a notice in writing to such effect to the Company and the Golden Shareholder; and

(v) the Company shall thereupon be constituted the agent of the Golden Shareholder for the sale of the Golden Share in accordance with the provisions of this Sub-Regulation 6.10.

6.11 If any Ordinary Shareholder shall accept the deemed offer by the Golden Shareholder by sending a notice in writing to the Company and the Golden Shareholder as contemplated in paragraph (iv) of Sub-Regulation 6.10, such Ordinary Shareholder shall no later than 10 Business Days after such notice pay the sum of US$1.00 to the Golden Shareholder by delivering to the Company at the office of its registered agent for the time being a cheque or money order in the amount of US$1.00 payable to the Golden Shareholder. Promptly on such delivery of such cheque or money order, the chairman of the Company (or, failing him, one of the other directors, or some other person nominated by a resolution of the Board) shall:

(a) as agent on behalf of the Golden Shareholder, complete, execute and deliver in the name of the Golden Shareholder all documents necessary to give effect to the transfer of the Golden Share from the Golden Shareholder to such Ordinary Shareholder, and

(b) enter such Ordinary Shareholder in the register of members as the holder of the Golden Share.

6.12 If the Golden Shareholder, at any time during the Pre-emption Period, shall:

(a) pay or procure the payment of the Transfer Price into the Account; and

(b) serve on the Company and the Seller a notice ("**Pre-emption Notice**") that the Golden Shareholder wishes to acquire the Sale Shares at the Transfer Price and setting out the name of the proposed transferee (the "**GS Transferee**"), together with evidence in writing that the Transfer Price has been unconditionally credited to the Account,

the Seller shall, against receipt of the Transfer Price into the Account, execute and deliver a transfer of the Sale Shares in favour of the GS Transferee. If the Golden Shareholder shall have satisfied the requirements of paragraphs (a) and (b) above but the Seller shall fail to execute and deliver a transfer of the Sale Shares in favour of the GS Transferee, the chairman of the Company (or, failing him, one of the other directors, or some other person nominated by a resolution of the Board) shall:

(1) as agent on behalf of the Seller, complete, execute and deliver in the name of the Seller all documents necessary to give effect to the transfer of the Sale Shares from the Seller to the GS Transferee; and

(2) enter the GS Transferee in the register of members as the holder of the Sale Shares.

6.13 If the Golden Shareholder has paid or procured the payment of the GS Purchase Price into the Account in accordance with Sub-Regulation 6.8(b) or the Transfer Price into the Account in accordance with Sub-Regulation 6.12(a), the Golden Shareholder shall not be obliged to concern itself with the distribution of the GS Purchase Price or, as the case may be, the Transfer Price.

6.14 Save in respect of a transfer to an Ordinary Shareholder as contemplated in Sub-Regulations 6.10, 6.11, 6.15 and 6.16, the Golden Share may be transferred only with the prior written consent of all the holders for the time being of the Ordinary Shares.

6.15 If the Golden Shareholder shall at any time give to the Company a notice (a "**GS Cessation Notice**") in accordance with Sub-Regulation 6.2(a) (directing that the provisions of Sub-Regulations 6.2 to 6.13 inclusive (and applicable defined terms and/or definitions) shall cease to apply for all purposes), then on and with effect from the Company's receipt of the GS Cessation Notice:

(a) the provisions of Sub-Regulations 6.2 to 6.13 inclusive (and applicable defined terms and/or definitions) shall cease to apply, save as provided in paragraph (d) below;

(b) any transfer of any Ordinary Share shall be effected by the delivery to the Company at the office of its registered agent of a written instrument of transfer signed by the transferor and containing the name and address of the transferee;

(c) the Golden Share shall become immediately redeemable at par at the option of the Company; and

(d) the Golden Shareholder will be deemed to have offered to sell the Golden Share for US$1.00 to the Ordinary Shareholders, and the provisions of paragraphs (iv) and (v) of Sub-Regulation 6.10 and Sub-Regulation 6.11 shall apply *mutatis mutandis*.

6.16 If a GS Insolvency Event shall occur or if the Golden Shareholder shall have failed to discharge its obligations under Sub-Regulation 6.8(b) on the GS Completion Date, then:

(a) the Golden Share shall become immediately redeemable at par at the option of the Company; and

(b) the Golden Shareholder will be deemed to have offered to sell the Golden Share for US$1.00 to the Ordinary Shareholders, and the provisions of paragraphs (iv) and (v) of Sub-Regulation 6.10 and Sub-Regulation 6.11 shall apply *mutatis mutandis*.

6.17 Subject to the provisions of this Regulation 6, Shares may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee, which shall be sent to the Company at the office of its registered agent for registration.

6.18 No transfer of an Ordinary Share or the Golden Share may be effected other than in accordance with this Regulation 6 and the Company shall not (and no director of the Company shall, nor shall any director of the Company purport to) enter the name of any transferee of any Ordinary Shares or the Golden Share onto the register of members of the Company unless such transfer is undertaken in accordance with this Regulation 6.

6.19 The transfer of a Share is effective when the name of the transferee is entered on the register of members.

6.20 Subject to the Memorandum and this Regulation 6, the personal representative of a deceased Shareholder may transfer a Share even though the personal representative is not a Shareholder at the time of the transfer.

7. **MEETINGS AND CONSENTS OF SHAREHOLDERS**

7.1 Any director of the Company may convene meetings of the Shareholders at such times and in such manner and places within or outside the British Virgin Islands as the director considers necessary or desirable.

7.2 Upon the written request of Shareholders entitled to exercise 30 per cent or more of the voting rights in respect of the matter for which the meeting is requested the directors shall convene a meeting of Shareholders.

7.3 The director convening a meeting shall give not less than 7 days' notice of a meeting of Shareholders to:

(a) those Shareholders whose names on the date the notice is given appear as Shareholders in the register of members of the Company and are entitled to vote at the meeting; and

(b) the other directors.

7.4 The director convening a meeting of Shareholders may fix as the record date for determining those Shareholders that are entitled to vote at the meeting the date notice is given of the meeting, or such other date as may be specified in the notice, being a date not earlier than the date of the notice.

7.5 A meeting of Shareholders held in contravention of the requirement to give notice is valid if Shareholders holding at least 90 per cent of the total voting rights on all the matters to be considered at the meeting have waived notice of the meeting and, for this purpose, the presence of a Shareholder at the meeting shall constitute waiver in relation to all the Shares which that Shareholder holds.

7.6 The inadvertent failure of a director who convenes a meeting to give notice of a meeting to a Shareholder or another director, or the fact that a Shareholder or another director has not received notice, does not invalidate the meeting.

7.7 A Shareholder may be represented at a meeting of Shareholders by a proxy who may speak and vote on behalf of the Shareholder.

7.8 The instrument appointing a proxy shall be produced at the place designated for the meeting before the time for holding the meeting at which the person named in such instrument proposes to vote. The notice of the meeting may specify an alternative or additional place or time at which the proxy shall be presented.

7.9 The instrument appointing a proxy shall be in substantially the following form or such other form as the chairman of the meeting shall accept as properly evidencing the wishes of the Shareholder appointing the proxy.

Studio City Holdings Two Limited

I/We being a Shareholder of the above Company HEREBY APPOINT __________ of __________ or failing him __________ of __________ to be my/our proxy to vote for me/us at the meeting of Shareholders to be held on the __________ day of __________, 20____ and at any adjournment thereof.

(Any restrictions on voting to be inserted here.)

Signed this __________ day of __________, 20____

______________________

Shareholder

7.10 The following applies where Shares are jointly owned:

(a) if two or more persons hold Shares jointly each of them may be present in person or by proxy at a meeting of Shareholders and may speak as a Shareholder;

(b) if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners; and

(c) if two or more of the joint owners are present in person or by proxy they must vote as one.

7.11 A Shareholder shall be deemed to be present at a meeting of Shareholders if he participates by telephone or other electronic means and all Shareholders participating in the meeting are able to hear each other.

7.12 A meeting of Shareholders is duly constituted if, at the commencement of the meeting, there are present in person or by proxy not less than 50 per cent of the votes of the Shares or class or series of Shares entitled to vote on Resolutions of Shareholders to be considered at the meeting. A quorum may comprise a single Shareholder or proxy and then such person may pass a Resolution of Shareholders and a certificate signed by such person accompanied where such person be a proxy by a copy of the proxy instrument shall constitute a valid Resolution of Shareholders.

7.13 If within two hours from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Shareholders, shall be dissolved; in any other case it shall stand adjourned to the next business day in the jurisdiction in which the meeting was to have been held at the same time and place or to such other time and place as the directors may determine, and if at the adjourned meeting there are present within one hour from the time appointed for the meeting in person or by proxy not less than one third of the votes of the Shares or each class or series of Shares entitled to vote on the matters to be considered by the meeting, those present shall constitute a quorum but otherwise the meeting shall be dissolved.

7.14 At every meeting of Shareholders, the Chairman of the Board shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present at the meeting, the Shareholders present shall choose one of their number to be the chairman. If the Shareholders are unable to choose a chairman for any reason, then the person representing the greatest number of voting Shares present in person or by proxy at the meeting shall preside as chairman failing which the oldest individual Shareholder or representative of a Shareholder present shall take the chair.

7.15 The chairman may, with the consent of the meeting, adjourn any meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

7.16 At any meeting of the Shareholders the chairman is responsible for deciding in such manner as he considers appropriate whether any resolution proposed has been carried or not and the result of his decision shall be announced to the meeting and recorded in the minutes of the meeting. If the chairman has any doubt as to the outcome of the vote on a proposed resolution, he shall cause a poll to be taken of all votes cast upon such resolution. If the chairman fails to take a poll then any Shareholder present in person or by proxy who disputes the announcement by the chairman of the result of any vote may immediately following such announcement demand that a poll be taken and the chairman shall cause a poll to be taken. If a poll is taken at any meeting, the result shall be announced to the meeting and recorded in the minutes of the meeting.

7.17 Subject to the specific provisions contained in this Regulation for the appointment of representatives of Eligible Persons other than individuals the right of any individual to speak for or represent a Shareholder shall be determined by the law of the jurisdiction where, and by the documents by which, the Eligible Person is constituted or derives its existence. In case of doubt, the directors may in good faith seek legal advice from any qualified person and unless and until a court of competent jurisdiction shall otherwise rule, the directors may rely and act upon such advice without incurring any liability to any Shareholder or the Company.

7.18 Any Eligible Person other than an individual which is a Shareholder may by resolution of its directors or other governing body authorise such individual as it thinks fit to act as its representative at any meeting of Shareholders or of any class of Shareholders, and the individual so authorised shall be entitled to exercise the same rights on behalf of the Eligible Person which he represents as that Eligible Person could exercise if it were an individual.

7.19 The chairman of any meeting at which a vote is cast by proxy or on behalf of any Eligible Person other than an individual may call for a notarially certified copy of such proxy or authority which shall be produced within 7 days of being so requested or the votes cast by such proxy or on behalf of such Eligible Person shall be disregarded.

7.20 Directors of the Company may attend and speak at any meeting of Shareholders and at any separate meeting of the holders of any class or series of Shares.

7.21 An action that may be taken by the Shareholders at a meeting may also be taken by a Resolution of Shareholders consented to in writing, without the need for any notice, but if any Resolution of Shareholders is adopted otherwise than by the unanimous written consent of all Shareholders, a copy of such resolution shall forthwith be sent to all Shareholders not consenting to such resolution. The consent may be in the form of counterparts, each counterpart being signed by one or more Shareholders. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the earliest date upon which Eligible Persons holding a sufficient number of votes of Shares to constitute a Resolution of Shareholders have consented to the resolution by signed counterparts.

## 8. DIRECTORS

8.1 The first directors of the Company shall be appointed by the first registered agent within 6 months of the date of incorporation of the Company; and thereafter, the directors shall be elected by Resolution of Shareholders or by Resolution of Directors for such term as the Shareholders or directors determine.

8.2 No person shall be appointed as a director of the Company unless he has consented in writing to act as a director.

8.3 The minimum number of directors shall be one and the maximum number shall be 12. The Shareholders and the directors shall be entitled to appoint a maximum of 12 directors.

8.4 Each director holds office for the term, if any, fixed by the Resolution of Shareholders or Resolution of Directors appointing him, or until his earlier death, resignation or removal. If no term is fixed on the appointment of a director, the director serves indefinitely until his earlier death, resignation or removal.

8.5 A director may be removed from office,

(a) with or without cause, by a Resolution of Shareholders passed at a meeting of Shareholders called for the purposes of removing the director or for purposes including the removal of the director or by a written resolution passed by a least seventy five per cent of the Shareholders of the Company entitled to vote; or

(b) with cause, by a Resolution of Directors passed at a meeting of directors called for the purpose of removing the director or for purposes including the removal of the director.

8.6 A director may resign his office by giving written notice of his resignation to the Company and the resignation has effect from the date the notice is received by the Company at the office of its registered agent or from such later date as may be specified in the notice. A director shall resign forthwith as a director if he is, or becomes, disqualified from acting as a director under the Act.

8.7 The directors may at any time appoint any person to be a director either to fill a vacancy or as an addition to the existing directors. Where the directors appoint a person as director to fill a vacancy, the term shall not exceed the term that remained when the person who has ceased to be a director ceased to hold office.

8.8 A vacancy in relation to directors occurs if a director dies or otherwise ceases to hold office prior to the expiration of his term of office.

8.9 The Company shall keep a register of directors containing:

(a) the names and addresses of the persons who are directors of the Company;

(b) the date on which each person whose name is entered in the register was appointed as a director of the Company;

(c) the date on which each person named as a director ceased to be a director of the Company; and

(d) such other information as may be prescribed by the Act.

8.10 The register of directors may be kept in any such form as the directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until a Resolution of Directors determining otherwise is passed, the magnetic, electronic or other data storage shall be the original register of directors.

8.11 The directors may, by a Resolution of Directors, fix the emoluments of directors with respect to services to be rendered in any capacity to the Company.

8.12 A director is not required to hold a Share as a qualification to office.

## 9. POWERS OF DIRECTORS

9.1 The business and affairs of the Company shall be managed by, or under the direction or supervision of, the directors of the Company. The directors of the Company have all the powers necessary for managing, and for directing and supervising, the business and affairs of the Company. The directors may pay all expenses incurred preliminary to and in connection with the incorporation of the Company and may exercise all such powers of the Company as are not by the Act or by the Memorandum or the Articles required to be exercised by the Shareholders.

9.2 Each director shall exercise his powers for a proper purpose and shall not act or agree to the Company acting in a manner that contravenes the Memorandum, the Articles or the Act. Each director, in exercising his powers or performing his duties, shall act honestly and in good faith in what the director believes to be the best interests of the Company.

9.3 If the Company is the wholly owned subsidiary of a holding company, a director of the Company may, when exercising powers or performing duties as a director, act in a manner which he believes is in the best interests of the holding company even though it may not be in the best interests of the Company.

9.4 Any director which is a body corporate may appoint any individual as its duly authorised representative for the purpose of representing it at meetings of the directors, with respect to the signing of consents or otherwise.

9.5 The continuing directors may act notwithstanding any vacancy in their body.

9.6 The directors may by Resolution of Directors exercise all the powers of the Company to incur indebtedness, liabilities or obligations and to secure indebtedness, liabilities or obligations whether of the Company or of any third party.

9.7 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as shall from time to time be determined by Resolution of Directors.

## 10. **PROCEEDINGS OF DIRECTORS**

10.1 Any one director of the Company may call a meeting of the directors by sending a written notice to each other director.

10.2 The directors of the Company or any committee thereof may meet at such times and in such manner and places within or outside the British Virgin Islands as the directors may determine to be necessary or desirable.

10.3 A director is deemed to be present at a meeting of directors if he participates by telephone or other electronic means and all directors participating in the meeting are able to hear each other.

10.4 A director shall be given not less than 3 days’ notice of meetings of directors, but a meeting of directors held without 3 days’ notice having been given to all directors shall be valid if all the directors entitled to vote at the meeting who do not attend waive notice of the meeting, and for this purpose the presence of a director at a meeting shall constitute waiver by that director. The inadvertent failure to give notice of a meeting to a director, or the fact that a director has not received the notice, does not invalidate the meeting.

10.5 A director may by a written instrument appoint an alternate who need not be a director and the alternate shall be entitled to attend meetings in the absence of the director who appointed him and to vote or consent in place of the director until the appointment lapses or is terminated.

10.6 A meeting of directors is duly constituted for all purposes if at the commencement of the meeting there are present in person or by alternate not less than one-half of the total number of directors, unless there are only 2 directors in which case the quorum is 2.

10.7 If the Company has only one director the provisions herein contained for meetings of directors do not apply and such sole director has full power to represent and act for the Company in all matters as are not by the Act, the Memorandum or the Articles required to be exercised by the Shareholders. In lieu of minutes of a meeting the sole director shall record in writing and sign a note or memorandum of all matters requiring a Resolution of Directors. Such a note or memorandum constitutes sufficient evidence of such resolution for all purposes.

10.8 At meetings of directors at which the Chairman of the Board is present, he shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present, the directors present shall choose one of their number to be chairman of the meeting.

10.9 An action that may be taken by the directors or a committee of directors at a meeting may also be taken by a Resolution of Directors or a resolution of a committee of directors consented to in writing by all directors or by all members of the committee, as the case may be, without the need for any notice. The consent may be in the form of counterparts each counterpart being signed by one or more directors. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the date upon which the last director has consented to the resolution by signed counterparts.

## 11. COMMITTEES

11.1 The directors may, by Resolution of Directors, designate one or more committees, each consisting of one or more directors, and delegate one or more of their powers, including the power to affix the Seal, to the committee.

11.2 The directors have no power to delegate to a committee of directors any of the following powers:

(a) to amend the Memorandum or the Articles;

(b) to designate committees of directors;

(c) to delegate powers to a committee of directors;

(d) to appoint directors;

(e) to appoint an agent;

(f) to approve a plan of merger, consolidation or arrangement; or

(g) to make a declaration of solvency or to approve a liquidation plan.

11.3 Sub-Regulation 11.2(b) and 11.2(c) do not prevent a committee of directors, where authorised by the Resolution of Directors appointing such committee or by a subsequent Resolution of Directors, from appointing a sub-committee and delegating powers exercisable by the committee to the sub-committee.

11.4 The meetings and proceedings of each committee of directors consisting of 2 or more directors shall be governed *mutatis mutandis* by the provisions of the Articles regulating the proceedings of directors so far as the same are not superseded by any provisions in the Resolution of Directors establishing the committee.

11.5 Where the directors delegate their powers to a committee of directors they remain responsible for the exercise of that power by the committee, unless they believed on

reasonable grounds at all times before the exercise of the power that the committee would exercise the power in conformity with the duties imposed on directors of the Company under the Act.

## 12. OFFICERS AND AGENTS

12.1 The Company may by Resolution of Directors appoint officers of the Company at such times as may be considered necessary or expedient. Such officers may consist of a Chairman of the Board of Directors, a president and one or more vice-presidents, secretaries and treasurers and such other officers as may from time to time be considered necessary or expedient. Any number of offices may be held by the same person.

12.2 The officers shall perform such duties as are prescribed at the time of their appointment subject to any modification in such duties as may be prescribed thereafter by Resolution of Directors. In the absence of any specific prescription of duties it shall be the responsibility of the Chairman of the Board to preside at meetings of directors and Shareholders, the president to manage the day to day affairs of the Company, the vice-presidents to act in order of seniority in the absence of the president but otherwise to perform such duties as may be delegated to them by the president, the secretaries to maintain the register of members, minute books and records (other than financial records) of the Company and to ensure compliance with all procedural requirements imposed on the Company by applicable law, and the treasurer to be responsible for the financial affairs of the Company.

12.3 The emoluments of all officers shall be fixed by Resolution of Directors.

12.4 The officers of the Company shall hold office until their successors are duly appointed, but any officer elected or appointed by the directors may be removed at any time, with or without cause, by Resolution of Directors. Any vacancy occurring in any office of the Company may be filled by Resolution of Directors.

12.5 The directors may, by a Resolution of Directors, appoint any person, including a person who is a director, to be an agent of the Company. An agent of the Company shall have such powers and authority of the directors, including the power and authority to affix the Seal, as are set forth in the Articles or in the Resolution of Directors appointing the agent, except that no agent has any power or authority with respect to the matters specified in Sub-Regulation 11.2. The Resolution of Directors appointing an agent may authorise the agent to appoint one or more substitutes or delegates to exercise some or all of the powers conferred on the agent by the Company. The directors may remove an agent appointed by the Company and may revoke or vary a power conferred on him.

## 13. CONFLICT OF INTERESTS

13.1 A director of the Company shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to all other directors of the Company.

13.2 For the purposes of Sub-Regulation 13.1, a disclosure to all other directors to the effect that a director is a member, director or officer of another named entity or has a

fiduciary relationship with respect to the entity or a named individual and is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered into with that entity or individual, is a sufficient disclosure of interest in relation to that transaction.

13.3 A director of the Company who is interested in a transaction entered into or to be entered into by the Company may:

(a) vote on a matter relating to the transaction;

(b) attend a meeting of directors at which a matter relating to the transaction arises and be included among the directors present at the meeting for the purposes of a quorum; and

(c) sign a document on behalf of the Company, or do any other thing in his capacity as a director, that relates to the transaction,

and, subject to compliance with the Act shall not, by reason of his office be accountable to the Company for any benefit which he derives from such transaction and no such transaction shall be liable to be avoided on the grounds of any such interest or benefit.

## 14. INDEMNIFICATION

14.1 Subject to the limitations hereinafter provided the Company shall indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any person who:

(a) is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director of the Company; or

(b) is or was, at the request of the Company, serving as a director of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise.

14.2 The indemnity in Sub-Regulation 14.1 only applies if the person acted honestly and in good faith with a view to the best interests of the Company and, in the case of criminal proceedings, the person had no reasonable cause to believe that their conduct was unlawful.

14.3 The decision of the directors as to whether the person acted honestly and in good faith and with a view to the best interests of the Company and as to whether the person had no reasonable cause to believe that his conduct was unlawful is, in the absence of fraud, sufficient for the purposes of the Articles, unless a question of law is involved.

14.4 The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a nolle prosequi does not, by itself, create a presumption that the person did not act honestly and in good faith and with a view to the best interests of the Company or that the person had reasonable cause to believe that his conduct was unlawful.

14.5 The Company may purchase and maintain insurance in relation to any person who is or was a director, officer or liquidator of the Company, or who at the request of the Company is or was serving as a director, officer or liquidator of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability as provided in the Articles.

15. **RECORDS**

15.1 The Company shall keep the following documents at the office of its registered agent:

(a) the Memorandum and the Articles;

(b) the register of members, or a copy of the register of members;

(c) the register of directors, or a copy of the register of directors; and

(d) copies of all notices and other documents filed by the Company with the Registrar in the previous 10 years.

15.2 If the Company maintains only a copy of the register of members or a copy of the register of directors at the office of its registered agent, it shall:

(a) within 15 days of any change in either register, notify the registered agent in writing of the change; and

(b) provide the registered agent with a written record of the physical address of the place or places at which the original register of members or the original register of directors is kept.

15.3 The Company shall keep the following records at the office of its registered agent or at such other place or places, within or outside the British Virgin Islands, as the directors may determine:

(a) minutes of meetings and Resolutions of Shareholders and classes of Shareholders;

(b) minutes of meetings and Resolutions of Directors and committees of directors; and

(c) an impression of the Seal, if any.

15.4 Where any original records referred to in this Regulation are maintained other than at the office of the registered agent of the Company, and the place at which the original records is changed, the Company shall provide the registered agent with the physical address of the new location of the records of the Company within 14 days of the change of location.

15.5 The records kept by the Company under this Regulation shall be in written form or either wholly or partly as electronic records complying with the requirements of the Electronic Transactions Act (No. 5 of 2001).

## 16. REGISTERS OF CHARGES

16.1 The Company shall maintain at the office of its registered agent a register of charges in which there shall be entered the following particulars regarding each mortgage, charge and other encumbrance created by the Company:

(a) the date of creation of the charge;

(b) a short description of the liability secured by the charge;

(c) a short description of the property charged;

(d) the name and address of the trustee for the security or, if there is no such trustee, the name and address of the chargee;

(e) unless the charge is a security to bearer, the name and address of the holder of the charge; and

(f) details of any prohibition or restriction contained in the instrument creating the charge on the power of the Company to create any future charge ranking in priority to or equally with the charge.

## 17. SEAL

The Company may have more than one Seal and references herein to the Seal shall be references to every Seal which shall have been duly adopted by Resolution of Directors. The directors shall provide for the safe custody of the Seal and for an imprint thereof to be kept at the registered office. Except as otherwise expressly provided herein, the Seal when affixed to any written instrument shall be witnessed and attested to by the signature of any one director or other person so authorised from time to time by Resolution of Directors. Such authorisation may be before or after the Seal is affixed, may be general or specific and may refer to any number of sealings. The directors may provide for a facsimile of the Seal and of the signature of any director or authorised person which may be reproduced by printing or other means on any instrument and it shall have the same force and validity as if the Seal had been affixed to such instrument and the same had been attested to as hereinbefore described.

## 18. DISTRIBUTIONS BY WAY OF DIVIDEND

18.1 The directors of the Company may, by Resolution of Directors, authorise a distribution by way of dividend at a time and of an amount they think fit if they are satisfied, on reasonable grounds, that, immediately after the distribution, the value of the Company’s assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

18.2 Dividends may be paid in money, shares, or other property.

18.3 Notice of any dividend that may have been declared shall be given to each Shareholder as specified in Regulation 20 and all dividends unclaimed for 3 years after having been declared may be forfeited by Resolution of Directors for the benefit of the Company.

18.4 No dividend shall bear interest as against the Company and no dividend shall be paid on Treasury Shares.

## 19. ACCOUNTS AND AUDIT

19.1 The Company shall keep records that are sufficient to show and explain the Company’s transactions and that will, at any time, enable the financial position of the Company to be determined with reasonable accuracy.

19.2 The Company may by Resolution of Shareholders call for the directors to prepare periodically and make available a profit and loss account and a balance sheet. The profit and loss account and balance sheet shall be drawn up so as to give respectively a true and fair view of the profit and loss of the Company for a financial period and a true and fair view of the assets and liabilities of the Company as at the end of a financial period.

19.3 The Company may by Resolution of Shareholders call for the accounts to be examined by auditors.

19.4 The first auditors shall be appointed by Resolution of Directors; subsequent auditors shall be appointed by a Resolution of Shareholders.

19.5 The auditors may be Shareholders, but no director or other officer shall be eligible to be an auditor of the Company during their continuance in office.

19.6 The remuneration of the auditors of the Company:

(a) in the case of auditors appointed by the directors, may be fixed by Resolution of Directors; and

(b) subject to the foregoing, shall be fixed by Resolution of Shareholders or in such manner as the Company may by Resolution of Shareholders determine.

19.7 The auditors shall examine each profit and loss account and balance sheet required to be laid before a meeting of the Shareholders or otherwise given to Shareholders and shall state in a written report whether or not:

(a) in their opinion the profit and loss account and balance sheet give a true and fair view respectively of the profit and loss for the period covered by the accounts, and of the assets and liabilities of the Company at the end of that period; and

(b) all the information and explanations required by the auditors have been obtained.

19.8 The report of the auditors shall be annexed to the accounts and shall be read at the meeting of Shareholders at which the accounts are laid before the Company or shall be otherwise given to the Shareholders.

19.9 Every auditor of the Company shall have a right of access at all times to the books of account and vouchers of the Company, and shall be entitled to require from the directors and officers of the Company such information and explanations as he thinks necessary for the performance of the duties of the auditors.

19.10 The auditors of the Company shall be entitled to receive notice of, and to attend any meetings of Shareholders at which the Company's profit and loss account and balance sheet are to be presented.

## 20. NOTICES

20.1 Except as otherwise provided in these Articles, any notice or document may be served by the Company or by the person entitled to give notice to any Shareholder either personally, by facsimile or by sending it through the post in a prepaid letter or via a recognised courier service, fees prepaid, addressed to the Shareholder at his address as appearing in the register of members or, to the extent permitted by all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the Shareholder to the Company or by placing it on the Company's Website **provided that** the Company has obtained the Shareholder's prior express positive confirmation in writing to receive notices in such manner. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register of members in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders.

20.2 Notices posted to addresses outside the point of origin of such posting shall be forwarded by prepaid airmail.

20.3 Any Shareholder present, either personally or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.

20.4 Any notice or other document, if served by (a) post, shall be deemed to have been served five days after the time when the letter containing the same is posted and if served by courier, shall be deemed to have been served five days after the time when the letter containing the same is delivered to the courier (in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed and duly posted or delivered to the courier), or (b) facsimile, shall be deemed to have been served upon confirmation of receipt, or (c) recognised delivery service, shall be deemed to have been served 48 hours after the time when the letter containing the same is delivered to the courier service and in proving such service it shall be sufficient to provide that the letter containing the notice or documents was properly addressed and duly posted or delivered to the courier or (d) electronic means as provided herein shall be deemed to have been served and delivered at the expiration of 24 hours after the time it was sent.

20.5 Any notice or document delivered or sent to any Shareholder in accordance with the terms of these Articles shall notwithstanding that such Shareholder be then dead or

bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Shareholder as sole or joint holder, unless his name shall at the time of the service of the notice or document, have been removed from the register of members as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

## 21. VOLUNTARY WINDING UP AND DISSOLUTION

The Company may by a Resolution of Shareholders or by a Resolution of Directors appoint a voluntary liquidator.

## 22. CONTINUATION

The Company may by Resolution of Shareholders or by a resolution passed unanimously by all directors of the Company continue as a company incorporated under the laws of a jurisdiction outside the British Virgin Islands in the manner provided under those laws.

## 23. EQUITABLE RELIEF

The Company and the Shareholders acknowledge that damages alone may not be an adequate remedy for the breach of any of the provisions of these Articles. Accordingly, without prejudice to any other rights and remedies they may have, the Company and the Shareholders shall be entitled to seek equitable relief (including, without limitation, injunctive relief) concerning any threatened or actual breach of any of the provisions of these Articles.

We, [●] Limited of [●], Road Town, Tortola, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands hereby sign these Articles of Association the [●] day of [●], 20[●].

Incorporator

________________________________________
Authorised Signatory
[●] Limited

## SCHEDULE 5
## FORM OF MACAU OBLIGOR ARTICLES OF ASSOCIATION

## PART 1
## FULL TEXT, IN ITS UPDATE WORDING, OF ARTICLES OF ASSOCIATION OF THE COMPANY NAMED STUDIO CITY DEVELOPMENTS LIMITED

### Article 1

1. The Company adopts the name "STUDIO CITY DESENVOLVIMENTOS, LIMITADA", in Portuguese, " 新濠影匯發展有限公司", in Chinese, "STUDIO CITY DEVELOPMENTS LIMITED", in English, and shall have its head office in Macau, at Avenida Dr. Mário Soares, no. 25, Edifício Montepio, 1st floor, room 13.

### Article 2

The object of the Company is i) satellite television, management of its own shares in companies with the same object, like similar media businesses, namely internet and printed press; ii) development, construction and exploration in Macau of retail facilities, conference and meeting centres, entertainment facilities, film industry, concert hall, cinema and other facilities related with tourism and entertainment; and iii) any other industrial or commercial activity or supply of services in any area permitted in Macau.

### Article 3

#### Paragraph 1

The share capital, wholly subscribed and paid up in cash is six million patacas and one thousand patacas, which is equal to the sum of four shares allocated as follows:

(a) One share in the nominal value of MOP 2.100.000,00 (two million and one hundred thousand patacas); belongs to the company "**SCP One Limited";**

(b) One share in the nominal value of 2.100.000,00 (two million and one hundred thousand patacas), belongs to the company "**SCP Two Limited";**

(c) One share in the nominal value of 1.800.000,00 (one million and eight hundred thousand patacas), belongs to the company "**SCP Holdings Limited";** and

(d) One share in the nominal value of MOP1.000,00 (one thousand patacas), belongs to the company [●].

#### Paragraph 2

The shareholder [●] has a special preemptive right with regard to the acquisition of shares in the Company to be exercised as agreed by the relevant parties, which may not be suppressed or modified without its consent.

### Paragraph 3

The special preference right mentioned in the preceding paragraph shall terminate in the event the shareholder [●] or the holder of the subject share is subject to:

(i) winding-up, dissolution or administration;

(ii) the appointment of a liquidator, administrator, compulsory manager or other similar officer;

(iii) the commencement of any enforcement process properly commenced of any security voluntarily granted by the shareholder (other than security granted in favour of financiers of the Company as agreed by the shareholder [●] as referred to in paragraph 2 of article 3); or

(iv) the commencement of any proceedings to enforce any judgment entered against it by a court of competent jurisdiction and which is properly enforceable in the jurisdiction of incorporation of the shareholder,

(v) or any analogous procedure in any jurisdiction,

in each case **provided that** such winding up, dissolution, administration, appointment of a liquidator, administrator, compulsory manager or similar officer or enforcement process has been commenced otherwise than on the application of or on behalf of financiers of the Company as agreed by the shareholder [●] as referred to in paragraph 2 of article 3.

## Article 4

### Paragraph 1

The division of shares and the transfer thereof between the Shareholders is free.

### Paragraph 2

With regard to the transfer of shares to third parties (including under executive or insolvency proceedings), the shareholder [●] shall have a first preemptive right, which may be exercised by a third party of its choice.

### Paragraph 3

If the transfer of the shares is to be made within any judicial proceedings in Macau, in the context of an enforcement or bankruptcy proceedings, or other judicial proceedings the applicable procedural rules, as set out in the Macau Civil Procedure Code or any other applicable statute, shall apply. For purposes of enforcement of the preemptive right, the absence of judicial summons to exercise such right shall have the same effect as the absence of the notice for the exercise of the preference right.

### Paragraph 4

If the transfer of the shares over which there is a preemption right constituted is to be made in any bankruptcy proceedings conducted outside Macau the terms agreed by the parties as referred to in paragraph 2 of article 3 shall apply.

## Article 5

### Paragraph 1

Any shareholder may be excluded under the following circumstances:

(a) declaration of bankruptcy or insolvency of the shareholder, or seizure of its share under such bankruptcy or insolvency proceedings, in which case, the exclusion may be decided in accordance with any fact that occurs with respect to such bankruptcy or insolvency, such as a decision to verify the credits, voting or approval of the composition, creditors' agreements, oppositions to the creditors' agreement, opposition to the bankruptcy or insolvency, judicial order to sell the share, publishing of notices in respect of the sale, notice to the holders of preemptive rights, opening of the proposals, decision of the proposals, or

(b) judicial or extrajudicial execution of the share held by the shareholder, in which case the exclusion may be decided in accordance with any fact that occurs with respect to such executory proceedings, such as, summons of the shareholder, attachment of the share, opposition to the attachment, summons of creditors, judicial order to sell the share, publishing of notices in respect of the sale, notice to the holders of preemptive rights, opening of the proposals, decision of the proposals,

being each of the facts mentioned in paragraphs (a) and (b) above independent, and thus not precluding the right to decide the exclusion until the sale or the judicial order to adjudicate the share.

### Paragraph 2

If the Company decides the exclusion of any shareholder under the terms of paragraph 1 above, the company shall have the right to amortize the respective share, or, in alternative, to acquire it or procure for its acquisition by a third party.

## Article 6

The management of the business of the Company and its representation belong to a Board of Directors composed of three directors, two of the Group A and one of the Group B appointed by the General Assembly, who are not required to be shareholders of the Company, and the following directors not shareholders are hereby appointed, with immediate effects Ho, Lawrence Yau Lung, married, of Chinese nationality, with professional address in Macau at Avenida Xian Xing Hai, Golden Dragon Centre, 22nd floor and Chung, Yuk Man, married, of Chinese nationality, with professional address in Hong Kong at The Centrium, 60 Wyndham Street, Central, both of the Group A, and Thomas Robinson Banks III, married, of American nationality, with address in the United States of America at 3, Tulip Lane, Westport, CT 06880, of the Group B, such directors being exempted from making a deposit, and being hereby appointed for an unlimited period of time.

### Paragraph 1

The Company shall be validly bound and represented, in court and out of court, by the signature of one director of the Group A in the relevant acts, contracts or any other documents.

**Paragraph 2**

The Company may appoint attorneys, under the terms of article 235 of the Commercial Code, and the Directors are hereby authorized to delegate their powers, in whole or in part, and to be freely represented in the performance of their functions, under article 384 of the Commercial Code.

**Article 7**

Notwithstanding the right of the General Assembly to decide on the following subjects, the Board of Directors shall have the broadest powers permitted by the law, to manage the business of the Company, and shall be specifically empowered:

(a) To alienate by selling, exchanging or, in any other manner, any immovable or movable assets, values and rights, including obligations and any shares, as well as granting mortgages or any other guarantees and encumbrances over such assets;

(b) To acquire, in any way, movable or immovable assets, values and rights, including obligations and shares in existing companies or companies to be incorporated;

(c) To lease and to rent any buildings or any parts of the same;

(d) To open, operate and close bank accounts, deposit and draw money, issue, underwrite, accept and endorse "letras", "livranças", cheques and any other credit instruments;

(e) To grant or contract loans or to grant or obtain any other forms of financing and to perform all and any other credit operations, with or without the granting of real or personal guarantees of any kind or nature and to terminate or in any other way extinguish or cancel the aforementioned guarantees;

(f) To appoint attorneys for the Company; and

(g) To legalize the books of the Company.

**Article 8**

The Company shall have a Secretary, who shall perform all functions set forth in the relevant legal provisions as well as such functions as may be assigned to the Secretary by the General Assembly or the Board of Directors of the Company.

**Article 9**

The Board of Directors may pass resolutions without a meeting of the Board of Directors, **provided that** all of them declare in writing their respective vote, in a document which contains the proposed resolution, duly dated, signed and addressed to the Company.

**Paragraph 1**

The resolutions passed in accordance with Article 8 above shall be deemed approved in the date when the last vote, as therein described, is received in the Company's head office.

**Paragraph 2**

The Board of Directors can also pass resolutions by written vote,, in accordance with the following paragraphs.

**Paragraph 3**

For purposes of Paragraph 2 above, the Secretary shall send to all directors, by registered post, a specific proposal, together with all elements necessary to clarify such proposal, setting a deadline for the exercise of the voting right of no less than 7 days.

**Paragraph 4**

The written vote must identify the proposal and contain the approval or non-approval thereof and any change to such proposal shall be deemed as its non-approval.

**Paragraph 5**

The resolution shall be considered taken on the date in which the last reply is received or upon the elapse of the established deadline, in case any of the directors does not reply.

**Paragraph 6**

A resolution by written votes may not be taken whenever any of the directors is incapable of voting.

**Paragraph 7**

Upon passing a resolution under the above described terms, the Secretary must give notice thereof, by registered post, to all Directors.

**Article 10**

The General Assembly shall be convened, except as otherwise stated in the law, by letter sent to the shareholders by registered post, containing the summons notice, at least 7 days prior to the date of the scheduled meeting.

**Paragraph 1**

The absence of the prior notice referred to in number 1 above may be overcome by the signing of the summons letter by all Shareholders.

**Paragraph 2**

The Shareholders may be freely represented by any person in the General Assembly.

**Paragraph 3**

In order to assure the validity of the representation set forth in the preceding paragraph, a letter signed by the relevant shareholder and addressed at the chairman of the General Assembly shall suffice.

**Article 11**

Without prejudice to their right to appoint other people for such purpose, the Shareholders SCP One Limited and SCP Two Limited, SCP Holdings Limited and [●] shall be represented for all purposes, especially to the General Assemblies of Shareholders, by one of the following representatives Ho, Lawrence Yau Lung, married, of Chinese nationality; Francisco Pinto Fraústo de Mascarenhas Gaivão, married, of Portuguese nationality; Chan Ying Tat, married, of Chinese nationality; all with professional address in Macau at Avenida Xian Xing Hai, Edifício Golden Dragon Centre, 22º Andar, and Stephanie Cheung, divorced, of Canadian nationality, with professional address in Hong Kong, 36/F, The Centrium, 60 Wyndham Street, Central.

**Article 12**

The Shareholders may pass resolutions without a meeting of the General Assembly, **provided that** all of them declare in writing their respective vote, in a document which contains the proposed resolution, duly dated, signed and addressed to the Company.

**Paragraph 1**

The resolutions passed in accordance with Article 11 above shall be deemed approved in the date when the last vote, as therein described, is received in the Company’s head office.

**Paragraph 2**

The Shareholders can also pass resolutions in writing, in accordance with the following paragraphs and paragraph 4 and following paragraphs of article 217 of the Commercial Code.

**Paragraph 3**

For purposes of paragraph 2 above, the Chairman or someone who shall substitute him or her, shall send to all Shareholders, by registered post, a specific proposal, together with all elements necessary to clarify such proposal, setting a deadline for the exercise of the voting right of no less than 7 days.

**Paragraph 4**

The written vote must identify the proposal and contain the approval or non-approval thereof and any change to such proposal shall be deemed as its non-approval.

**Paragraph 5**

The resolution shall be considered adopted on the date in which the last reply is received or upon the elapse of the established deadline, in case any of the Shareholders does not reply.

**Paragraph 6**

A resolution by written votes may not be taken whenever any of the Shareholders is incapable of voting.

**Paragraph 7**

Upon passing a resolution under the above described terms, the Secretary must give notice thereof, by registered post, to all shareholders.

**In accordance to article 39.o and 58.o of the Commercial Registry Code, is hereby certified that the above text is the complete version of the Articles of Association of the Company "Studio Developments Limited", is its new version and on effect since [●].**

Macau on the [●]

______________________________________________

The Representative
(signature)

**PART 2**

**FULL TEXT, IN ITS UPDATE WORDING, OF ARTICLES OF ASSOCIATION OF THE COMPANY NAMED STUDIO CITY ENTERTAINMENT LIMITED**

**Article 1**

1. The Company adopts the name “STUDIO CITY DIVERSÕES, LIMITADA”, in Portuguese, “新濠影匯娛樂有限公司” in Chinese, and “STUDIO CITY ENTERTAINMENT LIMITED”, in English, and has its head office in Macau, at Avenida Dr. Mário Soares, no. 25, Edifício Montepio, 1st floor, room 13.

2. The company can move its head office to another place, open or close branches, or others forms of representation, in Macau or out of Macau, by simple resolution of a Board of Directors.

**Article 2**

1. The object of the Company is providing consultancy and technical assistance in business management, in particular in the hotel and entertainment area, and the company can engage in any other commercial area or industry as permitted by law and decided by the General Assembly.

2. The company can carry out businesses in Macau or in any other region or country.

**Article 3**

1. The share capital, wholly subscribed and paid up in cash is one hundred and one thousand patacas, which is allocated as follows:

   a) Studio City Holdings Three Limited, one share in the amount of ninety six thousand patacas;

   b) Studio City Holdings Four Limited, one share in the amount of four thousand patacas; and

   c) [●], one share in the amount of one thousand patacas.

2. The shareholder [●] has a special preemptive right with regard to the acquisition of shares in the Company to be exercised as agreed by the relevant parties, which may not be suppressed or modified without its consent.

3. The special preference right mentioned in the preceding paragraph shall terminate in the event the shareholder [●] or the holder of the subject share is subject to:

   (i) winding-up, dissolution or administration;

   (ii) the appointment of a liquidator, administrator, compulsory manager or other similar officer;

   (iii) the commencement of any enforcement process properly commenced of any security voluntarily granted by the shareholder (other than security granted in favour of financiers of the Company as agreed by the shareholder [●] as referred to in paragraph 2 of article 3); or

(iv) the commencement of any proceedings to enforce any judgment entered against it by a court of competent jurisdiction and which is properly enforceable in the jurisdiction of incorporation of the shareholder,

(v) or any analogous procedure in any jurisdiction,

in each case **provided that** such winding up, dissolution, administration, appointment of a liquidator, administrator, compulsory manager or similar officer or enforcement process has been commenced otherwise than on the application of or on behalf of financiers of the Company as agreed by the shareholder [●] as referred to in paragraph 2 of article 3.

**Article 4**

1. The division of shares and the transfer thereof between the Shareholders is free.

2. With regard to the transfer of shares to third parties (including under executive or insolvency proceedings), the shareholder [●] shall have a preemptive right, which may be exercised by a third party of its choice.

3. If the transfer of the shares is to be made within any judicial proceedings in Macau, in the context of an enforcement or bankruptcy proceedings, or other judicial proceedings the applicable procedural rules, as set out in the Macau Civil Procedure Code or any other applicable statute, shall apply. For purposes of enforcement of the preemptive right, the absence of judicial summons to exercise such right shall have the same effect as the absence of the notice for the exercise of the preference right.

4. If the transfer of the shares over which there is a preemption right constituted is to be made in any bankruptcy proceedings conducted outside Macau the terms agreed by the parties as referred to in article 3.2 shall apply.

**Article 5**

1. Any shareholder may be excluded under the following circumstances:

(a) declaration of bankruptcy or insolvency of the shareholder, or seizure of its share under such bankruptcy or insolvency proceedings, in which case, the exclusion may be decided in accordance with any fact that occurs with respect to such bankruptcy or insolvency, such as a decision to verify the credits, voting or approval of the composition, creditors' agreements, oppositions to the creditors' agreement, opposition to the bankruptcy or insolvency, judicial order to sell the share, publishing of notices in respect of the sale, notice to the holders of preemptive rights, opening of the proposals, decision of the proposals, or

(b) judicial or extrajudicial execution of the share held by the shareholder, in which case the exclusion may be decided in accordance with any fact that occurs with respect to such executory proceedings, such as, summons of the shareholder, attachment of the share, opposition to the attachment, summons

of creditors, judicial order to sell the share, publishing of notices in respect of the sale, notice to the holders of preemptive rights, opening of the proposals, decision of the proposals,

being each of the facts mentioned in paragraphs (a) and (b) above independent, and thus not precluding the right to decide the exclusion until the sale or the judicial order to adjudicate the share.

2. If the Company decides the exclusion of any shareholder under the terms of paragraph 1 above, the Company shall have the right to amortize the respective share, or, in alternative, to acquire it or procure for its acquisition by a third party.

**Article 6**

1. The management of the business of the Company belongs to a Board of Directors composed of 3 (three) of members appointed by the General Assembly, two of Group A and one of Group B appointed by the General Assembly, who are not required to be shareholders of the Company and being exempted from making a deposit or by any other ways secure the exercise of their functions.

2. Notwithstanding the right of the General Assembly to decide on the following subjects, the Board of Directors shall have the broadest powers permitted by the law, to manage the business of the Company, and shall be specifically empowered:

(a) To alienate by selling, exchanging or, in any other manner, any movable or immovable assets, values and rights, including obligations and any shares, as well as granting mortgages or any other guarantees and encumbrances over such assets;

(b) To acquire, in any way, movable or immovable assets, values and rights, including obligations and shares in existing companies or companies to be incorporated;

(c) To lease and to rent any buildings or any parts of the same;

(d) To open, operate and close bank accounts, deposit and draw money, issue, underwrite, accept and endorse “letras”, “livranças”, cheques and any other credit instruments;

(e) To grant or contract loans or to grant or obtain any other forms of financing and to perform all and any other credit operations, with or without the granting of real or personal guarantees of any kind or nature and to terminate or in any other way extinguish or cancel the aforementioned guarantees;

(f) To appoint attorneys for the Company; and

(g) To legalize the books of the Company.

## Article 7

The Company shall have a Secretary, who shall perform all functions set forth in the relevant legal provisions as well as such functions as may be assigned to the Secretary by the General Assembly or the Board of Directors of the Company.

## Article 8

1. The Company shall be validly bound and represented, in court and out of court, by the signature of one director of the Group A in the relevant acts, contracts or any other documents.

2. The following directors are hereby appointed, starting immediately their mandates:

   Group A: Ho, Lawrence Yau Lung, married, of Chinese nationality, with professional address in Macau at Avenida Xian Xing Hai, Golden Dragon Centre, 22nd floor and Chung, Yuk Man, married, of Chinese nationality, with professional address in Hong Kong at The Centrium, 60 Wyndham Street, Central,

   Group B: Thomas Robinson Banks III, married, of American nationality, with address in the United States of America at 3, Tulip Lane, Westport, CT 06880.

3. The Company may appoint attorneys, under the terms of article 235 of the Commercial Code, and the Directors are hereby authorized to delegate their powers, in whole or in part, and to be freely represented in the performance of their functions, under article 384 of the Commercial Code.

## Article 9

1. The Board of Directors may pass resolutions without a meeting, **provided that** all Directors declare in writing their respective vote, in a document which contains the proposed resolution, duly dated, signed and addressed to the Company.

2. The resolutions passed in accordance with the paragraph above shall be deemed approved on the date when the last vote, as therein described, is received in the Company's head office.

3. The Board of Directors can also pass resolutions by written vote, in accordance with the following paragraphs.

4. For purposes of number 3 above, the Secretary shall send to all Directors, by registered post, a specific proposal, together with all elements necessary to clarify such proposal, setting a deadline for the exercise of the voting right of no less than 7 days.

5. The written vote must identify the proposal and contain the approval or non-approval thereof, and any change to such proposal or conditioning of vote shall be deemed as its non-approval.

6. The resolution shall be considered taken on the date in which the last reply is received or upon the elapse of the established deadline, in case any of the Directors does not reply.

7. A resolution by written votes may not be taken whenever any of the Directors is incapable of voting.

8. Upon passing a resolution under the above described terms, the Secretary must give notice thereof, by registered post, to all Directors.

**Article 10**

1. The General Assembly shall be convened, except as otherwise stated in the law, by letter sent to the Shareholders by registered post, containing the summons notice, at least 7 days prior to the date of the scheduled meeting.

2. The absence of the prior notice referred to in number 1 above may be overcome by the signing of the summons letter by all Shareholders.

3. The General Assembly can be held out of the Company’s head office, when all shareholders are presents or represented.

4. The Shareholders may be freely represented by any person in the General Assembly.

5. In order to assure the validity of the representation set forth in the preceding paragraph, a letter signed by the relevant shareholder and addressed at the chairman of the General Assembly shall suffice.

6. Without prejudice to their right to appoint other people for such purpose, the Shareholders **STUDIO CITY HOLDINGS FOUR LIMITED**, **STUDIO CITY HOLDINGS THREE LIMITED** and [●] shall be represented for all purposes, especially to the General Assemblies of Shareholders, by one of the following representatives **Ho, Lawrence Yau Lung**, married, of Chinese nationality; **Francisco Pinto Fraústo de Mascarenhas Gaivão**, married, of Portuguese nationality; **Chan Ying Tat**, married, of Chinese nationality;, all with professional address in Macau at Avenida Xian Xing Hai, Edifício Golden Dragon Centre, 22º Andar; and **Stephanie Cheung**, divorced, of Canadian nationality, with professional address in Hong Kong, 36/F, The Centrium, 60 Wyndham Street, Central.

**Article 11**

1. The Shareholders may pass resolutions without a meeting of the General Assembly, **provided that** all of them declare in writing their respective vote, in a document which contains the proposed resolution, duly dated, signed and addressed to the Company.

2. The resolutions passed in accordance with the paragraph above shall be deemed approved in the date when the last vote, as therein described, is received in the Company’s head office.

3. The Shareholders can also pass resolutions in writing, in accordance with the following paragraphs and numbers 4 of article 217 of the Commercial Code.

4. For purposes of the paragraph above, the Chairman or someone who shall substitute him or her, shall send to all Shareholders, by registered post, a specific proposal, together with all elements necessary to clarify such proposal, setting a deadline for the exercise of the voting right of no less than 7 days.

5. The written vote must identify the proposal and contain the approval or non-approval thereof, and any change to such proposal or conditioning of vote shall be deemed as its non-approval.

6. The resolution shall be considered adopted on the date in which the last reply is received or upon the elapse of the established deadline, in case any of the Shareholders does not reply.

7. A resolution by written votes may not be taken whenever any of the Shareholders is incapable of voting.

8. Upon passing a resolution under the above described terms, the Secretary must give notice thereof, by registered post, to all shareholders.

**In accordance to article 39.o and 58.o of the Commercial Registry Code, is hereby certified that the above text is the complete version of the Articles of Association of the Company "Studio Entertainment Limited", is its new version and on effect since [●], 2013.**

Macau on the [●], 20[●]

________________________________________

The Representative
(signature)

**PART 3**

**FULL TEXT, IN ITS UPDATE WORDING, OF ARTICLES OF ASSOCIATION OF THE COMPANY NAMED STUDIO CITY HOTELS LIMITED**

The Company with the above mentioned name shall be governed by the clauses mentioned in the below articles which comprise its articles of association

**Article 1**

1. The Company adopts the name "STUDIO CITY HOTÉIS, LIMITADA", in Portuguese, "新濠影匯酒店有限公司" in Chinese, and "STUDIO CITY HOTELS LIMITED", in English, and have its head office in Macau, at Avenida Dr. Mário Soares, no. 25, Edifício Montepio, 1st floor, room 13.

**Article 2**

The object of the Company is the operation and management of hotels and similar establishments, restaurants, commerce and related businesses.

**Article 3**

**Paragraph 1**

The share capital, wholly subscribed and paid up in cash is twenty six thousand patacas, which is allocated as follows:

(a) One share in the nominal value of MOP24,000.00 (twenty four thousand patacas); belongs to the company "**Studio City Holdings Four Limited";**

(b) One share in the nominal value of MOP1,000.00 (one thousand patacas), belongs to the company "**Studio City Holdings Three Limited"**; and

(c) One share in the nominal value of MOP1,000.00 (one thousand patacas), belongs to the company [●].

**Paragraph 2**

The shareholder [●] has a special preemptive right with regard to the acquisition of shares in the Company to be exercised as agreed by the relevant parties, which may not be suppressed or modified without its consent.

**Paragraph 3**

3 The special preference right mentioned in the preceding paragraph shall terminate in the event the shareholder [●] or the holder of the subject share is subject to:

(i) winding-up, dissolution or administration;

(ii) the appointment of a liquidator, administrator, compulsory manager or other similar officer;

(iii) the commencement of any enforcement process properly commenced of any security voluntarily granted by the shareholder (other than security granted in favour of financiers of the Company as agreed by the shareholder [●] as referred to in paragraph 2 of article 3); or

(iv) the commencement of any proceedings to enforce any judgment entered against it by a court of competent jurisdiction and which is properly enforceable in the jurisdiction of incorporation of the shareholder,

(v) or any analogous procedure in any jurisdiction,

in each case **provided that** such winding up, dissolution, administration, appointment of a liquidator, administrator, compulsory manager or similar officer or enforcement process has been commenced otherwise than on the application of or on behalf of the financiers of the Company as agreed by the shareholder [●] as referred to in paragraph 2 of article 3.

**Article 4**

**Paragraph 1**

The division of shares and the transfer thereof between the Shareholders is free.

**Paragraph 2**

With regard to the transfer of shares to third parties (including under executive or insolvency proceedings), the shareholder [●] shall have a first preemptive right, which may be exercised by a third party of its choice.

**Paragraph 3**

If the transfer of the shares is to be made within any judicial proceedings in Macau, in the context of an enforcement or bankruptcy proceedings, or other judicial proceedings the applicable procedural rules, as set out in the Macau Civil Procedure Code or any other applicable statute, shall apply. For purposes of enforcement of the preemptive right, the absence of judicial summons to exercise such right shall have the same effect as the absence of the notice for the exercise of the preference right.

**Paragraph 4**

If the transfer of the shares over which there is a preemption right constituted is to be made in any bankruptcy proceedings conducted outside Macau the terms agreed by the parties as referred to in paragraph 2 of article 3 shall apply.

**Article 5**

**Paragraph 1**

Any shareholder may be excluded under the following circumstances:

(a) declaration of bankruptcy or insolvency of the shareholder, or seizure of its share under such bankruptcy or insolvency proceedings, in which case, the exclusion may

be decided in accordance with any fact that occurs with respect to such bankruptcy or insolvency, such as a decision to verify the credits, voting or approval of the composition, creditors' agreements, oppositions to the creditors' agreement, opposition to the bankruptcy or insolvency, judicial order to sell the share, publishing of notices in respect of the sale, notice to the holders of preemptive rights, opening of the proposals, decision of the proposals, or

(b) judicial or extrajudicial execution of the share held by the shareholder, in which case the exclusion may be decided in accordance with any fact that occurs with respect to such executory proceedings, such as, summons of the shareholder, attachment of the share, opposition to the attachment, summons of creditors, judicial order to sell the share, publishing of notices in respect of the sale, notice to the holders of preemptive rights, opening of the proposals, decision of the proposals,

being each of the facts mentioned in paragraphs (a) and (b) above independent, and thus not precluding the right to decide the exclusion until the sale or the judicial order to adjudicate the share.

**Paragraph 2**

If the Company decides the exclusion of any shareholder under the terms of paragraph 1 above, the company shall have the right to amortize the respective share, or, in alternative, to acquire it or procure for its acquisition by a third party.

**Article 6**

The management of the business of the Company and its representation belong to a Board of Directors composed of an odd number of members appointed by the General Assembly, who are not required to be shareholders of the Company, and the following directors not shareholders are hereby appointed, with immediate effects **CHUNG, YUK MAN**, married, of Chinese nationality, with professional address in Hong Kong at 38th floor, The Centrium, 60 Wyndham Street, Central, **GEOFFREY STUART DAVIS**, married, with professional address in Hong Kong at 36th floor, The Centrium, 60 Wyndham Street, Central and **CAMPBELL, JANELLE MAREE**, married, of Australian nationality, with professional address in Macau at Avenida Xian Xing Hai, Edifício Golden Dragon Centre, 22nd floor, such directors being exempted from making a deposit, and being hereby appointed for an unlimited period of time.

**Paragraph 1**

The Company shall be validly bound and represented, in court and out of court, by the signature of one Director in the relevant acts, contracts or any other documents.

**Paragraph 2**

The Company may appoint attorneys, under the terms of article 235 of the Commercial Code, and the Directors are hereby authorized to delegate their powers, in whole or in part, and to be freely represented in the performance of their functions, under article 384 of the Commercial Code.

## Article 7

Notwithstanding the right of the General Assembly to decide on the following subjects, the Board of Directors shall have the broadest powers permitted by the law, to manage the business of the Company, and shall be specifically empowered:

(a) To alienate by selling, exchanging or, in any other manner, any immovable or movable assets, values and rights, including obligations and any shares, as well as granting mortgages or any guarantees and encumbrances over such assets;

(b) To acquire, in any way, movable or immovable assets, values and rights, including obligations and any shares in existing companies or companies to be incorporated;

(c) To lease and to rent any buildings or any parts of the same;

(d) To open, operate and close bank accounts, deposit and draw money, issue, underwrite, accept and endorse “letras”, “livranças”, cheques and any other credit instruments;

(e) To grant or contract loans or to grant or obtain any other forms of financing and to perform all and any other credit operations, with or without the granting of real or personal guarantees of any kind or nature and to terminate or in any other way extinguish ou cancel the aforementioned guarantees;

(f) To appoint attorneys for the Company; and

(g) To legalize the books of the Company.

## Article 8

The Company shall have a Secretary, who shall perform all functions set forth in the relevant legal provisions as well as such functions as may be assigned to the Secretary by the General Assembly or the Board of Directors of the Company, and **FRANCISCO PINTO FRAÚSTO DE MASCARENHAS GAIVÃO**, married, with professional address in Macau, at 22/F, Golden Dragon Centre, Avenida Xian Xing, is hereby appointed as Secretary of the Company.

## Article 9

The Board of Directors may pass resolutions without a meeting, **provided that** all Directors declare in writing their respective vote, in a document which contains the proposed resolution, duly dated, signed and addressed to the Company.

### Paragraph 1

The resolutions passed in accordance with Article 8 above shall be deemed approved in the date when the last vote, as therein described, is received in the Company’s head office.

### Paragraph 2

The Board of Directors can also pass resolutions by written vote, in accordance with the following paragraphs.

### Paragraph 3

For purposes of Paragraph 2 above, the Secretary shall send to all Directors, by registered post, a specific proposal, together with all elements necessary to clarify such proposal, setting a deadline for the exercise of the voting right of no less than 7 days.

### Paragraph 4

The written vote must identify the proposal and contain the approval or non-approval thereof and any change to such proposal or conditioning of vote shall be deemed as its non-approval.

### Paragraph 5

The resolution shall be considered taken on the date in which the last reply is received or upon the elapse of the established deadline, in case any of the Directors does not reply.

### Paragraph 6

A resolution by written votes may not be taken whenever any of the Directors is incapable of voting.

### Paragraph 7

Upon passing a resolution under the above described terms, the Secretary must give notice thereof, by registered post, to all Directors.

### Article 10

The General Assembly shall be convened, except as otherwise stated in the law, by letter sent to the Shareholders by registered post, containing the summons notice, at least 7 days prior to the date of the scheduled meeting.

### Paragraph 1

The absence of the prior notice referred to in number 1 above may be overcome by the signing of the summons letter by all Shareholders.

### Paragraph 2

The Shareholders may be freely represented by any person in the General Assembly.

### Paragraph 3

In order to assure the validity of the representation set forth in the preceding paragraph, a letter signed by the relevant shareholder and addressed at the chairman of the General Assembly shall suffice.

### Article 11

Without prejudice to their right to appoint other people for such purpose, the Shareholders Studio City Holdings Four Limited, Studio City Holdings Three Limited and [●] shall be represented for all purposes, especially to the General Assemblies of Shareholders, by one of the following representatives Ho, Lawrence Yau Lung, married, of Chinese nationality;

Francisco Pinto Fraústo de Mascarenhas Gaivão, married, of Portuguese nationality; Chan Ying Tat, married, of Chinese nationality; all with professional address in Macau at Avenida Xian Xing Hai, Edifício Golden Dragon Centre, 22º Andar, and Stephanie Cheung, divorced, of Canadian nationality, with professional address in Hong Kong, 36/F, The Centrium, 60 Wyndham Street, Central.

**Article 12**

The Shareholders may pass resolutions without a meeting of the General Assembly, **provided that** all of them declare in writing their respective vote, in a document which contains the proposed resolution, duly dated, signed and addressed to the Company.

**Paragraph 1**

The resolutions passed in accordance with Article 11 above shall be deemed approved in the date when the last vote, as therein described, is received in the Company's head office.

**Paragraph 2**

The Shareholders can also pass resolutions in writing, in accordance with the following paragraphs and numbers 4 and following of article 217 of the Commercial Code.

**Paragraph 3**

For purposes of paragraph 2 above, the Chairman or someone who shall substitute him or her, shall send to all Shareholders, by registered post, a specific proposal, together with all elements necessary to clarify such proposal, setting a deadline for the exercise of the voting right of no less than 7 days.

**Paragraph 4**

The written vote must identify the proposal and contain the approval or non-approval thereof, and any change to such proposal or conditioning of vote shall be deemed as its non-approval.

**Paragraph 5**

The resolution shall be considered adopted on the date in which the last reply is received or upon the elapse of the established deadline, in case any of the Shareholders does not reply.

**Paragraph 6**

A resolution by written votes may not be taken whenever any of the Shareholders is incapable of voting.

**Paragraph 7**

Upon passing a resolution under the above described terms, the Secretary must give notice thereof, by registered post, to all shareholders.

**In accordance to article 39.o and 58.o of the Commercial Registry Code, is hereby certified that the above text is the complete version of the Articles of Association of the Company "Studio City Hotels Limited", is its new version and on effect since [●].**

Macau on the [●]

________________________________________

The Representative

## SCHEDULE 6
## FORMS OF MACAU PREFERENCE RIGHT AGREEMENTS

## PART A
## PREFERENCE RIGHT AGREEMENT

AN AGREEMENT made on 20[●]

**BETWEEN:**

(1) **[Name]**, a company incorporated under the laws of [●] (registered number [●]), with registered office at [●] (the “ **Grantor**”);

(2) [●], a company incorporated under the laws of the British Virgin Islands (registered number [●]), with registered office at [●] (the “**Beneficiary**”), herein represented by [insert name of representative]; and

(both jointly referred to as “**Parties**” and individually as “**Party**”)

**WHEREAS:**

(A) The Grantor is the holder of the rights, titles and interest in [●] [as detailed in Schedule I hereto][4](“**Asset/Assets**”).

(B) The Grantor wishes to grant to the Beneficiary a special preference right in the transfer, by any means, of the Asset/any Assets, from time to time, to a Third Party.

**THEREFORE, IT IS HEREBY AGREED** as follows:

1. **DEFINITIONS AND INTERPRETATION**

When used herein, the following terms shall have the meaning given to them below:

“**Business Days**” means a day (other than a Saturday and a Sunday) on which banks are open for general business in the Macau SAR, the Hong Kong SAR and London.

“**In Rem**” means the quality of a right that is attached to an asset and, in connection with a Preference Right, it means that such Preference Right can be enforced against any third party that acquires the asset that is the object of the Preference Right as prescribed in article 415 of the Macau Civil Code.

“**Intervening Event**” means, in respect of the Asset/any Asset, the commencement or maintenance of any legal proceeding in any court or arbitral body having jurisdiction over the subject matter of, or proceeds arising from, such proceedings whereby any one or more of the following is or may be required in order for a sale or transfer of any interest in the Asset/such Asset to be lawfully effected:

(a) an order of any court;

4 Delete if not appropriate.

(b) a consent or non-objection of or by any administrator, liquidator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official; or

(c) an agreement or consent of any third party.

"**Macau**" means the Special Administrative Region of Macau of the People's Republic of China.

"**Preference Right**" means the right of a contractual nature regulated in articles 408 to 417 of the Macau Civil Code.

"**Third Party**" means any physical or moral person which is not the Beneficiary.

## 2. PREFERENCE RIGHT

2.1 The Grantor hereby grants to the Beneficiary a Preference Right in the transfer to a Third Party, by any means, including but not limited to, a voluntary sale and purchase and a judicial sale in the context of any enforcement action or bankruptcy or any other judicial proceedings, of the Asset/any of the Assets.

2.2 The Parties agree that the Preference Right granted hereunder shall (as permitted by applicable law) have In Rem effect under the terms and for the purposes set forth in the Macau Civil Code.

## 3. PROCEDURES AND TERM

3.1 The Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary), as the case may be, shall give notice to the Beneficiary for purposes of exercise by the Beneficiary of the Preference Right granted hereunder (the "**Preference Notice**") prior to entering into any binding agreement or arrangement, by any form, manner or document, to transfer or, as the case may be, effecting a transfer of the Asset/any of the Assets to a Third Party.

3.2 The Preference Notice must include: (i) a description of the Asset/any of the Assets proposed to be transferred; (ii) the proposed transfer price (such price being the "**Purchase Price**"); (iii) details of the bank account into which the transfer price is to be paid (such account being the "**Purchase Account**"); (iv) the identity of the Third Party; and (v) the date by which the Beneficiary must deliver a notice to the Grantor (or such other person on behalf of the Grantor as agreed to by the Beneficiary) as to whether or not it accepts to acquire the Asset/relevant Assets proposed to be transferred to the Third Party (such Asset/Assets being the "**Sale Asset**"/"**Sale Assets**") on the terms specified in the Preference Notice (the "**Beneficiary Acceptance Notice**"), which shall be 10 (ten) Business Days from the date of the Preference Notice (or such earlier date agreed by the Beneficiary) ("**Acceptance Expiry Date**").

3.3 The delivery of a Beneficiary Acceptance Notice:

3.3.1 constitutes an unconditional undertaking (subject to the sale and delivery by the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) of the Sale Asset/Sale Assets on the Completion Date) by the Beneficiary to complete the purchase of the Sale Asset/Sale Assets (including, without limitation, (at its own cost) to execute all such documents

and do all such things (including, without limitation, payment to the Purchase Account of an amount equal to the Purchase Price) as may be required to complete a purchase of the Sale Asset/Sale Assets) on the date falling five Business Days after the delivery of the Beneficiary Acceptance Notice (such date being the "**Completion Date**") (or such other date as may be agreed between the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) and the Beneficiary); and

3.3.2 subject to Clause 3.4, shall oblige the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) to sell (without any representation or warranty) the Sale Asset/Sale Assets on the Completion Date (or such other date as is referred to in Clause 3.3.1) against performance by the Beneficiary of the undertaking referred to in Clause 3.3.1.

3.4 If an Intervening Event in respect of the Sale Asset/any Sale Asset is continuing on the Completion Date (or such other date as may have been agreed between the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) and the Beneficiary, as contemplated in Clause 3.3.1, then the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) shall not be obliged to sell the Asset/any Sale Asset on such Completion Date (or any other date unless agreed in writing between the Beneficiary and the Grantor(or any other person acting on behalf of the Grantor as agreed to by the Beneficiary)) and shall not be under any obligation to the Beneficiary or any other person in respect of such sale thereof (**provided that** the foregoing shall be without prejudice to Clause 3.1 of this Agreement).

3.5 Both the Preference Notice and the Beneficiary Acceptance Notice shall be made in writing and sent by registered post with acknowledgement of receipt (unless otherwise agreed by the Parties).

3.6 If the transfer of the Asset/any Asset is to be made within any judicial proceedings in Macau, in the context of an enforcement action, bankruptcy proceedings or other judicial proceedings, the applicable procedural rules, as set out in the Macau Civil Procedure Code or any other applicable statute, shall apply. For purposes of enforcement of the Preference Right, the absence of judicial summons to exercise such right shall have the same effect as the absence of the Preference Notice.

3.7 If the transfer of the Sale Asset/any of the Sale Assets is to be made in any bankruptcy proceedings conducted outside Macau, Clauses 3.1 to 3.3 shall apply to such transfer.

4. **DEFAULT**

4.1 In the event of:

(a) failure by the Grantor (or any other person on behalf of the Grantoras agreed to by the Beneficiary), to give the Preference Notice prior to any transfer of the Sale Asset/any Sale Assets to a Third Party;

(b) transfer of the Sale Asset/Sale Assets to a Third Party before the lapse of the Acceptance Expiry Date; or

(c) transfer of the Sale Asset/Sale Assets to a Third Party, in case the Beneficiary has served a Beneficiary Acceptance Notice pursuant to the terms of this Agreement to the Grantor (or such other person on behalf of the Grantor as agreed to by the Parties),

the Beneficiary shall be entitled to acquire the Sale Asset at the same price and under the same conditions as those of the transfer made to the Third Party or, in the event that the Preference Notice was given to the Beneficiary, the Beneficiary shall be entitled to acquire the Sale Asset/Sale Assets in accordance with the terms set out in the Preference Notice.

4.2 If the Grantor (or such other person on behalf of the Grantor as agreed to by the Beneficiary) refuses to receive the Purchase Price in the Purchase Account, the Beneficiary shall be entitled to deposit it with the Macau courts in favor of the Grantor (or such other person on behalf of the Grantor as agreed to by the Beneficiary) and the obligation of the Beneficiary to pay the Purchase Price shall be so discharged for purposes of making the transfer of the Sale Asset/Sale Assets to the Beneficiary effective.

## 5. TERMINATION

In addition to any other termination rights agreed to by the Parties, the Grantor may terminate this Agreement in the event the Beneficiary is subject to:

(i) winding-up, dissolution or administration;

(ii) the appointment of a liquidator, administrator, compulsory manager or other similar officer;

(iii) the commencement of any enforcement process properly commenced of any security voluntarily granted by the Beneficiary (other than security granted in favour of financiers of the Grantor (as agreed by the Beneficiary)); or

(iv) the commencement of any proceedings to enforce any judgment entered against it by a court of competent jurisdiction and which is properly enforceable in the jurisdiction of incorporation of the Beneficiary,

(v) or any analogous procedure in any jurisdiction,

in each case **provided that** such winding up, dissolution, administration, appointment of a liquidator, administrator, compulsory manager or similar officer or enforcement process has been commenced otherwise than on the application of or on behalf of the financiers of the Grantor (as agreed by the Beneficiary)).

## 6. ENTIRE AGREEMENT

This Agreement shall be without prejudice to any other terms which the Parties may agree to with respect to the Preference Right over the Asset / Assets.

7. **FORM AND REGISTRATION**

7.1 This Agreement shall be made in writing and authenticated, in four originals, and if registration is permitted under Macau law, one of such originals shall be submitted to the relevant registry or governmental authority for purposes of registration of the Preference Right.

7.2 The Grantor undertakes to the Beneficiary that is shall do all things reasonably necessary or convenient for the purposes of giving full effect to this Preference Right in respect of the Assets, including without limitation to notify any relevant third parties in respect of the Preference Rights of the Beneficiary under this Agreement.

8. **NOTICES**

All notices that shall need to be made and copies of notices to be delivered under or in connection with this Agreement, including the notices and replies referred to in Clause 3 above, shall be sent to the following persons and addresses, unless otherwise communicated in writing to the Party concerned:

(a) To Grantor: [●];

(b) To the Beneficiary: [●];

9. **APPLICABLE LAW AND JURISDICTION**

This Agreement and the Preference Right created hereunder shall be governed by the laws of the Macau SAR and the Parties agree that any disputes arising from or in connection with this Agreement or the Preference Right shall be referred to the Macau courts.

**SCHEDULE I**
**(DESCRIPTION OF ASSETS)[5]**

5 Delete if appropriate

| For and on behalf of the **Grantor**, | For and on behalf of the **Beneficiary**, |
|---|---|
| ______________________________ | ______________________________ |
| Name:<br>Title: | Name:<br>Title: |

**PART B**
**PREFERENCE RIGHT AGREEMENT**

AN AGREEMENT made on 20[●]

**BETWEEN:**

(1) **[Name]**, a company incorporated under the laws of [●] (registered number [●]), with registered office at [●] (the "**First Grantor**");

(2) **[Name]**, a company incorporated under the laws of [●] (registered number [●]), with registered office at [●] (the "**Second Grantor**"); (the First Grantor and the Second Grantor shall be herein referred to as the "**Grantors**")[6].

(3) [●], a company incorporated under the laws of the British Virgin Islands (registered number [●]), with registered office at [●] (the "**Beneficiary**"), herein represented by [insert name of representative]; and

(4) **[Name]**, a company incorporated under the laws of Macau (registered number [●]), whose registered office is at [●] (the "**Company**"), herein represented by [insert name of representative].

(all jointly referred to as "**Parties**" and individually as "**Party**")

**WHEREAS**:

(A) The First Grantor and the Second Grantor hold, respectively, a quota of MOP[•] and a quota of MOP[•] in the share capital of the Company.

(B) The Beneficiary holds a share with the nominal value of MOP1,000 in the share capital of the Company (the "**Share**").

(C) The Share held by the Beneficiary comprises a special preference right in the transfer, by any means, of any other shares of the Company, to any Third Party from time to time.

**THEREFORE, IT IS HEREBY AGREED** as follows:

1. **DEFINITIONS AND INTERPRETATION**

When used herein, the following terms shall have the meaning given to them below:

"**Business Days**" means a day (other than a Saturday and a Sunday) on which banks are open for general business in the Macau SAR, the Hong Kong SAR and London.

"**In Rem**" means the quality of a right that is attached to an asset and, in connection with a Preference Right, it means that such Preference Right can be enforced against any third party that acquires the asset that is the object of the Preference Right as prescribed in article 415 of the Macau Civil Code.

6 The number of Grantors shall be the number of shareholders of each Macau Obligor (except for the Beneficiary/Golden Shareholder).

“**Intervening Event**” means, in respect of any share of the Company, the commencement or maintenance of any legal proceeding in any court or arbitral body having jurisdiction over the subject matter of, or proceeds arising from, such proceedings whereby any one or more of the following is or may be required in order for a sale or transfer of any interest in such share to be lawfully effected:

(a) an order of any court;

(b) a consent or non-objection of or by any administrator, liquidator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official; or

(c) an agreement or consent of any third party.

“**Macau**” means the Special Administrative Region of Macau of the People’s Republic of China.

“**Preference Right**” means the right of a contractual nature regulated in articles 408 to 417 of the Macau Civil Code.

“**Preferred Shares**” or “**Preferred Share**” means, as the context may require, any or all of the shares held from time to time by each of the First Grantor and the Second Grantor in the Company.

“**Third Party**” means any physical or moral person which is not a shareholder of the Company as of the date hereof.

## 2. IN REM PREFERENCE RIGHT

2.1 Each of the First Grantor and the Second Grantor hereby grant to the Beneficiary a Preference Right in the transfer to a Third Party, by any means, including but not limited to, a voluntary sale and purchase and a judicial sale in the context of any enforcement action or bankruptcy or any other judicial proceedings, of the Preferred Shares.

2.2 The Parties agree that the Preference Right granted hereunder shall have In Rem effect under the terms and for the purposes set forth in the Macau Civil Code.

2.3 The Parties further agree and acknowledge that the In Rem Preference Right granted hereunder shall not exclude or prejudice in any way the special preference right of the Beneficiary contemplated in the articles of association of the Company with respect to the Preferred Shares (**provided that** compliance by a Grantor with the requirements of the articles of association of the Company with respect to the sale or disposal of such Preferred Shares shall constitute compliance by such Grantor with the requirements of Clause 3 (*Procedures and Term*)) of this Agreement.

## 3. PROCEDURES AND TERM

3.1 The Grantors or any of them (or any other person acting on behalf of the Grantors or any of them as agreed to by the Beneficiary), as the case may be, shall give notice to

the Beneficiary (with a copy to the Company) for the purpose of the exercise by the Beneficiary of the Preference Right granted hereunder (the "**Preference Notice**") prior to entering into any binding agreement or arrangement, by any form, manner or document, to transfer or, as the case may be, effecting a transfer of Preferred Shares to a Third Party.

3.2 The Preference Notice must include: (i) a description of the Preferred Share proposed to be transferred; (ii) the proposed transfer price (such price being the "**Purchase Price**"); (iii) details of the bank account into which the transfer price is to be paid (such account being the "**Purchase Account**"); (iv) the identity of the Third Party; and (v) the date by which the Beneficiary must deliver a notice to the Grantors (or such other person on behalf of the Grantors or any of them as agreed to by the Beneficiary) (with a copy to the Company) as to whether or not it accepts to acquire the Preferred Shares proposed to be transferred to the Third Party (such Preferred Share being the "**Sale Asset**") on the terms specified in the Preference Notice (the "**Beneficiary Acceptance Notice**"), which shall be 10 (ten) Business Days from the date of the Preference Notice (or such earlier date agreed by the Beneficiary) ("**Acceptance Expiry Date**").

3.3 The delivery of a Beneficiary Acceptance Notice:

3.3.1 constitutes an unconditional undertaking (subject to the sale and delivery by the relevant Grantor (or any other person acting on behalf of the Grantors or any of them as agreed to by the Beneficiary) of the Sale Asset on the Completion Date) by the Beneficiary to complete the purchase of the Sale Asset (including, without limitation, (at its own cost) to execute all such documents and do all such things (including, without limitation, payment to the Purchase Account of an amount equal to the Purchase Price) as may be required to complete a purchase of the Sale Asset) on the date falling five Business Days after the delivery of the Beneficiary Acceptance Notice (such date being the "**Completion Date**") (or such other date as may be agreed between the relevant Grantor (or any other person acting on behalf of the Grantors or any of them as agreed to by the Beneficiary)and the Beneficiary); and

3.3.2 subject to Clause 3.4, shall oblige the relevant Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) to sell (without any representation or warranty) the Sale Asset on the Completion Date (or such other date as is referred to in Clause 3.3.1) against performance by the Beneficiary of the undertaking referred to in Clause 3.3.1.

3.4 If an Intervening Event in respect of any Sale Asset is continuing on the Completion Date (or such other date as may have been agreed between the relevant Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) and the Beneficiary, as contemplated in Clause 3.3.1, then the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) shall not be obliged to sell any Sale Asset on such Completion Date (or any other date unless agreed in writing between the Beneficiary and the relevant Grantor(or any other person acting on behalf of the Grantor as agreed to by the Beneficiary)) and shall not be under any obligation to the Beneficiary or any other person in respect of such sale thereof (**provided that** the foregoing shall be without prejudice to Clause 3.1 of this Agreement).

3.5 Both the Preference Notice and the Beneficiary Acceptance Notice shall be made in writing and sent by registered post with acknowledgement of receipt (unless otherwise agreed by the Parties).

3.6 If the transfer of any Preferred Shares is to be made within any judicial proceedings in Macau, in the context of an enforcement action, bankruptcy proceedings or other judicial proceedings, the applicable procedural rules, as set out in the Macau Civil Procedure Code or any other applicable statute, shall apply. For purposes of enforcement of the Preference Right, the absence of judicial summons to exercise such right shall have the same effect as the absence of the Preference Notice.

3.7 If the transfer of the shares held by the Grantors or any of them is to be made in any bankruptcy proceedings conducted outside Macau, Clauses 3.1 to 3.3 shall apply to such transfers.

## 4. DEFAULT

4.1 In the event of:

(a) failure by the Grantors, or any of them (or any other person on behalf of the Grantors or any of them agreed to by the Beneficiary), to give the Preference Notice prior to any transfer of any Preferred Shares to a Third Party;

(b) transfer of any Preferred Shares to a Third Party before the lapse of the Acceptance Expiry Date; or

(c) transfer of any Preferred Shares to a Third Party, in case the Beneficiary has served a Beneficiary Acceptance Notice pursuant to the terms of this Agreement to the relevant Grantor (or such other person on behalf of such relevant Grantor as agreed to by the Parties),

the Beneficiary shall be entitled to acquire the subject Preferred Shares at the same price and under the same conditions as those of the transfer made to the Third Party or, in the event that the Preference Notice was given to the Beneficiary, the Beneficiary shall be entitled to acquire the subject Preferred Shares in accordance with the terms set out in the Preference Notice.

4.2 If the relevant Grantor (or such other person on behalf of such relevant Grantor as agreed to by the Beneficiary) refuses to receive the Purchase Price in the Purchase Account, the Beneficiary shall be entitled to deposit the Purchase Price with the Macau courts in favor of the relevant Grantor (or such other person on behalf of the Grantor as agreed to by the Beneficiary) and the obligation of the Beneficiary to pay the Purchase Price shall be so discharged for purposes of making the transfer of the subject Preferred Shares to the Beneficiary effective.

5. **TERMINATION**

In addition to any other termination rights agreed to by the Parties, the Grantors (or any one of them) may terminate this Agreement in the event the Beneficiary is subject to:

(i) winding-up, dissolution or administration;

(ii) the appointment of a liquidator, administrator, compulsory manager or other similar officer;

(iii) the commencement of any enforcement process properly commenced of any security voluntarily granted by the Beneficiary (other than security granted in favour of financiers of the Grantor (as agreed by the Beneficiary)); or

(iv) the commencement of any proceedings to enforce any judgment entered against it by a court of competent jurisdiction and which is properly enforceable in the jurisdiction of incorporation of the Beneficiary,

(v) or any analogous procedure in any jurisdiction,

in each case **provided that** such winding up, dissolution, administration, appointment of a liquidator, administrator, compulsory manager or similar officer or enforcement process has been commenced otherwise than on the application of or on behalf of the financiers of the Grantor (as agreed by the Beneficiary).

6. **ENTIRE AGREEMENT**

This Agreement shall be without prejudice to any other terms which the Parties may agree to with respect to the Preference Right over the Preferred Shares.

7. **FORM AND REGISTRATION**

This Agreement shall be made in writing and authenticated, in four originals, one of which shall be submitted to the Macau Commercial and Movable Assets Registry for purposes of registration of the Preference Right.

8. **NOTICES**

All notices that shall need to be made and copies of notices to be delivered under or in connection with this Agreement, including the notices and replies referred to in Clause 3 above, shall be sent to the following persons and addresses, unless otherwise communicated in writing to the Party concerned:

(a) To the First Grantor: [●];

(b) To the Second Grantor: [●];

(c) To the Beneficiary: [●];

(d) To the Company: [●].

9. **APPLICABLE LAW AND JURISDICTION**

This Agreement and the Preference Right created hereunder shall be governed by the laws of the Macau SAR and the Parties agree that any disputes arising from or in connection with this Agreement or the Preference Right shall be referred to the Macau courts.

For and on behalf of the **First Grantor**,

Name:
Title:

For and on behalf of the **Beneficiary**,

Name:
Title:

For and on behalf of the **Second Grantor**,

Name:
Title:

For and on behalf of the **Company**,

Name:
Title:

## PART C
## PREFERENCE RIGHT AGREEMENT

AN AGREEMENT made on 20[●]

**BETWEEN**:

(1) **Studio City Developments Limited**, a company incorporated under the laws of Macau (registered number 14311), with registered office at Av. Dr. Mário Soares, n.º 25, Edif. Montepio, 1.º andar, comp. 13 (the " **Grantor**");

(2) [●], a company incorporated under the laws of the British Virgin Islands (registered number [●]), with registered office at [●] (the "**Beneficiary**"), herein represented by [insert name of representative]; and

(both jointly referred to as "**Parties**" and individually as "**Party**")

**WHEREAS**:

(A) The Grantor holds the rights resulting from the land lease grant in respect of the land described at the Real Estate Registry of Macau under no. [●], including the property of any constructions, buildings or fixtures erected on the mentioned land, which are registered in favor of the Grantor under no. [●] at the Real Estate Registry of Macau ("**Land Concession Rights**").

(B) The Grantor wishes to grant to the Beneficiary a special preference right in the transfer, by any means, of any right, title or interest in respect of the Land Concession Rights (the "**Assets subject to Preference Right**") to a Third Party.

**THEREFORE, IT IS HEREBY AGREED** as follows:

1. **DEFINITIONS AND INTERPRETATION**

When used herein, the following terms shall have the meaning given to them below:

"**Business Days**" means a day (other than a Saturday and a Sunday) on which banks are open for general business in the Macau SAR, the Hong Kong SAR and London.

"**In Rem**" means the quality of a right that is attached to an asset and, in connection with a Preference Right, it means that such Preference Right can be enforced against any third party that acquires the asset that is the object of the Preference Right as prescribed in article 415 of the Macau Civil Code.

"**Intervening Event**" means, in respect of the Assets subject to Preference Right, the commencement or maintenance of any legal proceeding in any court or arbitral body having jurisdiction over the subject matter of, or proceeds arising from, such proceedings whereby any one or more of the following is or may be required in order for a sale or transfer of any interest in the Assets subject to Preference Right to be lawfully effected:

(a) an order of any court;

(b) a consent or non-objection of or by any administrator, liquidator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official; or

(c) an agreement or consent of any third party.

“**Macau**” means the Special Administrative Region of Macau of the People’s Republic of China.

“**Preference Right**” means the right of a contractual nature regulated in articles 408 to 417 of the Macau Civil Code.

“**Third Party**” means any physical or moral person which is not the Beneficiary.

2. **IN REM PREFERENCE RIGHT**

2.1 The Grantor hereby grants to the Beneficiary a Preference Right in the transfer to a Third Party, by any means, including but not limited to, a voluntary sale and purchase and a judicial sale in the context of any enforcement action or bankruptcy or any other judicial proceedings, of the Assets subject to Preference Right.

2.2 The Parties agree that the Preference Right granted hereunder shall have In Rem effect under the terms and for the purposes set forth in the Macau Civil Code.

3. **PROCEDURES AND TERM**

3.1 The Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary), as the case may be, shall give notice to the Beneficiary for the purpose of the exercise by the Beneficiary of the Preference Right granted hereunder (the “**Preference Notice**”) prior to entering into any binding agreement or arrangement, by any form, manner or document, to transfer or, as the case may be, effecting a transfer of Assets subject to Preference Right to a Third Party.

3.2 The Preference Notice must include: (i) a description of the Assets subject to Preference Right proposed to be transferred; (ii) the proposed transfer price (such price being the “**Purchase Price**”); (iii) details of the bank account into which the transfer price is to be paid (such account being the “**Purchase Account**”); (iv) the identity of the Third Party; and (v) the date by which the Beneficiary must deliver a notice to the Grantor (or such other person on behalf of the Grantor as agreed to by the Beneficiary) as to whether or not it accepts to acquire the Assets subject to Preference Right proposed to be transferred to the Third Party (the “**Sale Assets**”) on the terms specified in the Preference Notice (the “**Beneficiary Acceptance Notice**”), which shall be 10 (ten) Business Days from the date of the Preference Notice (or such earlier date agreed by the Beneficiary) (“**Acceptance Expiry Date**”).

3.3 The delivery of a Beneficiary Acceptance Notice:

3.3.1 constitutes an unconditional undertaking (subject to the sale and delivery by the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) of the Sale Assets on the Completion Date) by the Beneficiary to complete the purchase of the Sale Assets (including, without limitation, (at its own cost) to execute all such documents and do all such things (including, without limitation, payment to the Purchase Account of an

amount equal to the Purchase Price) as may be required to complete a purchase of the Sale Assets) on the date falling five Business Days after the delivery of the Beneficiary Acceptance Notice (such date being the "**Completion Date**") (or such other date as may be agreed between the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) and the Beneficiary); and

3.3.2 subject to Clause 3.4, shall oblige the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) to sell (without any representation or warranty) the Sale Assets on the Completion Date (or such other date as is referred to in Clause 3.3.1) against performance by the Beneficiary of the undertaking referred to in Clause 3.3.1.

3.4 If an Intervening Event in respect of any of the Sale Assets is continuing on the Completion Date (or such other date as may have been agreed between the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) and the Beneficiary, as contemplated in Clause 3.3.1, then the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) shall not be obliged to sell the Sale Assets on such Completion Date (or any other date unless agreed in writing between the Beneficiary and the Grantor(or any other person acting on behalf of the Grantor as agreed to by the Beneficiary)) and shall not be under any obligation to the Beneficiary or any other person in respect of such sale thereof (**provided that** the foregoing shall be without prejudice to Clause 3.1 of this Agreement).

3.5 Both the Preference Notice and the Beneficiary Acceptance Notice shall be made in writing and sent by registered post with acknowledgement of receipt (unless otherwise agreed by the Parties).

3.6 If the transfer of the Assets subject to Preference Right is to be made within any judicial proceedings in Macau, in the context of an enforcement action, bankruptcy proceedings or other judicial proceedings, the applicable procedural rules, as set out in the Macau Civil Procedure Code or any other applicable statute, shall apply. For purposes of enforcement of the Preference Right, the absence of judicial summons to exercise such right shall have the same effect as the absence of the Preference Notice.

## 4. DEFAULT

4.1 In the event of:

(a) failure by the Grantor (or any other person on behalf of the Grantor as agreed to by the Beneficiary), to give the Preference Notice prior to any transfer of any Assets subject to Preference Right to a Third Party;

(b) transfer of a Sale Asset to a Third Party before the lapse of the Acceptance Expiry Date; or

(c) transfer of a Sale Asset to a Third Party, in case the Beneficiary has served a Beneficiary Acceptance Notice pursuant to the terms of this Agreement to the Grantor (or such other person on behalf of the Grantor as agreed to by the Parties),

the Beneficiary shall be entitled to acquire the Sale Assets at the same price and under the same conditions as those of the transfer made to the Third Party or, in the event that the Preference Notice was given to the Beneficiary, the Beneficiary shall be entitled to acquire the Sale Assets in accordance with the terms set out in the Preference Notice.

4.2 If the Grantor (or such other person on behalf of the Grantor as agreed to by the Beneficiary) refuses to receive the Purchase Price in the Purchase Account, the Beneficiary shall be entitled to deposit the Purchase Price with the Macau courts in favor of the Grantor (or such other person on behalf of the Grantor as agreed to by the Beneficiary) and the obligation of the Beneficiary to pay the Purchase Price shall be so discharged for purposes of making the transfer of the Sale Assets subject to the Beneficiary effective.

## 5. TERMINATION

In addition to any other termination rights agreed to by the Parties, the Grantor may terminate this Agreement in the event the Beneficiary is subject to:

(i) winding-up, dissolution or administration;

(ii) the appointment of a liquidator, administrator, compulsory manager or other similar officer;

(iii) the commencement of any enforcement process properly commenced of any security voluntarily granted by the Beneficiary (other than security granted in favour of financiers of the Grantor (as agreed by the Beneficiary)); or

(iv) the commencement of any proceedings to enforce any judgment entered against it by a court of competent jurisdiction and which is properly enforceable in the jurisdiction of incorporation of the Beneficiary,

(v) or any analogous procedure in any jurisdiction,

in each case **provided that** such winding up, dissolution, administration, appointment of a liquidator, administrator, compulsory manager or similar officer or enforcement process has been commenced otherwise than on the application of or on behalf of the financiers of the Grantor (as agreed by the Beneficiary).

## 6. ENTIRE AGREEMENT

This Agreement shall be without prejudice to any other terms which the Parties may agree to with respect to the Preference Right over the Assets subject to Preference Right.

## 7. FORM AND REGISTRATION

This Agreement shall be made in writing and authenticated, in four originals, one of which shall be submitted to the Macau Real Estate Registry for purposes of registration of the Preference Right.

8. **NOTICES**

All notices that shall need to be made and copies of notices to be delivered under or in connection with this Agreement, including the notices and replies referred to in Clause 3 above, shall be sent to the following persons and addresses, unless otherwise communicated in writing to the Party concerned:

(a) To the Grantor: [●];

(b) To the Beneficiary: [●];

9. **APPLICABLE LAW AND JURISDICTION**

This Agreement and the Preference Right created hereunder shall be governed by the laws of the Macau SAR and the Parties agree that any disputes arising from or in connection with this Agreement or the Preference Right shall be referred to the Macau courts.

| For and on behalf of the **Grantor**, | For and on behalf of the **Beneficiary**, |
|---|---|
| ____________________ | ____________________ |
| Name:<br>Title: | Name:<br>Title: |

## PART D
## PREFERENCE RIGHT AGREEMENT

AN AGREEMENT made on 20[●]

**BETWEEN:**

(1) **[Name]**, a company incorporated under the laws of Macau (registered number [●]), with registered office at Av. Dr. Mário Soares, n.º 25, Edif. Montepio, 1.º andar, comp. 13 (the "**Grantor**");

(2) [●], a company incorporated under the laws of the British Virgin Islands (registered number [●]), with registered office at [●] (the "**Beneficiary**"), herein represented by [insert name of representative]; and

(both jointly referred to as "**Parties**" and individually as "**Party**")

**WHEREAS:**

(A) The Grantor is the holder of the Enterprises better identified in Schedule I hereof.

(B) The Grantor wishes to grant to the Beneficiary a special preference right in the transfer, by any means, of any right, title or interest in respect of the Enterprises identified in Schedule I hereof ("**Preferred Enterprises**") to a Third Party.

**THEREFORE, IT IS HEREBY AGREED** as follows:

1. **DEFINITIONS AND INTERPRETATION**

When used herein, the following terms shall have the meaning given to them below:

"**Business Days**" means a day (other than a Saturday and a Sunday) on which banks are open for general business in the Macau SAR, the Hong Kong SAR and London.

"**In Rem**" means the quality of a right that is attached to an asset and, in connection with a Preference Right, it means that such Preference Right can be enforced against any third party that acquires the asset that is the object of the Preference Right as prescribed in article 415 of the Macau Civil Code.

"**Enterprise**" means the establishment or establishments of the Company that qualify to register as an enterprise or enterprises at the Commercial and Movable Assets Registry.

"**Intervening Event**" means, in respect of any Preferred Enterprise, the commencement or maintenance of any legal proceeding in any court or arbitral body having jurisdiction over the subject matter of, or proceeds arising from, such proceedings whereby any one or more of the following is or may be required in order for a sale or transfer of any interest in any Preferred Enterprise to be lawfully effected:

(a) an order of any court;

(b) a consent or non-objection of or by any administrator, liquidator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official; or

(c) an agreement or consent of any third party.

“**Macau**” means the Special Administrative Region of Macau of the People’s Republic of China.

“**Preference Right**” means the right of a contractual nature regulated in articles 408 to 417 of the Macau Civil Code.

“**Third Party**” means any physical or moral person which is not the Beneficiary.

## 2. IN REM PREFERENCE RIGHT

2.1 The Grantor hereby grants to the Beneficiary a Preference Right in the transfer to a Third Party, by any means, including but not limited to, a voluntary sale and purchase and a judicial sale in the context of any enforcement action or bankruptcy or any other judicial proceedings, of the Preferred Enterprise.

2.2 The Parties agree that the Preference Right granted hereunder shall have, as permitted under applicable law, In Rem effect under the terms and for the purposes set forth in the Macau Civil Code.

## 3. PROCEDURES AND TERM

3.1 The Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary), as the case may be, shall give notice to the Beneficiary for the purpose of the exercise by the Beneficiary of the Preference Right granted hereunder (the “**Preference Notice**”) prior to entering into any binding agreement or arrangement, by any form, manner or document, to transfer or, as the case may be, effecting a transfer of any Preferred Enterprise to a Third Party.

3.2 The Preference Notice must include: (i) a description of the Preferred Enterprise proposed to be transferred; (ii) the proposed transfer price (such price being the “**Purchase Price**”); (iii) details of the bank account into which the transfer price is to be paid (such account being the “**Purchase Account**”); (iv) the identity of the Third Party; and (v) the date by which the Beneficiary must deliver a notice to the Grantor (or such other person on behalf of the Grantor as agreed to by the Beneficiary) as to whether or not it accepts to acquire the Preferred Enterprise proposed to be transferred to the Third Party (such Preferred Enterprise being the “**Sale Asset**”) on the terms specified in the Preference Notice (the “**Beneficiary Acceptance Notice**”), which shall be 10 (ten) Business Days from the date of the Preference Notice (or such earlier date agreed by the Beneficiary) (“**Acceptance Expiry Date**”).

3.3 The delivery of a Beneficiary Acceptance Notice:

3.3.1 constitutes an unconditional undertaking (subject to the sale and delivery by the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) of the Sale Asset on the Completion Date) by the Beneficiary to complete the purchase of the Sale Asset (including, without limitation, (at its own cost) to execute all such documents and do all such

things (including, without limitation, payment to the Purchase Account of an amount equal to the Purchase Price) as may be required to complete a purchase of the Sale Asset) on the date falling five Business Days after the delivery of the Beneficiary Acceptance Notice (such date being the "**Completion Date**") (or such other date as may be agreed between the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) and the Beneficiary); and

3.3.2 subject to Clause 3.4, shall oblige the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) to sell (without any representation or warranty) the Sale Asset on the Completion Date (or such other date as is referred to in Clause 3.3.1) against performance by the Beneficiary of the undertaking referred to in Clause 3.3.1.

3.4 If an Intervening Event in respect of any Sale Asset is continuing on the Completion Date (or such other date as may have been agreed between the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) and the Beneficiary, as contemplated in Clause 3.3.1, then the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) shall not be obliged to sell any Sale Asset on such Completion Date (or any other date unless agreed in writing between the Beneficiary and the Grantor(or any other person acting on behalf of the Grantor as agreed to by the Beneficiary)) and shall not be under any obligation to the Beneficiary or any other person in respect of such sale thereof (**provided that** the foregoing shall be without prejudice to Clause 3.1 of this Agreement).

3.5 Both the Preference Notice and the Beneficiary Acceptance Notice shall be made in writing and sent by registered post with acknowledgement of receipt (unless otherwise agreed by the Parties).

3.6 If the transfer of the Preferred Enterprise is to be made within any judicial proceedings in Macau, in the context of an enforcement action, bankruptcy proceedings or other judicial proceedings, the applicable procedural rules, as set out in the Macau Civil Procedure Code or any other applicable statute, shall apply. For purposes of enforcement of the Preference Right, the absence of judicial summons to exercise such right shall have the same effect as the absence of the Preference Notice.

## 4. DEFAULT

4.1 In the event of:

(a) failure by the Grantor (or any other person on behalf of the Grantor as agreed to by the Beneficiary), to give the Preference Notice prior to any transfer of any Preferred Enterprise to a Third Party;

(b) transfer of a Sale Asset to a Third Party before the lapse of the Acceptance Expiry Date; or

(c) transfer of a Sale Asset to a Third Party, in case the Beneficiary has served a Beneficiary Acceptance Notice pursuant to the terms of this Agreement to the Grantor (or such other person on behalf of the Grantor as agreed to by the Parties),

the Beneficiary shall be entitled to acquire the Sale Asset at the same price and under the same conditions as those of the transfer made to the Third Party or, in the event that the Preference Notice was given to the Beneficiary, the Beneficiary shall be entitled to acquire the Sale Asset in accordance with the terms set out in the Preference Notice.

4.2 If the Grantor (or such other person on behalf of the Grantor as agreed to by the Beneficiary) refuses to receive the Purchase Price in the Purchase Account, the Beneficiary shall be entitled to deposit the Purchase Price with the Macau courts in favor of the Grantor (or such other person on behalf of the Grantor as agreed to by the Beneficiary) and the obligation of the Beneficiary to pay the Purchase Price shall be so discharged for purposes of making the transfer of the Sale Asset to the Beneficiary effective.

## 5. TERMINATION

In addition to any other termination rights agreed to by the Parties, the Grantor may terminate this Agreement in the event the Beneficiary is subject to:

(i) winding-up, dissolution or administration;

(ii) the appointment of a liquidator, administrator, compulsory manager or other similar officer;

(iii) the commencement of any enforcement process properly commenced of any security voluntarily granted by the Beneficiary (other than security granted in favour of financiers of the Grantor (as agreed by the Beneficiary)); or

(iv) the commencement of any proceedings to enforce any judgment entered against it by a court of competent jurisdiction and which is properly enforceable in the jurisdiction of incorporation of the Beneficiary,

(v) or any analogous procedure in any jurisdiction,

in each case **provided that** such winding up, dissolution, administration, appointment of a liquidator, administrator, compulsory manager or similar officer or enforcement process has been commenced otherwise than on the application of or on behalf of the financiers of the Grantor(as agreed by the Beneficiary).

## 6. ENTIRE AGREEMENT

This Agreement shall be without prejudice to any other terms which the Parties may agree to with respect to the Preference Right over the Preferred Enterprise.

## 7. FORM AND REGISTRATION

This Agreement shall be made in writing and authenticated, in four originals, one of which shall be submitted to the Commercial and Movable Assets Registry, or such other relevant registration or governmental authority, for purposes of registration of the Preference Right in respect of the Preferred Enterprise which may be subject to registration.

8. **NOTICES**

All notices that shall need to be made and copies of notices to be delivered under or in connection with this Agreement, including the notices and replies referred to in Clause 3 above, shall be sent to the following persons and addresses, unless otherwise communicated in writing to the Party concerned:

(a) To the Grantor: [●];

(b) To the Beneficiary: [●];

9. **APPLICABLE LAW AND JURISDICTION**

This Agreement and the Preference Right created hereunder shall be governed by the laws of the Macau SAR and the Parties agree that any disputes arising from or in connection with this Agreement or the Preference Right shall be referred to the Macau courts.

**SCHEDULE I**
**(ENTERPRISES)**

| Description | Number |
| --- | --- |

| For and on behalf of the **Grantor**, | For and on behalf of the **Beneficiary**, |
|---|---|
| ____________________________________ | ____________________________________ |
| Name: | Name: |
| Title: | Title: |

## PART E
## PREFERENCE RIGHT AGREEMENT

AN AGREEMENT made on 20[●]

**BETWEEN**:

(1) **[Name]**, a company incorporated under the laws of Macau (registered number [●]), with registered office at Av. Dr. Mário Soares, n.º 25, Edif. Montepio, 1.º andar, comp. 13 (the "**Grantor**");

(2) [●], a company incorporated under the laws of the British Virgin Islands (registered number [●]), with registered office at [●] (the "**Beneficiary**"), herein represented by [insert name of representative]; and

(both jointly referred to as "**Parties**" and individually as "**Party**")

**WHEREAS**:

(A) The Grantor is the holder of the Intellectual Property better identified in Schedule I hereof.

(B) The Grantor wishes to grant to the Beneficiary a special preference right in the transfer, by any means, of any right, title or interest in respect of the Intellectual Property identified in Schedule I hereof ("**Preferred Intellectual Property**") to a Third Party.

**THEREFORE, IT IS HEREBY AGREED** as follows:

1. **DEFINITIONS AND INTERPRETATION**

When used herein, the following terms shall have the meaning given to them below:

"**Business Days**" means a day (other than a Saturday and a Sunday) on which banks are open for general business in the Macau SAR, the Hong Kong SAR and London.

"**In Rem**" means the quality of a right that is attached to an asset and, in connection with a Preference Right, it means that such Preference Right can be enforced against any third party that acquires the asset that is the object of the Preference Right as prescribed in article 415 of the Macau Civil Code.

"**Intellectual Property**" means:

(a) any patents, trademarks, services marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interest, whether registered or unregistered, or

(b) the benefit of all applications and rights to use any such assets referred to in paragraph (a) above.

"**Intervening Event**" means, in respect of any Preferred Intellectual Property, the commencement or maintenance of any legal proceeding in any court or arbitral body having jurisdiction over the subject matter of, or proceeds arising from, such proceedings whereby any one or more of the following is or may be required in order for a sale or transfer of any interest in any Preferred Intellectual Property to be lawfully effected:

(a) an order of any court;

(b) a consent or non-objection of or by any administrator, liquidator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official; or

(c) an agreement or consent of any third party.

"**Macau**" means the Special Administrative Region of Macau of the People's Republic of China.

"**Preference Right**" means the right of a contractual nature regulated in articles 408 to 417 of the Macau Civil Code.

"**Third Party**" means any physical or moral person which is not the Beneficiary.

## 2. IN REM PREFERENCE RIGHT

2.1 The Grantor hereby grants to the Beneficiary a Preference Right in the transfer to a Third Party, by any means, including but not limited to, a voluntary sale and purchase and a judicial sale in the context of any enforcement action or bankruptcy or any other judicial proceedings, of the Preferred Intellectual Property.

2.2 The Parties agree that the Preference Right granted hereunder shall have, as permitted under applicable law, In Rem effect under the terms and for the purposes set forth in the Macau Civil Code.

## 3. PROCEDURES AND TERM

3.1 The Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary), as the case may be, shall give notice to the Beneficiary for the purpose of the exercise by the Beneficiary of the Preference Right granted hereunder (the "**Preference Notice**") prior to entering into any binding agreement or arrangement, by any form, manner or document, to transfer or, as the case may be, effecting a transfer of any Preferred Intellectual Property to a Third Party.

3.2 The Preference Notice must include: (i) a description of the Preferred Intellectual Property proposed to be transferred; (ii) the proposed transfer price (such price being the "**Purchase Price**"); (iii) details of the bank account into which the transfer price is to be paid (such account being the "**Purchase Account**"); (iv) the identity of the Third Party; and (v) the date by which the Beneficiary must deliver a notice to the Grantor (or such other person on behalf of the Grantor as agreed to by the Beneficiary) as to whether or not it accepts to acquire the Preferred Intellectual Property proposed to be transferred to the Third Party (such Preferred Intellectual Property being the "**Sale Asset**") on the terms specified in the Preference Notice (the "**Beneficiary Acceptance**

**Notice**”), which shall be 10 (ten) Business Days from the date of the Preference Notice (or such earlier date agreed by the Beneficiary) (“**Acceptance Expiry Date**”).

3.3 The delivery of a Beneficiary Acceptance Notice:

3.3.1 constitutes an unconditional undertaking (subject to the sale and delivery by the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) of the Sale Asset on the Completion Date) by the Beneficiary to complete the purchase of the Sale Asset (including, without limitation, (at its own cost) to execute all such documents and do all such things (including, without limitation, payment to the Purchase Account of an amount equal to the Purchase Price) as may be required to complete a purchase of the Sale Asset) on the date falling five Business Days after the delivery of the Beneficiary Acceptance Notice (such date being the “**Completion Date**”) (or such other date as may be agreed between the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) and the Beneficiary); and

3.3.2 subject to Clause 3.4, shall oblige the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) to sell (without any representation or warranty) the Sale Asset on the Completion Date (or such other date as is referred to in Clause 3.3.1) against performance by the Beneficiary of the undertaking referred to in Clause 3.3.1.

3.4 If an Intervening Event in respect of any Sale Asset is continuing on the Completion Date (or such other date as may have been agreed between the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) and the Beneficiary, as contemplated in Clause 3.3.1, then the Grantor (or any other person acting on behalf of the Grantor as agreed to by the Beneficiary) shall not be obliged to sell any Sale Asset on such Completion Date (or any other date unless agreed in writing between the Beneficiary and the Grantor(or any other person acting on behalf of the Grantor as agreed to by the Beneficiary)) and shall not be under any obligation to the Beneficiary or any other person in respect of such sale thereof (**provided that** the foregoing shall be without prejudice to Clause 3.1 of this Agreement).

3.5 Both the Preference Notice and the Beneficiary Acceptance Notice shall be made in writing and sent by registered post with acknowledgement of receipt (unless otherwise agreed by the Parties).

3.6 If the transfer of the Preferred Intellectual Property is to be made within any judicial proceedings in Macau, in the context of an enforcement action, bankruptcy proceedings or other judicial proceedings, the applicable procedural rules, as set out in the Macau Civil Procedure Code or any other applicable statute, shall apply. For purposes of enforcement of the Preference Right, the absence of judicial summons to exercise such right shall have the same effect as the absence of the Preference Notice.

## 4. DEFAULT

4.1 In the event of:

(a) failure by the Grantor (or any other person on behalf of the Grantor as agreed to by the Beneficiary), to give the Preference Notice prior to any transfer of any Preferred Intellectual Property to a Third Party;

(b) transfer of a Sale Asset to a Third Party before the lapse of the Acceptance Expiry Date; or

(c) transfer of a Sale Asset to a Third Party, in case the Beneficiary has served a Beneficiary Acceptance Notice pursuant to the terms of this Agreement to the Grantor (or such other person on behalf of such the Grantor as agreed to by the Parties),

the Beneficiary shall be entitled to acquire the Sale Asset at the same price and under the same conditions as those of the transfer made to the Third Party or, in the event that the Preference Notice was given to the Beneficiary, the Beneficiary shall be entitled to acquire the Sale Asset in accordance with the terms set out in the Preference Notice.

4.2 If the Grantor (or such other person on behalf of the Grantor as agreed to by the Beneficiary) refuses to receive the Purchase Price in the Purchase Account, the Beneficiary shall be entitled to deposit the Purchase Price with the Macau courts in favor of the Grantor (or such other person on behalf of the Grantor as agreed to by the Beneficiary) and the obligation of the Beneficiary to pay the Purchase Price shall be so discharged for purposes of making the transfer of the Sale Asset to the Beneficiary effective.

## 5. TERMINATION

In addition to any other termination rights agreed to by the Parties, the Grantor may terminate this Agreement in the event the Beneficiary is subject to:

(i) winding-up, dissolution or administration;

(ii) the appointment of a liquidator, administrator, compulsory manager or other similar officer;

(iii) the commencement of any enforcement process properly commenced of any security voluntarily granted by the Beneficiary (other than security granted in favour of financiers of the Grantor (as agreed by the Beneficiary)); or

(iv) the commencement of any proceedings to enforce any judgment entered against it by a court of competent jurisdiction and which is properly enforceable in the jurisdiction of incorporation of the Beneficiary,

(v) or any analogous procedure in any jurisdiction,

in each case **provided that** such winding up, dissolution, administration, appointment of a liquidator, administrator, compulsory manager or similar officer or enforcement process has been commenced otherwise than on the application of or on behalf of the financiers of the Grantor (as agreed by the Beneficiary).

## 6. ENTIRE AGREEMENT

This Agreement shall be without prejudice to any other terms which the Parties may agree to with respect to the Preference Right over the Preferred Intellectual Property.

## 7. FORM AND REGISTRATION

This Agreement shall be made in writing and authenticated, in four originals, one of which shall be submitted to the Macau Economic Bureau, or such other relevant registration or governmental authority, for purposes of registration of the Preference Right in respect of the Preferred Intellectual Property which may be subject to registration.

## 8. NOTICES

All notices that shall need to be made and copies of notices to be delivered under or in connection with this Agreement, including the notices and replies referred to in Clause 3 above, shall be sent to the following persons and addresses, unless otherwise communicated in writing to the Party concerned:

(a) To the Grantor: [●];

(b) To the Beneficiary: [●];

## 9. APPLICABLE LAW AND JURISDICTION

This Agreement and the Preference Right created hereunder shall be governed by the laws of the Macau SAR and the Parties agree that any disputes arising from or in connection with this Agreement or the Preference Right shall be referred to the Macau courts.

## SCHEDULE I
## (INTELLECTUAL PROPERTY)

| Description | Number |
| --- | --- |

| For and on behalf of the **Grantor**, | For and on behalf of the **Beneficiary**, |
|---|---|
| Name:<br>Title: | Name:<br>Title: |

**SCHEDULE 7**
**FORMS OF POWERS OF ATTORNEY**

**PART A**
**POWER OF ATTORNEY**

____ On the [●] day of [●] of the year two thousand [●], at my Office, at [●], Macau, before me, [●], Notary, appeared: ____________________
______________________________________________________________________

____ [●], [*marital status*], holder of [identity document no. [●], issued in [●] on [●], residing in [●] at [●], acting in his capacity as a representative of:
______________________________________________________________________

____ [Preference Right Holder] ______________________________________________________________________

____ I verified the identity of the grantor by production of his identification document, and the capacity and authority of the grantor to intervene in this act by [●]. The aforesaid documents are filed with no. [●] and [●] in my office in bundle no. [●] of documents filed at the request of the parties. ______________________________________________________________________

____ **AND HE DECLARED:** ______________________________________________________________________

____ That [Preference Right Holder] (hereinafter referred to as the "**Company**") hereby appoints [Security Agent], to be its attorney (the "**Attorney**") with the following powers,: ____________________________________________________________

____ (a) to do all such things and executed all such documents as the Attorney may consider necessary or reasonably required for the purposes of terminating and/or removing the preference rights granted in favour of the Company pursuant to any of the Preference Right Agreements (as defined below), including without limitation, to enter for and on behalf of the Company into one or several termination agreements in respect of the following: ____________________
__________________________________

(i) Preference Right Agreement dated [●] executed between the Company and [●]; ________________________

(ii) Preference Right Agreement dated [●] executed between the Company and [●]; and ____________________

(iii) …, ________________________________________________________________________________

together the "Preference Right Agreements" ________________________________________________________

____ (b) if any such Preference Right Agreements are registered, to do all such things and executed all such documents as the Attorney may consider necessary or reasonably required for the purposes of cancelling the registration in respect of the preference rights granted in favour of the Company pursuant to any of the Preference Right Agreements, including without limitation, to apply to the [relevant registry or governmental department] for the cancelation of the registration of each and all rights acquired under the relevant Preference Right Agreement. ______________________________________________________________________
________

____ All of the above powers shall only be exercised by the Attorney after the delivery of a Sponsor Option Termination Notice to the Company (as defined in the Direct Agreement) in accordance with the terms of the direct agreement dated [●] entered into by [●] (the "**Direct Agreement**") (to the extent applicable, following the delivery of such Sponsor Option Termination Notice) and the Preference Right Agreements. Notwithstanding, all persons before whom this power of attorney shall be produced, invoked or exercised should rely on the fact that the Attorney is making use of it as evidence of due compliance with the terms of the Direct Agreement that regulate such use and the Preference Right Agreements. ____________________________________________

____ This Power of Attorney is also granted in benefit of the attorney being, in accordance with article 258.3 of the Civil Code of the Macau S.A.R., irrevocable without the attorney's consent. ____________________________________________________

____ As the grantor does not understand the Portuguese language, I translated this power of attorney verbally into English and he assured me that it corresponds to his will/I have read out loud and explained the contents of this act to the grantor hereof in his presence.

**PART B**
**POWER OF ATTORNEY**

____ On the [●] day of [●] of the year two thousand [●], at my Office, at [●], Macau, before me, [●], Notary, appeared: ______________________
___________________

____ [●], [*marital status*], holder of [identity document no. [●], issued in [●] on [●], residing in [●] at [●], acting in his capacity as a representative of:
__________________________

____ [Obligor's Shareholder] ______________________________________________________________

____ I verified the identity of the grantor by production of his identification document, and the capacity and authority of the grantor to intervene in this act by [●]. The aforesaid documents are filed with no. [●] and [●] in my office in bundle no. [●] of documents filed at the request of the parties.
_________________________________

**____ AND HE DECLARED: __________________________________________________________**

____ That [Obligor's Shareholder] (hereinafter referred to as the "**Company**") hereby appoints [Security Agent], to be its attorney (the "**Attorney**") with the following powers to, in respect of the amendment and removal of clauses [●] of the Articles of Association of [Obligor]: ______________________
___________________________________________

____ (a) vote for and on behalf of the Company in any General Assembly of [Obligor] to the effect that the Articles of Association of [Obligor] be amended by removing clauses [●] regarding preference rights and amortization from such Articles of Association; _______________________________________________

_____(b) vote, for and on behalf of the Company, in any General Assembly of [Obligor] on the appointment of the Attorney itself or any other party to do all such things and execute all such documents as the Attorney may consider necessary or reasonably required for the purposes of registering the amendments to the Articles of Association of the Company as referred to in paragraph (a), including without limitation, apply for the registration of the approved amendments to the Articles of Association of [Obligor] pursuant to the paragraph above at the Companies Registry of Macau; and _____________________________

_____(c) perform any or all of the obligations owed by the Company to the Attorney under the direct agreement dated [●] entered into by [●] (the "**Direct Agreement**"). _________________________________________________

____ All of the above powers shall only be exercised by the Attorney after the delivery of a Sponsor Option Termination Notice to the Company (as defined in the Direct Agreement in accordance with the terms of the Direct Agreement (to the extent applicable, following the delivery of such Sponsor Option Termination Notice). Notwithstanding, all persons before whom this power of attorney shall be produced, invoked or exercised should rely on the fact that the Attorney is making use of it as evidence of due compliance with the terms of the Services and Right to Use Agreement Direct Agreement that regulate such use.
_________________

____ This Power of Attorney is also granted for the benefit of the attorney, in accordance with article 258.3 of the Civil Code of the Macau S.A.R., and is irrevocable without the Attorney's consent. ______________________

____ As the grantor does not understand the Portuguese language, I translated this Power of Attorney verbally into English and he assured me that it corresponds to his will/I have read out loud and explained the contents of this act to the grantor hereof in his presence.

**PART C**
**POWER OF ATTORNEY**

____ On the [●] day of [●] of the year two thousand [●], at my Office, at [●], Macau, before me, [●], Notary, appeared: __________

____ [●], [*marital status*], holder of [identity document no. [●], issued in [●] on [●], residing in [●] at [●], acting in his capacity as a representative of: _________________________

____ [Obligor's Shareholder] _________________________________________

____ I verified the identity of the grantor by production of his identification document, and the capacity and authority of the grantor to intervene in this act by [●]. The aforesaid documents are filed with no. [●] and [●] in my office in bundle no. [●] of documents filed at the request of the parties. ___________________________

**____ AND HE DECLARED: ______________________________________________**

____ That [Obligor's Shareholder] (hereinafter referred to as the "**Company**") hereby appoints [Security Agent], to be its attorney (the "**Attorney**") with the following powers to, in respect of the amendment and removal of clauses [●] of the Articles of Association of [Obligor]: _____________________ ______________

_____(a) vote for and on behalf of the Company in any General Assembly of [Obligor] to the effect that the Articles of Association of [Obligor] be amended by removing clauses [●] regarding preference rights and amortization from such Articles of Association; _________________________

____ (b) vote, for and on behalf of the Company, in any General Assembly of [Obligor] on the appointment of the Attorney itself or any other party to do all such things and execute all such documents as the Attorney may consider necessary or reasonably required for the purposes of registering the amendments to the Articles of Association of the Company as referred to in paragraph (a), including without limitation, apply for the registration of the approved amendments to the Articles of Association of [Obligor] pursuant to the paragraph above at the Companies Registry of Macau. ____________________

____ All of the above powers shall only be exercised by the Attorney after the delivery of a Sponsor Option Termination Notice to the Company (as defined in the direct agreement dated [●] entered into by [●] (the "**Direct Agreement**") in accordance with the terms of the Direct Agreement (to the extent applicable, following the delivery of such Sponsor Option Termination Notice). Notwithstanding, all persons before whom this power of attorney shall be produced, invoked or exercised should rely on the fact that the Attorney is making use of it as evidence of due compliance with the terms of the Services and Right to Use Agreement Direct Agreement that regulate such use. ________________

_____This Power of Attorney is also granted for the benefit of the attorney, in accordance with article 258.3 of the Civil Code of the Macau S.A.R., and is irrevocable without the Attorney's consent. ___________________________

_____As the grantor does not understand the Portuguese language, I translated this Power of Attorney verbally into English and he assured me that it corresponds to his will/I have read out loud and explained the contents of this act to the grantor hereof in his presence.

**PART D**
**PRO FORMA SECURITY POWER OF ATTORNEY**

**THIS SECURITY POWER OF ATTORNEY** is granted on________________________________20[●]

1. In this deed, unless otherwise defined herein:

   "**Relevant Clause**" means any of clauses 12 (*Golden Shareholder and Preference Holder Undertakings)*, 13.13 (*Waiver of Expert Sale Statement*), 14.2.2(c), 14.2.7(a)(ii), 14.2.7(b), 14.3.2(c), 14.3.3(c), 14.3.7(b)(ii), 14.4.1(c), 14.4.1(d)(ii) and 14.4.5(b) of the Services and Right to Use Direct Agreement; and

   all terms defined or referred to in the HK$10,855,880,000 senior facilities agreement dated 28 January 2013 between, among others, Studio City Investments Limited as parent, Studio City Company Limited as borrower, Industrial and Commercial Bank of China (Macau) Limited as security agent and Deutsche Bank AG, Hong Kong Branch as agent (as amended, novated, supplemented, extended, replaced or restated (in each case, however fundamentally) from time to time) (the "**Facilities Agreement**") shall bear the same meaning when used in this deed.

2. **STUDIO CITY HOLDINGS FIVE LIMITED**, a company incorporated under the laws of the British Virgin Islands (registered number 1789892) whose registered office is at Appleby Corporate Services (BVI) Limited, Jayla Place, Wickmans Cay 1, Road Town, Tortola, British Virgin Islands, (the "**Golden Shareholder**") for valuable consideration (the receipt and sufficiency of which it hereby acknowledges) **APPOINTS INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**, as Security Agent under (and as defined in) the Facilities Agreement, to be its attorney (the "**Attorney**") with full power to exercise in its name and on its behalf all or any of the rights, powers and privileges attaching to each golden share of US$1.00 in the share capital of [*name of relevant BVI Entity*] (the "**Company**") registered in the Golden Shareholder's name (the "**Golden Shares**") or otherwise capable of being exercised by the registered holder of the Golden Shares in such manner and on such terms as the Attorney shall in its discretion think fit or deem proper in the exercise of any such rights, powers and privileges solely in respect of any matter, action or thing that the Golden Shareholder is required (but has failed) to execute and deliver, or cause to be executed and delivered and to do or cause to be done in relation to all of the Transfer and Related Provisions (as defined in the Services and Right to Use Direct Agreement) or any other provision under or pursuant to any Relevant Clause, including, without limitation, all or any of the following:

2.1 to receive notice of, attend and vote at any general meeting, class meeting or any adjournments of any such meetings;

2.2 to approve, complete and otherwise sign or execute any requisition of any meeting, consent to short notice, proxy, written resolution of members or any other documents required to be signed by the registered holder of the Golden Shares;

2.3 to deal with and give directions as to any moneys, securities or other benefits or notices, documents or other communications (in whatever form) arising by right of the Golden Shares or received in connection with the Golden Shares from the Company or any other person;

2.4 to deliver on the Golden Shareholder's behalf one or more GS Cessation Notices (as defined in the Services and Right to Use Direct Agreement);

2.5 to perform any or all of the obligations owed by the Golden Shareholder to the Attorney under any Relevant Clause;

2.6 to do all such other acts and things and to approve, execute (as a deed or otherwise) and deliver all such other documents as the Attorney shall consider necessary or reasonably required for the purpose of:

(a) enforcing the rights, of the Secured Parties under any Relevant Clause;

(b) causing to be removed, waived or extinguished all of the rights, powers and privileges enjoyed by the Golden Shareholder in respect of, or otherwise relating to, the Golden Shares; and

(c) making such registrations of any of the actions taken or contemplated to be taken by the Attorney pursuant to this Power of Attorney as the Attorney shall deem necessary or reasonably required.

3. The powers specified in paragraph 2 above may be exercised by the Attorney:

3.1 In respect of Clause 12 (Golden Shareholder and Preference Holder Undertakings):

(a) only following the delivery of a Sponsor Option Termination Notice under (and as defined in) the Services and Right to Use Direct Agreement to the Golden Shareholder in accordance with the Services and Right to Use Direct Agreement; and

(b) consistently with the terms and provisions of the Services and Right to Use Direct Agreement (to the extent applicable following the delivery of such Sponsor Option Termination Notice).

3.2 In respect of any provision of a Relevant Clause (other than Clause 12 (*Golden Shareholder and Preference Holder Undertakings*)):

(a) at any time after the failure by the Golden Shareholder to comply with such provisions of such Relevant Clause; and

(b) consistently with the terms and provisions of the Services and Right to Use Direct Agreement.

4. This power of attorney is given by way of security to secure:

4.1 a proprietary interest of the Attorney; and

4.2 the performance of obligations owed by the Golden Shareholder to the Attorney under Services and Right to Use Direct Agreement.

5. For so long as the Attorney has the proprietary interest referred to in Clause 3.1 or the obligations referred to in Clause 3.2 remains undischarged this power of attorney shall not be revoked (and shall not be capable of being revoked) by the winding up or dissolution of the Golden Shareholder or (except with the prior written consent of the Attorney) by the Golden Shareholder.

6. This power of attorney shall terminate on the earliest of:

6.1 the first date on which no Secured Obligations are outstanding, in accordance with clause 29.23 (*Winding up of trust*) of the Facilities Agreement;

6.2 a transfer of the Golden Share in accordance with clause 13.7 (*Transfers by Golden Shareholder*) of the Services and Right to Use Direct Agreement shall have occurred; and

6.3 the first date on which the Golden Shareholder (and/or the Attorney on its behalf) shall have complied with all of its obligations in full in relation to all of the Transfer and Related Provisions (as defined in the Services and Right to Use Direct Agreement) under or pursuant to clause 12 (*Golden Shareholder and Preference Holder Undertakings*) of the Services and Right to Use Direct Agreement,

**provided that**, for the avoidance of doubt, (in each case) the conditions to the termination of this power of attorney set out in the relevant clause (as the case may be) referred to in clauses 6.1 or 6.2 above have been satisfied.

7. The Golden Shareholder undertakes to ratify whatever the Attorney does or lawfully causes to be done under the authority or purported authority of this power of attorney.

8. References in this Power of Attorney to the Golden Shareholder include any successors or replacements.

9. This power of attorney and any non-contractual obligations arising out of or in connection with it are governed by English law.

10. This deed is delivered on the date written at the start of this deed.

**EXECUTED** by the Golden Shareholder as a deed

| | | |
|---|---|---|
| **EXECUTED as a DEED** | ) | |
| **By STUDIO CITY HOLDINGS FIVE LIMITED** | ) | |
| acting by | ) | |
| its: | ) | Director |

| | |
|---|---|
| in the presence of: | ______________________ |
| Name of witness: | ______________________ |
| Occupation of witness: | ______________________ |
| Address of witness: | ______________________ |

**SCHEDULE 8**
**FORM OF DEBENTURE**

DATED [●] 20[●]

[ ]

AS CHARGOR

IN FAVOUR OF

**INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**

AS SECURITY AGENT

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DEBENTURE

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**THIS DEBENTURE** is made on                                   20[●]

**BETWEEN**

(1) **[●]**, a company incorporated in [the British Virgin Islands] (registered number [•]), with its registered office at [•] (the "**Chargor**"); and

(2) **INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**, as agent and security trustee for the Secured Parties (the "**Security Agent**").

**WHEREAS**:

(A) Pursuant to the Finance Documents the Lenders have agreed to make the Facilities available to the Borrower.

(B) It is a condition under the Services and Right to Use Direct Agreement to the issue of any Golden Share that the Chargor enters into this Debenture.

**IT IS AGREED** as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Debenture, unless otherwise defined herein, all terms defined or referred to in the Services and Right to Use Direct Agreement, or if not defined or referred to in the Services and Right to Use Direct Agreement, the Facilities Agreement, shall have the same meaning when used in this Debenture and, in addition:

"**Assignment of Reimbursement Agreement**" means the assignment of the Reimbursement Agreement entered or to be entered into between SCE and the Security Agent (as the same may be amended or supplemented from time to time);

"**Assignment of Services and Right to Use Agreement**" means the assignment of the Services and Right to Use Agreement entered or to be entered into between SCE and the Security Agent (as the same may be amended or supplemented from time to time);

"**Authorisation of the Government of the Macau SAR**" means any authorisation, consent or approval issued by any Governmental Authority with respect to the execution of the Services and Right to Use Agreement, the Reimbursement Agreement, the Assignment of Services and Right to Use Agreement, the Assignment of Reimbursement Agreement or the Services and Right to Use Direct Agreement;

"**BVI Act**" means the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands;

"**BVI Entity**" means each company (incorporated in the British Virgin Islands) whose name and registered number are set out in columns (1) and (2) respectively of Schedule 1 (*Golden* Shares), and "**BVI Entities**" means all of them.

“**Charged Property**” means all the assets and undertaking of the Chargor which from time to time are the subject of the security created or expressed or intended to be created in favour of the Security Agent by or pursuant to this Debenture;

“**Collateral Rights**” means all rights, powers and remedies of the Security Agent provided by or pursuant to this Debenture or by law;

“**Facilities Agreement**” means the senior secured credit facilities agreement dated 28 January 2013 and made between, amongst others, Deutsche Bank AG, Hong Kong Branch as agent, Industrial and Commercial Bank of China (Macau) Limited as security agent and the original obligors listed therein, as amended, varied, novated and/or supplemented from time to time;

“**Golden Share**” means each share in a BVI Entity which is briefly described in Schedule 1 (*Golden* Shares), and “**Golden Shares**” means all of them;

“Insolvency Event” means:

(a) the winding-up, dissolution or administration of the Chargor;

(b) the appointment of a liquidator, administrator, compulsory manager or other similar officer in respect of the Chargor;

(c) the commencement of any enforcement process properly commenced of any security consensually granted by the Chargor in favour of a party other than the Security Agent; or

(d) the commencement of any proceedings to enforce any judgment entered against the Chargor by a court of competent jurisdiction and which is properly enforceable in its jurisdiction of incorporation,

or any analogous procedure in any jurisdiction, in each case such winding up, dissolution, administration appointment of a liquidator, administrator, compulsory manager or similar officer or enforcement process having been commenced otherwise than on the application of or on behalf of the Security Agent or its nominees or assigns;

“**Operative**” means an individual that is a shareholder, officer, employee, servant, controlling person, executive director, agent or authorised representative of the Chargor;

“**Permitted Security**” means:

(a) any security required or expressly permitted to be granted under or pursuant to the Services and Right to Use Direct Agreement;

(b) any lien arising or subsisting by operation of law and in the ordinary course of business and not as a result of any default or omission by the Chargor;

(c) any netting or set off arrangement entered into by the Chargor in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of the Chargor but only so long as:

(i) such arrangement does not permit credit balances the Chargor to be netted or set off against debit balances of other persons; and

(ii) such arrangement does not give rise to other Security over the assets of the Chargor in support of liabilities of other persons;

(d) any Security created in favour of a plaintiff or defendant in any proceedings as security for costs or expenses; and

(e) any Security securing unpaid Taxes and arising by law but only if such unpaid taxes are being contested in good faith by appropriate measures and sufficient reserves in cash or other liquid assets are available to pay the amount of those unpaid Taxes;

"**Preference Right Agreement**" means each of the agreements briefly described in Schedule 2 (*Preference Right Agreements*), and "**Preference Right Agreements**" means all of them;

"**Preference Rights**" means, in relation to any or all Preference Right Agreements, all of the rights and interests of the Chargor thereunder, whether express or implied, arising by operation of any applicable law or otherwise howsoever;

"**Receiver**" means a receiver, receiver and manager, an administrative receiver or analogous person of the whole or any part of the Charged Property;

"**Related Rights**" means, in relation to any asset:

(a) the proceeds of sale of any part of that asset;

(b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;

(c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset; and

(d) any monies and proceeds paid or payable in respect of that asset;

"**Services and Right to Use Direct Agreement**" means the Direct Agreement dated [•] 2013 between, among others, the Chargor as Preference Holder and Golden Shareholder, Melco Crown (Macau) Limited and the Security Agent relating to the Services and Right to Use Agreement and Reimbursement Agreement (each as therein defined);

“**Special Enforcement Notice**” means a notice of enforcement action delivered or to be delivered by the Security Agent to the Chargor after receipt by the Security Agent of any instruction from the Agent stating that:

(a) an Event of Default under the Finance Documents has occurred and is continuing (which instruction may be given by the Agent only pursuant to clause 24.2 (Acceleration) of the Facilities Agreement) and, as at the date of such instruction from the Agent, is still continuing; and

(b) the conditions referred to in Clauses 13.1.1 and 13.1.2 have been satisfied,

and directing the Security Agent to take such enforcement action.

1.2 **Construction**

In this Debenture:

1.2.1 the rules of interpretation contained in clause 1.2 (*Construction*) of the Facilities Agreement shall apply to the construction of this Debenture;

1.2.2 any reference to the “Chargor” or any of the Secured Parties shall be construed so as to include its or their (and any subsequent) successors and any permitted transferees in accordance with their respective interests; and

1.2.3 references in this Debenture to any Clause or Schedule shall be to a clause or schedule contained in this Debenture.

1.3 **Third party rights**

1.3.1 The Contracts (Rights of Third Parties) Act 1999 applies to Clause 1.4 (*Non*-Recourse Liability) but only for the benefit of the Operatives subject always to the terms of Clause 29 (Governing Law) and Clause 30 (Jurisdiction).

1.3.2 Except as provided in sub-clause 1.3.1 above, a person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Debenture.

1.3.3 The consent of any person who is not a party to this Debenture is not required to rescind or vary this Debenture.

1.4 **Non-recourse Liability**

Notwithstanding any provision in the Finance Documents to the contrary, no Operative shall be personally liable for payments due hereunder or under any of the Finance Documents or for the performance of any obligation hereunder or thereunder, save, in relation to any Operative, pursuant to any Finance Document to which such Operative is party. The Secured Parties shall have no recourse against any assets or property of any Operative for satisfaction of any of the obligations of the Chargors hereunder and under the other Finance Documents save to the extent such Operative is party to a Finance Document and is expressed to be liable for such obligation thereunder.

## 2. LIMITED RECOURSE LIABILITY

2.1 Notwithstanding the provisions of this Debenture, the maximum amount which may be recovered from the Chargor under this Debenture shall be limited to the aggregate amount equal to (without double-counting and without any deduction for or on account of any set-off or similar right) the amount of the proceeds generated by the enforcement of this Debenture with respect to the Charged Property (and any such enforcement in respect of the Charged Property by the Security Agent shall be conducted in accordance with the terms hereof and, to the extent applicable, in accordance with the terms of the Services and Right to Use Direct Agreement).

2.2 If the aggregate amount of the proceeds generated by the enforcement of this Debenture with respect to the Charged Property is insufficient to pay or discharge the Secured Obligations in full for any reason, the Chargor shall not have any liability under this Debenture to pay or otherwise make good any such insufficiency in excess of the aggregate maximum amount specified in Clause 2.1.

2.3 Notwithstanding the terms of this Debenture or any Finance Document, no Secured Party shall take any step, in respect of the Secured Obligations, to initiate (or to join in initiating), in relation to the Grantor and/or any of its assets:

2.3.1 any such proceeding (or an event which under any applicable laws of any jurisdiction, has an analogous effect to any such proceeding) as is referred to in paragraph (d) or (e) of the definition of Insolvency Event; or

2.3.2 any execution, attachment or sequestration or similar legal process.

## 3. FIXED CHARGES AND FLOATING CHARGE

### 3.1 Fixed Charges

3.1.1 The Chargor charges with full title guarantee in favour of the Security Agent as agent and security trustee for the Secured Parties with the payment and discharge of the Secured Obligations, by way of first fixed charge all such Chargor’s right, title and interest from time to time in and to the Golden Shares and all Related Rights.

3.1.2 The Chargor charges with full title guarantee in favour of the Security Agent as agent and security trustee for the Secured Parties with the payment and discharge of the Secured Obligations, by way of first fixed charge all such Chargor’s right, title and interest from time to time in and to the Preference Rights and all Related Rights.

### 3.2 Obligations to Perform

Notwithstanding the charges referred to in Clause 3.1, the Chargor remains liable to perform the obligations imposed on it under or in respect of the Golden Shares and the Preference Right Agreements respectively and neither the Security Agent nor any of the other Secured Parties is liable to perform any of such obligations nor liable for the consequences of non-performance (provided always that the Security Agent or such other person as it may nominate shall have the right (but not the obligation) to cure any breach of, or otherwise assume the obligation to perform, any or all such obligations).

### 3.3 Floating Charge

3.3.1 The Chargor with full title guarantee charges in favour of the Security Agent as agent and security trustee for the Secured Parties with the payment and discharge of the Secured Obligations by way of first floating charge all present and future assets and undertaking of the Chargor.

3.3.2 The floating charge created by paragraph 3.3.1 above shall be deferred in point of priority to all fixed Security validly and effectively created by the Chargor and for the time being subsisting in favour of the Security Agent as agent and security trustee and trustee for the Secured Parties as security for the Secured Obligations.

3.3.3 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this Clause 3.3.

## 4. CRYSTALLISATION OF FLOATING CHARGE

### 4.1 Crystallisation: By Notice

The Security Agent may at any time while this Debenture is enforceable in accordance with Clause 13 (*Enforcement of Security*) by notice in writing to the Chargor convert the floating charge created by Clause 3.3 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice or which is the subject of the floating charge created by Clause 3.3 (*Floating Charge*).

### 4.2 Crystallisation: Automatic

Notwithstanding Clause 4.1 (*Crystallisation: By Notice*) and without prejudice to any law which may have a similar effect, the floating charge created by Clause 3.3 (*Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if:

4.2.1 the Chargor requests that the Security Agent appoint a Receiver of all or any part of the Charged Property; or

4.2.2 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Chargor.

## 5. PERFECTION OF SECURITY

### 5.1 Delivery of Documents

The Chargor shall upon the execution of this Debenture and upon the acquisition by the Chargor of any interest in any property expressed or intended to be the subject of the Security referred to under Clause 3.1 (*Fixed Charges*) deliver (or procure delivery) to the Security Agent of, and the Security Agent shall be entitled to hold and retain, all deeds, certificates and other documents constituting or evidencing title relating to such property including without limitation:

(a)

(i) the original share certificates in respect of the Golden Shares (stating that the Chargor is the registered holder thereof), and

(ii) copies, each certified as true, correct and up-to-date by the registered agent for the relevant BVI Entity, of the memorandum and articles of association of each BVI Entity; and

(b) duly completed, executed and dated original counterparts of the Preference Right Agreements.

All such documents retained by the Security Agent will be returned to the Chargor promptly and without any undue delay upon request of the Chargor following a release and cancellation of all the security constituted by this Debenture pursuant to Clause 22 (*Release of Security*) (and, to the extent that part but not all of the assets are released from the Security constituted by this Debenture in accordance with Clause 22 (*Release of Security*), the Security Agent shall promptly and without any undue delay upon request of the Chargor following any such release, return any such documents in respect of any such assets so released to the Chargor).

5.2 **Further Advances**

Subject to the terms of the Finance Documents, each Lender and/or Hedging Counterparty is under an obligation to make further advances (or, in the case of a Hedging Counterparty, payments) to the Borrower and that obligation will be deemed to be incorporated into this Debenture as if set out in this Debenture.

5.3 The Chargor shall promptly upon execution of this Debenture procure that the Company give notice to the registered agent substantially in the form set out in Schedule 4 (*Form of Notice to the registered agent of the Company and Acknowledgement*) and shall use its reasonable efforts to procure that the registered agent shall promptly execute an acknowledgement to such notice in substantially the form of the acknowledgement set out in Schedule 4 (*Form of Notice to the registered agent of the Company and Acknowledgement*); and deliver to the Security Agent copies of such notice and acknowledgement promptly upon giving or, as the case may be, receipt of the same.

6. **FURTHER ASSURANCE**

6.1 **Further Assurance: General**

6.1.1 The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in Clause 6.1.2 below.

6.1.2 The Chargor shall at all times during the subsistence of this Debenture promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the

Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):

(a) to perfect the Security created or intended to be created under or evidenced by this Debenture (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of this Debenture, including any assets acquired by the Chargor after the date of this Debenture) or for the exercise of any rights, powers and remedies of the Security Agent or the Finance Parties provided by or pursuant to the Finance Documents or by law; and/or

(b) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created or intended to be created by this Debenture after such Security has become enforceable under Clause 13 (*Enforcement of Security*).

6.1.3 The Chargor shall from time to time during the subsistence of this Debenture execute and deliver, or cause to be executed and delivered, such additional instruments, certificates or documents, and take all such other actions, as the Security Agent may reasonably request, for the purposes of implementing or effectuating the provisions of the Finance Documents, or of more fully perfecting or renewing the rights of the Finance Parties with respect to the Charged Property (or with respect to any additions thereto or replacements or proceeds or products thereof or with respect to any other assets acquired after the date of this Debenture by the Chargor which may be deemed to be part of the Charged Property) pursuant to this Debenture.

6.2 **Consents**

The Chargor shall obtain (in form and content reasonably satisfactory to the Security Agent):

6.2.1 promptly (and in any event within ten Business Days) from and including the date of execution of this Debenture, in respect of any assets or property to be the subject of a fixed charge hereunder which are already in existence on that date; and

6.2.2 before acquiring any assets or property to be the subject of a fixed charge hereunder,

any consents necessary to enable such assets or property to be the subject of an effective charge pursuant to Clause 3 (*Fixed Charges*) and, immediately upon obtaining any such consent, the assets or property concerned shall become subject to such security and the Chargor shall promptly deliver a copy of each consent to the Security Agent.

6.3 **BVI Procedures**

The Chargor shall:

6.3.1 promptly and in any event within ten (10) Business Days from and including the date of execution of this Debenture, create and maintain a register of charges (the "Register of Charges") to the extent this has not already been done in accordance with section 162 of the BVI Act;

6.3.2 promptly and in any event within ten (10) Business Days from and including the date of execution of this Debenture, enter particulars as required by the BVI Act of the security interests created pursuant to this Debenture in its Register of Charges and promptly (and in any event within two (2) Business Days) after entry of such particulars has been made, provide the Security Agent with a certified true copy of the updated Register of Charges;

6.3.3 promptly and in any event within ten (10) Business Days from and including the date of execution of this Debenture, with a view to effecting registration, or assisting the Security Agent in effecting registration, of this Debenture with the Registrar of Corporate Affairs (the "Registry") pursuant to section 163 of the BVI Act, make the required filing, or assist the Security Agent in making the required filing, in the approved form with the Registrar of Corporate Affairs and (if applicable) provide confirmation in writing to the Security Agent that such filing has been made; and

6.3.4 promptly and in any event within five (5) Business Days from and including the date of issue of the certificate of registration of charge issued by the Registry, deliver to the Security Agent such certificate of registration, together with a Registry stamped copy of the description of the security created pursuant to this Debenture.

7. **NEGATIVE PLEDGE AND DISPOSALS**

7.1 **Negative Pledge**

The Chargor undertakes that it shall not, at any time during the subsistence of this Debenture, create or permit to subsist any Security over all or any part of the Charged Property other than Permitted Security.

7.2 **No Disposal of Interests**

The Chargor undertakes that it shall not (and shall not agree to) at any time during the subsistence of this Debenture, except as permitted pursuant to the Services and Right to Use Direct Agreement, enter into a transaction or series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer, or otherwise dispose of any Charged Property.

8. **GOLDEN SHARES**

The Chargor, other than as expressly required or contemplated by the Finance Documents or the memorandum and articles of association of each relevant BVI Entity, shall not exercise any of its rights and powers in relation to any of the Golden Shares in any manner which could be reasonably expected to prejudice the security created by this Debenture.

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## 12. CHARGOR'S REPRESENTATIONS AND WARRANTIES

The Chargor makes each of the representation and warranties set out in Schedule 3 (*Representations and Warranties*) by reference to the facts and circumstances then existing, on the date of this Debenture.

## 13. ENFORCEMENT OF SECURITY

### 13.1 Enforcement Conditions

The Security Agent may proceed to enforce the Security created by or pursuant to this Debenture only after the Security Agent has delivered a Special Enforcement Notice to the Chargor and the Security Agent may not deliver a Special Enforcement Notice to the Chargor unless:

13.1.1 the conditions which are required to be satisfied in order for the Security Agent to be entitled to deliver an Enforcement Notice to any Obligor or Grantor shall be satisfied; and

13.1.2 either:

(a) an Insolvency Event shall have occurred in respect of the Chargor, or

(b) either of the circumstances or events described in paragraph (c) of the definition of 'Sponsor Option Termination Event' in Clause 1.1 of the Services and Right to Use Direct Agreement shall have occurred.

### 13.2 Enforcement

After the Security Agent shall have given a Special Enforcement Notice to the Chargor, the security created by or pursuant to this Debenture is immediately enforceable and the Security Agent may, without notice to the Chargor or prior authorisation from any court, in its absolute discretion:

13.2.1 enforce all or any part of that security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Charged Property; and

13.2.2 whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Debenture) on mortgagees and by this Debenture on any Receiver or otherwise conferred by law on mortgagees or Receivers.

13.3 **No Liability as Mortgagee in Possession**

Neither the Security Agent nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Charged Property to which a mortgagee or mortgagee in possession might otherwise be liable other than any loss which arises as a consequence of any gross negligence or wilful misconduct on the part of the Security Agent or the Receiver.

13.4 **Right of Appropriation**

To the extent that any of the Charged Property constitutes "*financial collateral*" and this Debenture and the obligations of the Chargor hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the "**Regulations**") the Security Agent shall, following the delivery of a Special Enforcement Notice to the Chargor, have the right to appropriate all or any part of such financial collateral in or towards discharge of the Secured Obligations and may exercise such right to appropriate upon giving written notice to the Chargor. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be (a) in the case of cash, the amount thereof, together with any accrued but unposted interest, at the time the right of appropriation is exercised; and (b) in the case of any other financial collateral, the market price of such other financial collateral determined by the Security Agent by reference to a public index or by an independent valuation by a reputable firm of accountants or any other third party financial professional. In each case, the parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

13.5 **Effect of Moratorium**

The Security Agent shall not be entitled to exercise its rights under Clause 13.2 (*Enforcement*) or Clause 4 (*Crystallisation of Floating Charge*) where the right arises as a result of an Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

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15. **EXTENSION AND VARIATION OF THE LAW OF PROPERTY ACT 1925**

15.1 **Extension of Powers**

The power of sale or other disposal conferred on the Security Agent and on any Receiver by this Debenture shall operate as a variation and extension of the statutory

power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Debenture but shall not be exercisable until a Special Enforcement Notice is delivered to the Chargor or unless otherwise requested by the Chargor.

15.2 **Restrictions**

The restrictions contained in sections 93 and 103 of the Law of Property Act 1925 shall be excluded to the fullest extent permitted by law and the Security Agent shall, so far as it shall be lawful, be entitled to consolidate all or any of the security interests constituted by this Debenture and/or its powers hereunder with any other Security whether in existence at the date of this Debenture or created thereafter. Without prejudice to the foregoing, the restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Debenture or to the exercise by the Security Agent of its right to consolidate all or any of the security created by or pursuant to this Debenture with any other security in existence at any time or to its power of sale, which powers may be exercised by the Security Agent without notice to the Chargor on or at any time after delivery of a Special Enforcement Notice by the Security Agent to the Chargor.

15.3 **Certificate**

A certificate in writing by an officer or agent of the Security Agent that any power of sale or other disposal has arisen and is exercisable shall be conclusive evidence (in the absence of manifest error) of that fact, in favour of any person dealing with the Security Agent or any Receiver.

16. **APPOINTMENT OF RECEIVER OR ADMINISTRATOR**

16.1 **Appointment and Removal**

After the delivery of a Special Enforcement Notice to the Chargor, the Security Agent may by deed or otherwise (acting through an authorised officer of the Security Agent), without further prior notice to the Chargor:

16.1.1 appoint one or more persons to be a Receiver of the whole or any part of the Charged Property;

16.1.2 appoint two or more Receivers of separate parts of the Charged Property;

16.1.3 remove (so far as it is lawfully able) any Receiver so appointed;

16.1.4 appoint another person(s) as an additional or replacement Receiver(s); or

16.1.5 appoint one or more persons to be an administrator of the Chargor.

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Agent under the Law of Property Act 1925 (as extended by this Debenture) or otherwise and such powers shall remain exercisable from time to time by the Security Agent in respect of any part of the Charged Property

in respect of which he was appointed (in the name of or on behalf of the Chargor or in his own name and, in each case, at the cost of the Chargor).

16.2 **Capacity of Receivers**

Each person appointed to be a Receiver pursuant to Clause 16.1 (*Appointment and Removal*) shall be:

16.2.1 entitled to act individually or together with any other person appointed or substituted as Receiver;

16.2.2 for all purposes shall be deemed to be the agent of the Chargor which shall be solely responsible for his acts, defaults and liabilities (other than those directly attributable to the gross negligence or wilful default of the Receiver) and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Agent; and

16.2.3 entitled to remuneration for his services at a rate to be fixed by the Security Agent from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

16.3 **Statutory Powers of Appointment**

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Agent under the Law of Property Act 1925 (as extended by this Debenture) or otherwise and such powers shall remain exercisable from time to time by the Security Agent in respect of any part of the Charged Property.

17. **POWERS OF RECEIVER**

17.1 Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up, insolvency or dissolution of the Chargor) have and be entitled to exercise, in relation to the Charged Property (and any assets of the Chargor which, when got in, would be Charged Property) in respect of which he was appointed, and as varied and extended by the provisions of this Debenture (in the name of or on behalf of the Chargor or in his own name and, in each case, at the cost of the Chargor):

17.1.1 all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;

17.1.2 all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);

17.1.3 all the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor itself could do or omit to do;

17.1.4 the power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture or any of the Finance Documents (including the power of attorney) on such terms and conditions as

it shall see fit which delegation shall not preclude either the subsequent exercise any subsequent delegation or any revocation of such power, authority or discretion by the Receiver itself;

17.1.5 the power to do all things (including bringing or defending proceedings in the name or on behalf of the Chargor) which seem to the Receiver to be incidental or conducive to (a) any of the functions, powers, authorities or discretions conferred on or vested in him or (b) the exercise of the Collateral Rights (including realisation of all or any part of the assets in respect of which that Receiver was appointed) or (c) bringing to his hands any assets of the Chargor forming part of or which when got in would be, Charged Property; and

17.1.6 all the power conferred on him by general law.

17.2 Without prejudice to the generality of the foregoing, each Receiver shall (subject to any limitations or restrictions in the instrument appointing him but notwithstanding any winding-up, bankruptcy, insolvency or dissolution of the Chargor) have the following powers in relation to the part of the Charged Property (and any assets which, when got in, would be part of such Charged Property) in respect of which he was appointed (and every reference in this Clause 17.2 to the "Charged Property" shall be read as a reference to that part of the Charged Property in respect of which such Receiver was appointed):

(a) *Take Possession*

power to take immediate possession of, collect and get in all or any part of the Charged Property including without limitation all dividends, interests and other monies arising therefrom or accruing thereto (whether before or after the date of his appointment) and without prejudice to the foregoing, to cause to be registered all or any part of the Charged Property in its own name or in the name of its nominee(s) or in the name of any purchaser(s) thereof;

(b) *Calls*

power to make, or to require the directors of the Chargor to make, calls upon the holders of share capital of the Chargor which remains uncalled and to enforce payment of such calls and any previous unpaid calls by taking proceedings;

(c) *Proceedings and Claims*

power to bring, prosecute, enforce, defend and abandon applications, claims, disputes, actions, suits and proceedings in connection with the business of the Chargor or all or any part of the Charged Property or this Debenture in the name of the Chargor or in his own name and to submit to arbitration, negotiate, compromise and settle any such applications, claims, disputes, actions, suits or proceedings;

(d) *Carry on Business*

power to carry on and manage, or concur in the carrying on and management of or to appoint a manager of, the whole or any part of the Chargor's business in such manner as he in his absolute discretion thinks fit;

(e) *Contracts*

power to enter into any contract or arrangement and to perform, repudiate, rescind or vary any contract to which the Chargor is a party;

(f) *Subsidiary*

power to supervise, control and finance any existing or new subsidiary of the Chargor or any other body corporate and its business and the conduct of such persons and to change the situation of the registered office of any such subsidiary or other body corporate;

(g) *Deal with Charged Property*

power to sell, assign, transfer, convey, factor and/or otherwise dispose of all or any part of the Charged Property or concur in any of the foregoing on behalf of the Chargor (in each case with or without consideration) in such manner and on such terms as he thinks fit;

(h) *Voting Rights*

exercise (or refrain from exercising) any or all of the voting rights in respect of the Charged Property or any part thereof in such manner and on such terms as he thinks fit;

(i) *Acquisitions*

power to purchase, lease, hire or otherwise acquire any assets or rights of any description which he shall in his absolute discretion consider necessary or desirable for the improvement or realisation of the whole or any part of the Charged Property or otherwise for the benefit of the whole or any part of the Charged Property;

(j) *New Subsidiary*

power to form a subsidiary of the Chargor or acquire the share capital of a body corporate to become a subsidiary of the Chargor and to procure the purchase, lease or acquisition of an interest in the whole or any part of the Charged Property by such subsidiary or to carry on any business in succession to the Chargor or any other subsidiary of the Chargor;

(k) *Landlord and Tenant*

power to make allowances to and re arrangements (including granting any licences and operating any rent reviews) with any lessees, tenants or persons from whom rents and profits may be receivable and to exercise any powers and discretions conferred on a landlord or a tenant by any statutory provision from time to time in force;

(l) *Repairs etc*

power to undertake or complete any repair, refurbishment, decoration, modification, building, improvement or development of all or any part of the Charged Property and to apply for and obtain planning permissions, building regulation approvals and other permissions, consents or licences and to acquire (or acquire an interest in) any such property as he may think expedient;

(m) *Insurance*

power to effect, maintain or renew indemnity and other insurances and to obtain bonds and performance guarantees;

(n) *Employment*

power to employ, engage, dismiss or vary the terms of employment or engagement of employees, workmen, servants, officers, managers, agents and advisers on such terms as to remuneration and otherwise as he shall think fit including power to engage his own firm in the conduct of the receivership;

(o) *Borrowing*

power to raise or borrow money from any person, including any Secured Party (with or without any security on the Charged Property to rank either in priority to or after all or any part of the security constituted pursuant to this Debenture) on such terms as he shall in his absolute discretion think fit (and no person lending such money shall be concerned to see or enquire as to the propriety or purpose of the exercise of such power or the application of money so raised or borrowed);

(p) *Redemption of Security*

power to redeem, discharge or compromise any security whether or not having priority to the security constituted by this Debenture or any part of it;

(q) *Covenants, Guarantees and Indemnities*

power to enter into such bonds, covenants, guarantees, commitments, indemnities and other obligations or liabilities as he shall think fit and make all payments needed to effect, maintain or satisfy such obligations or liabilities and to use the company seal(s) (if any) of the Chargor; and

(r) *Exercise of Powers in Chargor's Name*

power to exercise any of the above powers on behalf of and in the name of the Chargor (notwithstanding any winding-up, bankruptcy, insolvency or dissolution of the Chargor) or on its own behalf.

17.3 In making any sale or other disposal of all or any part of the Charged Property or any acquisition in the exercise of their respective powers, a Receiver or the Security Agent may do so for such consideration, in such manner, and generally on such terms and conditions as it thinks fit. Any contract for any sale, disposal or acquisition by the Receiver or the Security Agent may contain conditions excluding or restricting the personal liability of the Receiver or the Security Agent.

## 18. APPLICATION OF MONIES

18.1 All monies received or recovered by the Security Agent or any Receiver pursuant to this Debenture or the powers conferred by it shall (subject to (a) the claims of any person having prior rights thereto, (b) Clause 13 (*Enforcement of Security*) and (c) Clause 18.2 below and, by way of variation of the provisions of the Law of Property Act 1925) be applied by the Security Agent (notwithstanding any purported appropriation by the Chargor) in accordance with clause 37 (*Application of Proceeds*) of the Facilities Agreement.

18.2 Notwithstanding any other provision of the Finance Documents, the Security Agent or any Receiver may, at any time after the delivery of a Special Enforcement Notice to the Chargor, pay any or all of the monies received, recovered or realised by the Security Agent or such Receiver under this Debenture (including without limitation the proceeds of any conversion of currency) into any suspense or impersonal account (which is interest-bearing **provided that** there is no tax liability on the Security Agent with respect to any interest in such account) for so long as the Security Agent shall think fit (whether or not any Secured Obligations shall have become due) pending their application from time to time in accordance with the provisions of Clause 18.1 above. If the Secured Obligations have been fully discharged or would be fully discharged if the monies in such suspense or impersonal account were applied towards satisfaction of the Secured Obligations, the Security Agent shall promptly apply the monies in such suspense or impersonal account towards satisfaction of the Secured Obligations and if there are any monies remaining in such suspense or impersonal account after the Secured Obligations have been fully discharged, the Security Agent shall promptly pay such remaining monies in accordance with clause 37 (*Application of Proceeds*) of the Facilities Agreement. Any interest accrued on any monies in such suspense or impersonal account shall be credited to such suspense or, as the case may be, impersonal account and shall, subject to the terms of this Clause 18.2, be applied towards satisfaction of the Secured Obligations (and following the satisfaction of the same, in accordance with clause 37 (*Application of Proceeds*) of the Facilities Agreement).

## 19. PROTECTION OF PURCHASERS

### 19.1 Consideration

The receipt of the Security Agent or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Property or making any acquisition, the Security Agent or any Receiver may do so for such consideration (whether cash or non-cash), in such manner and on such terms as it thinks fit. Any contract for such sale, disposal or acquisition by the Receiver or the Security Agent may contain conditions excluding or restricting the personal liability of the Receiver or the Security Agent.

19.2 **Protection of Purchasers**

No purchaser or other person dealing with the Security Agent or any Receiver shall be bound to inquire whether the right of the Security Agent or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Security Agent or such Receiver in such dealings.

20. **POWER OF ATTORNEY**

20.1 **Appointment and Powers**

The Chargor hereby by way of security irrevocably appoints the Security Agent and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed, at any time after a Special Enforcement Notice has been delivered to the Chargor, to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

20.1.1 carrying out any obligation imposed on the Chargor by this Debenture or any other agreement relating to the Charged Property to which the Chargor and the Security Agent are party (including, where the Chargor has failed to do so, the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Property);

20.1.2 enabling the Security Agent and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Debenture or by law (including, after the delivery of a Special Enforcement Notice, the exercise of any right of a legal or beneficial owner of the Charged Property).

20.2 **Ratification**

The Chargor shall ratify and confirm all things done and all documents executed by any attorney in accordance with the terms of this Clause 20 in the exercise or purported exercise of all or any of his powers granted by or in relation to the Chargor.

21. **EFFECTIVENESS OF SECURITY**

21.1 **Continuing Security**

21.1.1 The Security created by or pursuant to this Debenture shall remain in full force and effect as a continuing security for the Secured Obligations unless and until released or discharged in full by the Security Agent in accordance with Clause 22 (Release of Security).

21.1.2 No part of the security from time to time intended to be constituted by the Debenture will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

21.2 **Cumulative Rights**

The security created by or pursuant to this Debenture and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Security Agent or any Secured Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior security held by the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Charged Property shall merge into the security constituted by this Debenture.

21.3 **No Prejudice**

The security created by or pursuant to this Debenture and the Collateral Rights shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Chargor or any other person, or the Security Agent (whether in its capacity as security agent, trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Security Agent holds the security or by any other thing which might otherwise prejudice that security or any Collateral Right.

21.4 **Remedies and Waivers**

No failure on the part of the Security Agent to exercise, or any delay on its part in exercising, any Collateral Right shall operate as a waiver of that Collateral Right or constitute an election to affirm this Debenture. No single or partial exercise of any Collateral Right shall preclude any further or other exercise of that or any other Collateral Right.

21.5 **Implied Covenants for Title**

(a) The covenants set out in Sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clause 3 (*Fixed Charges and Floating Charge*).

(b) It shall be implied in respect of Clause 3 (*Fixed Charges and Floating Charge*) that the Chargor is charging the Charged Property free from all charges and encumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

21.6 **Waiver of defences**

The obligations of the Chargor under this Debenture and the Collateral Rights will not be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Debenture (without limitation and whether or not known to it or any Secured Party) including:

21.6.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;

21.6.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;

21.6.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;

21.6.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;

21.6.5 any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or Security or of the Secured Obligations;

21.6.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security or of the Secured Obligations; or

21.6.7 any insolvency or similar proceedings.

21.7 **Immediate recourse**

The Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Debenture. This waiver applies irrespective of any law or any provision of this Debenture to the contrary.

21.8 **Deferral of Rights**

Until the Secured Obligations have been irrevocably paid or discharged in full and unless the Security Agent (acting on the instructions of the Agent) otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Debenture:

(a) to be indemnified by any Obligor;

(b) to claim any contribution from any guarantor of any Obligor's obligations under this Debenture;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under this Debenture or of any other guarantee or Security taken pursuant to, or in connection with, this Debenture;

(d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given any guarantee, undertaking, indemnity or covenant to pay under any Finance Document;

(e) to exercise any right of set-off against any Obligor; and/or

(f) to claim or prove as a creditor of any Obligor in competition with any Secured Party.

If the Chargor that receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Security Agent and the Secured Parties by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Security Agent and the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as it may direct for application in accordance with clause 37 (*Application of Proceeds*) of the Facilities Agreement.

21.9 **Avoidance of Payments**

If any amount paid or credited to any Finance Party pursuant to the Finance Documents is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of the Chargor under this Debenture and the security constituted by this Debenture shall continue and such amount shall not be considered to have been irrevocably paid.

21.10 **Chargor's intent**

Without prejudice to the generality of Clause 21.6 (*Waiver of defences*), the Chargor expressly confirms that it intends that this Debenture and the Security created hereunder shall remain in full force and effect in case of any (however fundamental and of whatsoever nature and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for or in connection with any purpose whatsoever, including without limitation, any of the following: any amendment or waiver contemplated under a Fee Letter, any Project expansion; acquisitions of any nature; increasing working capital; enabling dividends or distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and expenses associated with any of the foregoing. In the event of any such variation, increase, extension or addition the Chargor shall (if requested by the Security Agent) enter into an agreement (in such form as the Security Agent reasonably requires) with the Security Agent confirming that the Security created hereunder remains in full force and effect.

21.11 **Turnover trust**

The Chargor shall not accept or permit to subsist any collateral from any person in respect of any rights (if any) the Chargor may have arising out of this Debenture (except through operation of law). If, despite this provision, any such collateral shall be accepted or subsisting (whether through the mandatory operation of law or otherwise), the Chargor acknowledges that the Chargor's rights under and in respect of such collateral shall be held on trust for the Security Agent and the Secured Parties, to the extent necessary to enable all amounts which may be or become payable to the Security Agent and the Secured Parties by the Obligors under or in connection with

the Finance Documents to be repaid in full, and the Chargor shall if requested promptly transfer the same to the Security Agent or as it may direct for application in accordance with clause 37 (*Application of Proceeds*) of the Facilities Agreement.

## 22. RELEASE OF SECURITY

At the request and cost of the Chargor, the Security Agent shall promptly and without undue delay release all or part (as the case may be) of the Security constituted by this Debenture on the earliest of:

(a) the first date on which no Secured Obligations are outstanding, in accordance with clause 29.23 (*Winding up of trust*) of the Facilities Agreement; and

(b) a transfer of the Share in accordance with clause 13.7 (*Transfers by Golden Shareholder*) of the Services and Right to Use Direct Agreement shall have occurred,

**provided that**, for the avoidance of doubt, (in each case) the conditions to the release of such Security set out in the relevant clause (as the case may be) referred to in paragraphs (a) or (b) above have been satisfied.

## 23. OTHER SECURITY INTERESTS

23.1 In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Charged Property or in case of exercise by the Security Agent or any Receiver of any power of sale under this Debenture, the Security Agent may redeem such prior Security or procure the transfer thereof to itself.

23.2 The Security Agent may settle and agree the accounts of the prior Security and any accounts so settled and agreed will be conclusive and binding on the Chargor.

23.3 All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Chargor to the Security Agent within five Business Days of demand, together with accrued interest thereon from the time or respective times of the same having been paid or incurred until payment thereof (after as well as before judgment) calculated in accordance with clause 12.3 (Default interest) of the Facilities Agreement.

23.4 If the Security Agent (acting in its capacity as security agent, trustee or otherwise) or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Property or any assignment or transfer of the Charged Property which is prohibited by the terms of any Finance Document, all payments thereafter by or on behalf of the Chargor to the Security Agent (whether in its capacity as security agent, trustee or otherwise) or any of the other Secured Parties shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations as at the time when the Security Agent received such notice.

## 24. CURRENCY CONVERSION AND INDEMNITIES

24.1 For the purpose of or pending the discharge of any of the Secured Obligations the Security Agent may convert any monies received or recovered by the Security Agent from one currency to another at the spot rate at which the Security Agent is able to purchase the currency in which the Secured Obligations are due with the amount received or recovered.

24.2 Subject to the requirements of any applicable law, the obligations of the Chargor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

24.3 If any sum (a "**Sum**") due from the Chargor under this Debenture or any order, judgment or award given or made in relation to a Sum has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:

24.3.1 making or filing a claim or proof against the Chargor;

24.3.2 obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings; or

24.3.3 applying the Sum in satisfaction of any of the Secured Obligations,

the Chargor shall, shall as an independent obligation, within five (5) Business Days of demand, indemnify each Secured Party to whom such Sum is due from and against any loss suffered or incurred as a result of any discrepancy between (a) the rate of exchange used for such purpose to convert such Sum from the First Currency into the Second Currency and (b) the rate or rates of exchange available to that person at the time of such receipt of that Sum.

## 25. CHANGES TO PARTIES

25.1 The Chargor may not assign or transfer any or all of its rights (if any) and/or obligations under this Debenture.

25.2 The Security Agent may:

25.2.1 assign all or any of its rights under this Debenture; and

25.2.2 transfer all or any of its obligations (if any) under this Debenture,

to any successor Security Agent in accordance with the provisions of the Facilities Agreement, **provided that** it is acknowledged that such assignment or transfer shall not in any way prejudice the priority of the security constituted by this Debenture (which shall be assigned to such successor Security Agent pursuant to the terms of the Facilities Agreement). Upon such assignment or transfer taking effect, the successor Security Agent shall be and be deemed to be acting as agent and security trustee for the Secured Parties for the purposes of this Debenture and in place of the former Security Agent.

25.3 Subject to the relevant provisions of the Finance Documents, each Secured Party may assign all or any of its rights under this Debenture (whether direct or indirect) in accordance with the provisions of the Finance Documents. It is acknowledged that none of the Secured Parties has or shall have any obligation under this Debenture.

25.4 The Chargor irrevocably and unconditionally confirms that:

(a) it consents to any assignment or transfer by any Secured Party of its rights and/or obligations made in accordance with the provisions of the Finance Documents;

(b) it shall continue to be bound by the terms of this Debenture, notwithstanding any such assignment or transfer; and

(c) the assignee or transferee of such Secured Party shall acquire an interest in this Debenture upon such assignment or transfer taking effect.

## 26. NOTICES

Clause 39 (*Notices*) of the Facilities Agreement shall apply to all notices, consents and other communications under this Debenture.

## 27. PARTIAL INVALIDITY

If, at any time, any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Debenture nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant to this Debenture is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

## 28. DISCRETION AND DELEGATION

### 28.1 Discretion

Any liberty or power which may be exercised or any determination which may be made under this Debenture by the Security Agent or any Receiver may, subject to the terms and conditions of the Finance Documents, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons save that the Security Agent shall act in a reasonable manner if expressly required hereunder.

### 28.2 Delegation

Each of the Security Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise of such power, authority or discretion by the Security Agent or the Receiver itself or any subsequent delegation or revocation thereof or thereunder.

## 29. GOVERNING LAW

This Debenture and any non-contractual obligations arising out of or in connection with it are governed by English law.

## 30. JURISDICTION

### 30.1 English Courts

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of, or in connection with this Debenture (including a dispute relating to the existence, validity or termination of this Debenture or the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Debenture).

### 30.2 Convenient Forum

The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

### 30.3 Exclusive Jurisdiction

This Clause 30 is for the benefit of the Secured Parties only. As a result, no Secured Parties shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law and the Finance Documents, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

### 30.4 Service of process

Without prejudice to any other mode of service allowed under any relevant law, the Chargor:

30.4.1 irrevocably appoints Law Debenture Corporate Services Limited of Fifth Floor, 100 Wood Street, London, EC2V 7EX, United Kingdom as its agent for service of process in relation to any proceedings before the English courts in connection with this Debenture; and

30.4.2 agrees that failure by an agent for service of process to notify the Chargor of the process will not invalidate the proceedings concerned.

### 30.5 Waiver of Immunity

The Chargor waives generally all immunity it or its assets or revenues may otherwise have in any jurisdiction, including immunity in respect of:

30.5.1 the giving of any relief by way of injunction or order for specific performance or for the recovery of assets or revenues; and

30.5.2 the issue of any process against its assets or revenues for the enforcement of a judgment or, in an action *in rem*, for the arrest, detention or sale of any of its assets and revenues.

## 31. EXERCISE OF RIGHTS

Notwithstanding anything in Clause 30.3 (*Exclusive Jurisdiction*) to the contrary, the Secured Parties will exercise their rights under this Debenture only through the Security Agent.

## 32. COUNTERPARTS

This Debenture may be executed in any number of counterparts, each of which is an original and all of which together evidence the same agreement.

**IN WITNESS WHEREOF** this Debenture has been signed on behalf of the Security Agent and executed as a deed by the Chargor and is delivered by the Chargor on the date specified above.

**SCHEDULE 1**
**GOLDEN SHARES**

| (1) BVI Entity | (2) Registration Number (or equivalent) | (3) Description of Golden Share(s) |
|---|---|---|
| Studio City Holdings Two Limited | 402572 | |
| Studio City Holdings Three Limited | 1746781 | |
| Studio City Holdings Four Limited | 1746782 | |
| SCP Holdings Limited | 1697577 | |
| SCP One Limited | 1697795 | |
| SCP Two Limited | 1697797 | |

**SCHEDULE 2**
**PREFERENCE RIGHT AGREEMENTS**

1. [ ]

2. [ ]

3. [ ]

4. [ ]

## SCHEDULE 3
## REPRESENTATIONS AND WARRANTIES

***Status, authorisations and governing law***

1. **Status**

(a) The Chargor is a limited liability corporation or company duly incorporated or organised, as the case may be, and validly existing under the law of its jurisdiction of incorporation or organisation, as the case may be.

(b) The Chargor has the power to own its assets and carry on its business as it is or is contemplated to be conducted.

2. **Binding obligations**

Subject to the Legal Reservations:

(a) the obligations expressed to be assumed by the Chargor in this Debenture are legal, valid, binding and enforceable obligations; and

(b) (without limiting the generality of paragraph (a) above), this Debenture creates the security interests which this Debenture purports to create and those security interests are valid and effective.

3. **Pari Passu**

The payment obligations under this Debenture of the Chargor rank at least *pari passu* with all its other present and future unsecured and unsubordinated obligations, except for obligations mandatorily preferred by law applying to companies generally.

4. **Non-conflict with other obligations**

The entry into and performance by the Chargor of, and the transactions contemplated by, this Debenture and the granting of the Security under this Debenture by it do not and will not conflict with:

(a) any law or regulation applicable to the Chargor;

(b) its Constitutional Documents; or

(c) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument (which would have, or is reasonably likely to have, a material adverse effect on the validity or enforceability of, or the effectiveness or ranking of, any Security granted or purporting to be granted by this Debenture or the rights or remedies of the Security Agent under this Debenture).

5. **Power and authority**

(a) The Chargor has the power to enter into, perform and deliver, and has taken all necessary corporate action to authorise its entry into, performance and delivery of, this Debenture and the transactions contemplated by this Debenture.

(b) No limit on the Chargor's powers will be exceeded as a result of the borrowing, grant of security or giving of guarantees or indemnities or the entry into or performance of the transactions contemplated by this Debenture.

6. **Validity and admissibility in evidence**

Subject to the Legal Reservations, all Permits required or desirable:

(a) to enable the Chargor lawfully to enter into, exercise its rights and comply with its obligations under this Debenture; and

(b) to make this Debenture admissible in evidence in all Relevant Jurisdictions,

have been obtained (or will be obtained when required) or effected and are (or will, when obtained, be) in full force and effect.

7. **Governing law and enforcement**

Subject to the Legal Reservations:

(a) the choice of governing law of this Debenture will be recognised and enforced in all Relevant Jurisdictions; and

(b) any judgment obtained in relation to this Debenture in the jurisdiction of the governing law of this Debenture will be recognised and enforced in all Relevant Jurisdictions.

***No insolvency, default or tax liability***

8. **Insolvency**

No:

(a) corporate action, legal proceeding or other procedure or step described in paragraph 7 (*Insolvency proceedings*) of Part I of Schedule 9 (*Events of Default and Review Events*) to the Facilities Agreement; or

(b) creditors' process described in paragraph 8 (*Creditors' process*) of Part I of Schedule 9 (*Events of Default and Review Events*) to the Facilities Agreement,

has been taken or to the best of its knowledge and belief (having made due and careful enquiry) threatened in relation to the Chargor and none of the circumstances described in paragraph 6 (*Insolvency*) of Part I of Schedule 9 (*Events of Default and Review Events*) of the Facilities Agreement applies to the Chargor as if references to "Obligor" in such paragraphs were references to the Chargor.

*Security and ownership of assets*

9. **Security and Financial Indebtedness**

No Security or Quasi-Security exists over all or any of the present or future assets of the Chargor other than as expressly permitted by this Debenture.

10. **Ranking**

Subject to the Legal Reservations, the Security created, evidenced or expressed to be created or evidenced by this Debenture has or (when granted) will have first ranking priority and it is not subject to any prior ranking or *pari passu* ranking Security.

11. **Good title to assets**

The Chargor has good, valid and marketable title to the Golden Shares and the Preference Rights.

12. **Legal and beneficial ownership**

The Chargor is or will be (as the case may be) the sole legal and beneficial owner of the respective assets over which it purports to grant Security under or pursuant to this Debenture in each case free from any claims, third party rights or competing interests other than as expressly permitted under this Debenture or the Services and Right to Use Direct Agreement.

13. **Golden Shares**

The Golden Shares are fully paid and, except as expressly provided in the Services and Right to Use Direct Agreement and the memorandum and articles of association of the BVI Entities, are not subject to any option to purchase or similar rights or restrictions or inhibitions on transfer or other disposal or on the creation or enforcement of the Security created, evidenced or expressed to be created or evidenced by this Debenture.

14. **Preference Rights**

There is no prohibition against or restriction on the release and discharge (for nil consideration) of the Preference Rights.

15. **US Connection**

The Chargor is not and shall not become:

(a) resident for tax purposes in the United States; or

(b) a person some or all of whose payments under this Debentures are from sources within the United States for US federal income tax purposes; or

(c) a FATCA FFI.

16. **No adverse consequences**

(a) It is not necessary under the laws of any Relevant Jurisdiction:

(i) in order to enable any Secured Party to enforce its rights under this Debenture; or

(ii) by reason of the execution of this Debenture or the performance by it of its obligations under this Debenture,

that any Secured Party should be licensed, qualified or otherwise entitled to carry on business in any Relevant Jurisdiction.

(b) No Secured Party is or will be deemed to be resident, domiciled or carrying on business in any Relevant Jurisdiction by reason only of the execution, performance and/or enforcement of this Debenture.

17. **Anti-Terrorism Laws**

(a) Neither the Chargor nor (to its knowledge) any Affiliate thereof or any director, officer or employee of the Chargor or any of their Affiliates: (i) is, or is controlled by, a Restricted Party; (ii) has received funds or other property from a Restricted Party; or (iii) is in breach of or is the subject of any action or investigation under any Anti-Terrorism Law.

(b) The Chargor and (to its knowledge) each Affiliate thereof has taken reasonable measures to ensure compliance with the Anti-Terrorism Laws.

18. **Acting as Principal**

The Chargor is acting as principal for its own account and not as agent or trustee in any capacity on behalf of any person in relation to this Debenture and the transactions contemplated by this Debenture.

19. **Establishments**

The Chargor has not registered one or more “establishments” (as that term is defined in Part 1 of the Overseas Companies Regulations 2009) with the Registrar of Companies in the United Kingdom.

## SCHEDULE 4
## FORM OF NOTICE TO THE REGISTERED AGENT OF THE COMPANY AND ACKNOWLEDGEMENT

[registered agent]

[address]

[Date]

**[insert name of the Company] (the "Company"): Instructions to registered agent**

We hereby notify you that pursuant to a Debenture (the "**Debenture**") dated [●] 20[●] between [●] (the "**Chargor**") and Industrial and Commercial Bank of China (Macau) Limited as security agent (the "**Security Agent**"), the Chargor has granted a security interest in favour of the Security Agent over all the Golden Shares registered in the Chargor's name in the Company (the "**Shares**").

We instruct you to make an annotation of the existence of the Debenture and the security interests created thereby in the Company's register of members. Such annotation shall only be removed following a release of the security interests created by the Debenture and notification of the same to you in writing by the Security Agent.

Please confirm by countersigning below that you agree to the above.

Yours faithfully

______________________________________________
**Authorised Signatory for and on behalf of the Company**

Acknowledged and agreed.

______________________________________________
**Authorised signatory for and on behalf of registered agent**

**The Chargor**

| | |
|---|---|
| **EXECUTED as a DEED** | ) |
| **By** [ | ) |
| ] | ) |
| acting by | ) |
| its: | ) |
| in the presence of: | ) |

Name of witness:

Occupation of witness:

Address of witness:

**The Security Agent**

| Signed by | ) |
|---|---|
| ______________________________ for | ) |
| **INDUSTRIAL AND COMMERCIAL** | ) |
| **BANK OF CHINA (MACAU) LIMITED** | ) |

For loan administration matters:

| | |
|---|---|
| Address: | 18/F, ICBC Tower, Macau Landmark<br>555 Avenida da Amizade<br>Macau |
| Attention: | Linda Chan / Chloe Wong |
| Telephone: | +853 8398 2452 / 8398 2227 |
| Fax: | +853 2858 4496 |

For credit matters:

| | |
|---|---|
| Address: | 24/F, ICBC Tower, Macau Landmark<br>555 Avenida da Amizade<br>Macau |
| Attention: | Wanny Lei / Alex Li |
| Telephone: | +853 8398 2723 / 8398 7313 |
| Fax: | +853 8398 2160 |

**SCHEDULE 9**
**FORM OF MACAU GOLDEN SHARE SECURITY AGREEMENT**

***

DATED [●] 20[●]

[*INSERT NAME OF PLEDGOR*]
AS PLEDGOR

**INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**
AS SECURITY AGENT

AND

[*INSERT NAME OF COMPANY*]
AS COMPANY

---

[*INSERT NAME OF COMPANY THE SHARES OF WHICH ARE BEING PLEDGED*] GOLDEN SHARE
SHARE PLEDGE

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**AN AGREEMENT** made on **[●]** 20[●]

**BETWEEN:**

(1) **[*INSERT NAME OF PLEDGOR*]**, a company incorporated under the laws of [*insert jurisdiction of incorporation*] (registered number [●]), whose registered office is at [●] (the " **Pledgor**"), herein represented by [*insert name of representative*];

(2) **INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**, with its principal office at 555 Avenida da Amizade, Macau Landmark, ICBC Tower, 18th Floor, Macau SAR, as agent and security trustee for the Secured Parties (the "**Security Agent**"), herein represented by [*insert name of representative*]; and

(3) [***INSERT NAME OF COMPANY***], a company incorporated by quotas under the laws of the Macau S.A.R. (registered number [●]), whose registered office is at [●] (the "**Company**"), herein represented by [*insert name of representative*].

**WHEREAS:**

(A) Pursuant to the Finance Documents the Lenders have agreed to make the Facilities available to the Borrower.

(B) It is a condition set out in the Services and Right to Use Direct Agreement to the issue of the Share that a pledge over the Share held by the Pledgor in the share capital of the Company is granted in favour of the Security Agent (for and on behalf of the Secured Parties).

**NOW, IT IS HEREBY AGREED** as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Agreement, unless otherwise defined herein, all terms defined or referred to in the Services and Right to Use Direct Agreement, or, if not defined or referred to in the Services and Right to Use Direct Agreement, the Facilities Agreement shall bear the same meaning when used in this Agreement and, in addition:

"**Assignment of Reimbursement Agreement**" means the assignment of the Reimbursement Agreement entered or to be entered into between SCE and the Security Agent (as the same may be amended or supplemented from time to time).

"**Assignment of Services and Right to Use Agreement**" means the assignment of the Services and Right to Use Agreement entered or to be entered into between SCE and the Security Agent (as the same may be amended or supplemented from time to time).

"**Authorisation of the Government of the Macau SAR**" means any authorisation, consent or approval issued by any Governmental Authority with respect to the execution of the Services and Right to Use Agreement, the Reimbursement Agreement, the Assignment of Services and Right to Use Agreement, the Assignment of Reimbursement Agreement and the Services and Right to Use Direct Agreement.

"**BVI Act**" means the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands.

"**Companies Registry**" means the Macau SAR Commercial and Movable Assets Registry.

"**Facilities Agreement**" means the senior secured credit facilities agreement dated 28 January 2013 and made between, amongst others, Deutsche Bank AG, Hong Kong Branch as agent, Industrial and Commercial Bank of China (Macau) Limited as security agent and the original obligors listed therein, as amended, varied, novated and/or supplemented from time to time.

"**Insolvency Event**" means:

(a) the winding-up, dissolution or administration of the Pledgor;

(b) the appointment of a liquidator, administrator, compulsory manager or other similar officer in respect of the Pledgor;

(c) the commencement of any enforcement process properly commenced of any security consensually granted by the Pledgor in favour of a party other than the Security Agent; or

(d) the commencement of any proceedings to enforce any judgment entered against the Pledgor by a court of competent jurisdiction and which is properly enforceable in its jurisdiction of incorporation,

or any analogous procedure in any jurisdiction, in each case such winding up, dissolution, administration appointment of a liquidator, administrator, compulsory manager or similar officer or enforcement process having been commenced otherwise than on the application of or on behalf of the Security Agent or its nominees or assigns;

"**Operative**" means an individual that is a shareholder, officer, employee, servant, controlling person, executive director, agent or authorised representative of the Pledgor.

"**Permitted Security**" means:

(a) any Security required or expressly permitted to be granted under or pursuant to the Services and Right to Use Direct Agreement;

(b) any lien arising or subsisting by operation of law and in the ordinary course of business and not as a result of any default or omission by the Pledgor;

(c) any netting or set off arrangement entered into by the Pledgor in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of the Pledgor but only so long as:

(d) such arrangement does not permit credit balances the Pledgor to be netted or set off against debit balances of other persons; and

(e) such arrangement does not give rise to other Security over the assets of the Pledgor in support of liabilities of other persons;

(f) any Security created in favour of a plaintiff or defendant in any proceedings as security for costs or expenses; and

(g) any Security securing unpaid Taxes and arising by law but only if such unpaid taxes are being contested in good faith by appropriate measures and sufficient reserves in cash or other liquid assets are available to pay the amount of those unpaid Taxes;

"**Pledge**" means the pledge created by this Agreement with the scope defined in Clause 3.

"**Pledged Share**" means the Share held by the Pledgor.

"**Security Agent's Rights**" means all the rights, powers and remedies of the Security Agent provided by this Agreement or by law.

"**Share**" means the MOP1,000 quota in the share capital of the Company held by the Pledgor as at the date of this Agreement

"**Share Pledges**" means this Agreement and each Share Pledge entered into by the Pledgor in favour of the Security Agent.

"**Special Enforcement Notice**" means a notice of enforcement action delivered or to be delivered by the Security Agent to the Pledgor after receipt by the Security Agent of any instruction from the Agent stating that:

(a) an Event of Default under the Finance Documents has occurred and is continuing (which instruction may be given by the Agent only pursuant to clause 24.2 (*Acceleration*) of the Facilities Agreement) and, as at the date of such instruction from the Agent, is still continuing; and

(b) the conditions referred to in Clauses 10(a) and 10(b) have been satisfied,

and directing the Security Agent to take such enforcement action.

## 1.2 Interpretation

In this Agreement:

(a) the principles of construction and interpretation contained or referred to in clause 1.2 (*Construction*) of the Facilities Agreement shall apply to the construction and interpretation of this Agreement; and

(b) any reference to any or all of the Obligors or any or all of the Secured Parties shall be construed so as to include its or their (and any subsequent) successors and any permitted assignees and transferees in accordance with their respective interests.

1.3 **Registration particulars of Secured Obligations**

The relevant particulars of the Secured Obligations hereunder, for the purpose of registration only and without prejudice to the provisions of the Finance Documents, are as follows:

(a) amount - the aggregate maximum principal amount of HKD[●] corresponding to MOP[●];

(b) interest - interest is chargeable at a rate of 4.5% plus HIBOR per annum, subject to fluctuation in accordance with the terms of the Finance Documents; in the event of any default in payment, interest is chargeable at an additional 2% per annum; and

(c) the amount of other payments, expenses, costs and indemnities is HKD[●] corresponding to MOP[●].

## 2. LIMITED-RECOURSE LIABILITY

2.1 **Maximum Secured Amount**

Notwithstanding any provision to the contrary in this Agreement, the maximum amount which may be recovered from the Pledgor under this Agreement shall be limited to the aggregate amount equal to (without double counting and without any deduction for or on account of any set-off or similar right) the amount of the proceeds generated by the enforcement of the Pledged Share under this Agreement (and any enforcement in respect of the Pledged Share by the Security Agent shall be conducted in accordance with the terms hereof and, to the extent applicable, in accordance with the terms of the Services and Right to Use Direct Agreement) ("**Maximum Secured Amount**").

2.2 **No liability in excess of Maximum Secured Amount**

If the aggregate amount of the Pledged Share received upon any enforcement of the Pledged Share by the Security Agent is insufficient to pay or discharge the Secured Obligations in full for any reason, the Pledgor shall not have any liability under this Agreement to pay or otherwise make good any such insufficiency in excess of the Maximum Secured Amount.

2.3 **Non-recourse Liability**

Notwithstanding any provision in this Agreement or the Finance Documents to the contrary, no Operative shall be personally liable for payments due hereunder or under any of the Finance Documents or for the performance of any obligation hereunder or thereunder, save, in relation to any Operative, pursuant to any Finance Document to which such Operative is a party. The Secured Parties shall have no recourse against any assets or property of any Operative for satisfaction of any of the obligations of the Pledgor hereunder and under the Finance Documents save to the extent such Operative is a party to a Finance Document and is expressed to be liable for such obligations thereunder.

2.4 **Restrictions on Security Agent**

Notwithstanding the terms of any Finance Document, no Secured Party shall take any step, in respect of the Secured Obligations, to initiate (or to join in initiating), in relation to the Grantor and/or any of its assets:

(a) any such proceeding (or an event which under any applicable laws of any jurisdiction, has an analogous effect to any such proceeding) as is referred to in paragraph (d) or (e) of the definition of Insolvency Event; or

(b) any execution, attachment or sequestration or similar legal process.

3. **PLEDGE**

The Pledgor hereby creates a first priority pledge over its Pledged Share in favour of the Security Agent as security for the discharge and payment of the Secured Obligations to the Security Agent.

4. **REGISTRATION OF PLEDGE**

4.1 The Pledgor shall:

(a) promptly, and in any event prior to the date within 5 Business Days from the date of this Agreement, register this Agreement (together with each amendment and/or supplement to this Agreement made prior to such registration) with the Companies Registry;

(b) register each amendment and/or supplement to this Agreement, provided such amendment or supplement contains any change to the registration particulars listed in Clause 1.3 (*Registration particulars of Secured Obligations*) (made on or after the registration of this Agreement), together with (if required) a certified true copy of this Agreement, with the Companies Registry promptly (and, in any event, not later than forty-five (45) days) after the entering into of such amendment or, as the case may be, supplement;

(c) to the extent permitted by applicable law, notate and deposit ("*averbar*" and "*depositar*") each amendment and/or supplement to this Agreement which does not contain any change to the registration particulars listed in Clause 1.3 (*Registration particulars of Secured Obligations*) (made on or after the registration of this Agreement) with the Companies Registry promptly (and, in any event, not later than forty-five (45) days) after the entering into of such amendment or, as the case may be, supplement; and

(d) provide evidence of each of the registrations referred to above to the Security Agent promptly after such registration.

4.2 The Pledgor shall:

(a) promptly and in any event within ten (10) Business Days from and including the date of execution of this Agreement, create and maintain a register of charges (the "**Register of Charges**") to the extent this has not already been done in accordance with section 162 of the BVI Act;

(b) promptly and in any event within ten (10) Business Days from and including the date of execution of this Agreement, enter particulars as required by the BVI Act of the security interests created pursuant to this Agreement in its Register of Charges and promptly (and in any event within two (2) Business Days) after entry of such particulars has been made, provide the Security Agent with a certified true copy of the updated Register of Charges;

(c) promptly and in any event within ten (10) Business Days from and including the date of execution of this Agreement, effect registration, or assist the Security Agent in effecting registration, of this Agreement with the Registrar of Corporate Affairs (the "**BVI Registry**") pursuant to section 163 of the BVI Act by making the required filing, or assisting the Security Agent in making the required filing, in the approved form with the BVI Registry and (if applicable) provide confirmation in writing to the Security Agent that such filing has been made; and

(d) promptly and in any event within thirty (30) Business Days from and including the date of execution of this Agreement, deliver or procure to be delivered to the Security Agent the certificate of registration of charge issued by the BVI Registry and a BVI Registry stamped copy of the description of the security created pursuant to this Agreement].

## 5. RELEASE OF SECURITY

At the request and cost of the Pledgor, the Security Agent shall promptly and without undue delay release all or part (as the case may be) of the Security constituted by this Agreement on the earlier of:

(a) the first date on which no Secured Obligations are outstanding, in accordance with clause 29.23 (*Winding up of trust*) of the Facilities Agreement; and

(b) a transfer of the Share in accordance with clause 13.7 (*Transfers by Golden Shareholder*) of the Services and Right to Use Direct Agreement shall have occurred,

**provided that**, for the avoidance of doubt, (in each case) the conditions to the release of such Security set out in the relevant clause (as the case may be) referred to in paragraph (a) and (b) have been satisfied.

## 6. DIVIDENDS AND VOTING RIGHTS

6.1 The creation of the Pledge shall cause all voting and other rights pertaining to the Pledged Share of the Pledgor, including without limitation the claim to any balance of the liquidation of the Company up to the Maximum Secured Amount, to be transferred to the Security Agent provided a Special Enforcement Notice has been delivered by the Security Agent to the Pledgor, but notwithstanding the foregoing:

(a) subject to and in accordance with the terms of the Finance Documents, the Pledgor shall be entitled to receive and retain any dividends and other distributions on its Pledged Share; and

(b) the Pledgor shall continue to exercise all voting rights pertaining to its Pledged Share,

for so long as the Security Agent has not delivered a Special Enforcement Notice to the Pledgor.

6.2 At any time after the Security Agent shall have delivered a Special Enforcement Notice to the Pledgor:

(a) all dividends and other distributions on its Pledged Share shall be paid directly to the Security Agent for application in accordance with Clause 13 (*Application of Monies*); and

(b) the Security Agent may, at its discretion:

(i) exercise all voting and other rights pertaining to the Pledged Share to the maximum extent permitted by law if the Security Agent were the owner thereof on such terms as the Security Agent shall find appropriate; and

(ii) receive, collect, demand or sue for any money or property at any time payable or receivable on account of the Pledged Share,

without being under any duty to ensure that any dividends, distributions or other monies payable or receivable in respect of the same are duly and promptly paid or received by it or to verify that the correct amounts are paid or received.

6.3 The Pledgor undertakes to the Security Agent (for and on behalf of the Secured Parties) at all times during the subsistence of this Agreement that it shall not exercise the voting and other rights pertaining to its Pledged Share in any mannerthat is not permitted by the terms of this Agreement or the Services and Right to Use Direct Agreement

## 7. REPRESENTATIONS AND WARRANTIES OF THE PLEDGOR

The Pledgor makes the following representations and warranties to the Security Agent (for and on behalf of the Secured Parties) and acknowledges that the Secured Parties have relied upon those representations and warranties:

(a) save as otherwise expressly required or permitted by this Agreement or the Services and Right to Use Direct Agreement, it has not sold, transferred or otherwise disposed of, or agreed to sell, transfer or otherwise dispose of, the benefit of all or any of its rights, title or interests in its Pledged Share or any part thereof; and

(b) the Pledged Share has been paid-up in full and there are no monies or liabilities payable or outstanding in relation to its Pledged Share.

## 8. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

8.1 The Company makes the following representations and warranties to the Security Agent (for and on behalf of the Secured Parties) and acknowledges that the Secured Parties have relied upon those representations and warranties:

(a) the Pledged Share of the Pledgor have been validly issued; and

(b) the Share has been paid-up in full and there are no monies or liabilities payable or outstanding in relation to any of the Share.

8.2 The representations and warranties contained in Clause 8.1 shall be deemed to be repeated (by reference to the facts and circumstances then existing) by the Company on the date of this Agreement.

## 9. UNDERTAKINGS OF THE PLEDGOR

Except as required or permitted under this Agreement or the Services and Right to Use Direct Agreement, the Pledgor hereby undertakes with the Security Agent (for and on behalf of the Secured Parties) that at all times during the subsistence of this Agreement, it shall:

(a) ensure that it is and shall remain the sole legal owner of the Pledged Share (other than in the circumstances of any transfer or disposal of the Share permitted by and made by the Pledgor in accordance with the Services and Right to Use Direct Agreement) free from any Security (other than Permitted Security);

and

(b) promptly notify the Security Agent in writing of the occurrence of any event or the receipt by it of any notice of any event that could reasonably be expected to prejudice materially the validity or effectiveness of the Pledge or the ability of the Security Agent to enforce the Pledge and realise the Pledged Share (except to the extent that such notification has already been delivered to the Security Agent by any Obligor).

## 10. ENFORCEMENT CONDITIONS

The Security Agent may only proceed to enforce the Pledge after the Security Agent has delivered a Special Enforcement Notice to the Pledgor and the Security Agent may not deliver a Special Enforcement Notice to the Pledgor unless:

(a) the conditions which are required to be satisfied in order for the Security Agent to be entitled to deliver an Enforcement Notice to any Obligor or Grantor shall be satisfied; and

(b) either:

(i) an Insolvency Event shall have occurred in respect of the Pledgor, or

(ii) either of the circumstances or events described in paragraph (c) of the definition of “Sponsor Option Termination Event” in Clause 1.1 of the Services and Right to Use Direct Agreement shall have occurred.

11. **ENFORCEMENT**

11.1 If the Security Agent has delivered a Special Enforcement Notice to the Pledgor the Security created by or pursuant to this Agreement will become immediately enforceable and the Security Agent shall be entitled to:

(a) sell the Pledged Share of the Pledgor through pledge enforcement judicial proceedings, in which case the Pledgor and the Company hereby irrevocably:

(i) consent to a sale by private negotiation or by auction to be conducted within the judicial proceedings;

(ii) undertake, if so requested by the Security Agent, to apply to the court for such sale by private negotiation or by auction and to indicate to the court that the negotiation or the auction be carried out by such entity as the Security Agent may indicate; and

(iii) accept that the above consent and undertaking shall constitute and may be used in court as evidence of its willingness to have such sale by private negotiation or by auction conducted within the judicial proceedings by the entity indicated by the Security Agent; or

(b) have the Pledged Share assigned to the Security Agent for a price determined by the court; or

(c) to the extent permitted by law and subject to Clause 11.3 below, sell or otherwise dispose of all the Pledged Share outside any judicial proceedings, by way of private negotiation or auction or otherwise at the times, in the manner and on the terms as the Security Agent may think fit.

11.2 In the event of a sale or other disposal of the Pledged Share outside any judicial proceedings as permitted by law, the Security Agent shall incur no liability to the Pledgor or the Company, and the Pledgor and the Company hereby waive any claims against the Security Agent arising from the fact that the price at which the Pledged Share was sold or disposed of through private negotiation was less than what might be obtained through an auction, even if the Security Agent accepts the first offer received and does not offer the Pledged Share to more than one party, or arising from the fact that a sale conducted within judicial proceedings would have been more advantageous than a sale outside of it, other than any loss which arises as a consequence of any gross negligence or wilful misconduct on the part of the Security Agent.

11.3 In making any disposal of all or any part of the assets pledged hereunder in the exercise of its powers, the Security Agent may (to the extent permitted by law) do so for such consideration, in such manner, and generally on such terms and conditions as it thinks fit. Any contract for such disposal by the Security Agent may contain conditions excluding or restricting the personal liability of the Security Agent.

## 12. ENFORCEMENT SUBJECT TO

Any enforcement of the Security created by or pursuant to this Agreement shall be subject to the terms of:

(a) the Authorisation of the Government of the Macau SAR; and

(b) the Services and Right to Use Direct Agreement,

(to the extent, in each case, such terms are applicable and **provided that**, in the event of any inconsistency between the Authorisation of the Government of the Macau SAR and any of the Services and Right to Use Direct Agreement, the former shall prevail).

## 13. APPLICATION OF MONIES

13.1 All monies received or recovered by the Security Agent pursuant to this Agreement up to the Maximum Secured Amount or the powers conferred by it shall (subject to (a) the claims of any person having prior rights thereto, (b) Clause 11 (*Enforcement*) and (c) Clause 13.2 below) be applied by the Security Agent (notwithstanding any purported appropriation by the Pledgor or any other Obligors) in accordance with clause 37 (*Application of Proceeds*) of the Facilities Agreement.

13.2 Notwithstanding any other provision of the Finance Documents, the Security Agent may, at any time after the delivery of a Special Enforcement Notice to the Pledgor, pay any or all of the monies received, recovered or realised by the Security Agent under this Agreement (including without limitation the proceeds of any conversion of currency) into any suspense or impersonal account (which is interest-bearing **provided that** there is no tax liability on the Security Agent with respect to any interest in such account) for so long as the Security Agent shall think fit (whether or not any Secured Obligations shall have become due) pending their application from time to time in accordance with the provisions of Clause 13.1. If the Secured Obligations have been fully discharged or would be fully discharged if the monies in such suspense or impersonal account were applied towards satisfaction of the Secured Obligations, the Security Agent shall promptly apply the monies in such suspense or impersonal account towards satisfaction of the Secured Obligations and if there are any monies remaining in such suspense or impersonal account after the Secured Obligations have been fully discharged, the Security Agent shall promptly pay such remaining monies in accordance with clause 37 (*Application of Proceeds*) of the Facilities Agreement. Any interest accrued on any monies in such suspense or impersonal account shall be credited to such suspense or, as the case may be, impersonal account and shall, subject to the terms of this Clause 13.2, be applied towards satisfaction of the Secured Obligations (and following the satisfaction of the same, in accordance with clause 37 (*Application of Proceeds*) of the Facilities Agreement).

## 14. EFFECTIVENESS OF COLLATERAL

14.1 No failure or delay on the part of the Security Agent to exercise any Security Agent's Right shall operate as a waiver thereof, nor shall any single or partial exercise of a Security Agent's Right preclude any other or further exercise of that or any other Security Agent's Right. The Security Agent's Rights hereunder are cumulative to those provided by any other security in respect of the Secured Obligations and not exclusive of any remedies provided by law.

14.2 The Security Agent shall not be obliged, before exercising any Security Agent's Right as against the Pledgor (a) to make any demand of the Company, any other Obligor or any other person, (b) to take any action or obtain judgment in any court against the Company, any other Obligor or any other person, (c) to make or file any proof or claim in a liquidation, bankruptcy or insolvency of the Company, any other Obligor or any other person or (d) to enforce or seek to enforce any other security in respect of the Secured Obligations.

14.3 If any payment, settlement or discharge hereunder shall be capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of the relevant Pledgor under this Agreement and the security constituted by this Agreement shall continue and such amount shall not be considered to have been irrevocably paid.

14.4 The Pledgor expressly confirms that it intends that this Agreement and the Security created hereunder shall remain in full force and effect in case of any (however fundamental and of whatsoever nature and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for or in connection with any purpose whatsoever, including without limitation, any of the following: any amendment or waiver contemplated under a Fee Letter, any Project expansion; acquisitions of any nature; increasing working capital; enabling dividends or distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and expenses associated with any of the foregoing. In the event of any such variation, increase, extension or addition the Pledgor shall (if requested by the Security Agent) enter into an agreement (in such form as the Security Agent reasonably requires) with the Security Agent confirming that the Security created hereunder remains in full force and effect.

## 15. CURRENCY CONVERSION AND INDEMNITY

15.1 For the purpose of or pending the discharge of any of the Secured Obligations the Security Agent may convert any monies received or recovered by the Security Agent from one currency to another at the spot rate at which the Security Agent is able to purchase the currency in which the Secured Obligations are due with the amount received or recovered.

15.2 Subject to the requirements of any applicable law, the obligations of the Pledgor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

15.3 If any sum (a "**Sum**") due from the Pledgor under this Agreement or any order, judgment or award given or made in relation to a Sum has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:

(a) making or filing a claim or proof against the Pledgor;

(b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings; or

(c) applying the Sum in satisfaction of any of the Secured Obligations,

such Pledgor shall as an independent obligation, within five (5) Business Days of demand indemnify each Secured Party to whom such Sum is due from and against any cost, loss or liability suffered or incurred as a result of the conversion, including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

## 16. DISCRETION AND DELEGATION

16.1 Any liberty or power which may be exercised or any determination which may be made hereunder by the Security Agent may, subject to the terms and conditions of the Services and Right to Use Direct Agreement and the Facilities Agreement, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons save that the Security Agent shall act in a reasonable manner if expressly required hereunder.

16.2 The Security Agent shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Agreement on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise of such power, authority or discretion by the Security Agent itself or any subsequent delegation or revocation thereof or thereunder.

## 17. CHANGES TO PARTIES

17.1 The Pledgor may not assign or transfer any or all of its rights (if any) and/or obligations under this Agreement.

17.2 The Security Agent may:

(a) assign all or any of its rights under this Agreement; and

(b) transfer all or any of its obligations (if any) under this Agreement,

to any successor Security Agent in accordance with the provisions of the Facilities Agreement, **provided that** it is acknowledged that such assignment or transfer shall not in any way prejudice the priority of the security constituted by this Agreement (which shall be assigned to such successor Security Agent pursuant to the terms of the Facilities Agreement). Upon such assignment or transfer taking effect, the successor Security Agent shall be and be deemed to be acting as agent for the Secured Parties for the purposes of this Agreement and in place of the former Security Agent. The successor Security Agent shall arrange for its registration as the new Security Agent with the Macau Commercial Registry.

17.3 Subject to the relevant provisions of the Finance Documents, each Secured Party may assign all or any of its rights under this Agreement (whether direct or indirect) in accordance with the provisions of the Finance Documents. It is acknowledged that none of the Secured Parties has or shall have any obligation under this Agreement.

17.4 The Pledgor irrevocably and unconditionally confirms that:

(a) it consents to any assignment or transfer by any Secured Party of its rights and/or obligations made in accordance with the provisions of the Finance Documents;

(b) it shall continue to be bound by the terms of this Agreement, notwithstanding any such assignment or transfer; and

(c) the assignee or transferee of such Secured Party shall acquire an interest in this Agreement, the Pledge and the Pledged Shares upon such assignment or transfer taking effect.

## 18. NOTICES

### 18.1 Communications in writing

Any communication to be made under or in connection with this Agreement shall be made in writing but, unless otherwise stated, may be made by fax or letter.

### 18.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this Agreement is identified with its signature below, or any substitute address, fax number or department or officer as the party may notify to the other party by not less than 10 Business Days' notice.

### 18.3 Delivery

Any communication or document made or delivered by one person to another under or in connection with this Agreement shall only be effective:

(a) if delivered personally or by overnight courier, when left at the relevant address;

(b) if by way of fax, immediately after confirmation of transmission; or

(c) if by way of letter, when it has been left at the relevant address or 5 Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 18.2, if addressed to that department or officer.

## 19. PARTIAL INVALIDITY

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant to this Agreement is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

## 20. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Macau S.A.R.

## 21. JURISDICTION

21.1 The Pledgor and the Company irrevocably and unconditionally hereby submit to the exclusive jurisdiction of the courts of the Macau S.A.R. to settle any disputes (a "**Dispute**") arising out of, or in connection with this Agreement (including without limitation a dispute regarding the existence, validity or termination of this Agreement or the consequences of its nullity).

21.2 Notwithstanding Clause 21.1 above, the Security Agent may take proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent Proceedings in any number of jurisdictions.

21.3 The Pledgor and the Company waives generally all immunity it or its assets or revenues may otherwise have in any jurisdiction, including immunity in respect of:

(a) the giving of any relief by way of injunction or order for specific performance or for the recovery of assets or revenues; and

(b) the issue of any process against its assets or revenues for the enforcement of a judgment or, in an action *in rem*, for the arrest, detention or sale of any of its assets and revenues.

## 22. EXERCISE OF RIGHTS

The Secured Parties will only exercise their rights under this Agreement through the Security Agent.

## 23. LANGUAGE

This Agreement is made in four (4) copies of each of a Portuguese version and an English version. In case of discrepancy, the Portuguese version shall prevail.

## 24. FORM OF EXECUTION

This Agreement and any amendment hereto shall be authenticated by a notary in the Macau S.A.R. Each document or notice to be issued by the Security Agent in connection with this Agreement (including without limitation, a Special Enforcement Notice to any of the Pledgor stating, among other things the amount of Secured Obligations as at the date of such Enforcement Notice) shall be treated as documents referred to in this Agreement for the purpose of Article 681 of the Code of Civil Procedures of the Macau S.A.R.

For and on behalf of **[*Insert name of Pledgor*]**

________________________________________

[*insert name of Pledgor's representative*]

Address: [●]

Fax: [●]

Telephone: [●]

Attention: [●]

For and on behalf of **[*Insert name of the Company*]**

________________________________________

[*Insert name of the Company's representative*]

Address: [●]

Fax: [●]

Telephone: [●]

Attention: [●]

For and on behalf of
**INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**

______________________________
[*insert name of Security Agent's representative*]

For loan administration matters:

| | |
|---|---|
| Address: | 18/F, ICBC Tower, Macau Landmark<br>555 Avenida da Amizade<br>Macau |
| Attention: | Linda Chan / Chloe Wong |
| Telephone: | +853 8398 2452 / 8398 2227 |
| Fax: | +853 2858 4496 |

For credit matters:

| | |
|---|---|
| Address: | 24/F, ICBC Tower, Macau Landmark<br>555 Avenida da Amizade<br>Macau |
| Attention: | Wanny Lei / Alex Li |
| Telephone: | +853 8398 2723 / 8398 7313 |
| Fax: | +853 8398 2160 |

EXECUTION

**Borrower**

For and on behalf of
**STUDIO CITY COMPANY LIMITED**

By: /s/ Janelle Maree Campbell
**JANELLE MAREE CAMPBELL**


Address: c/o 36th Floor
The Centrium
60 Wyndham Street
Central
Hong Kong

Attention: Stephanie Cheung, EVP & Chief Legal Officer

Fax: +852 2537 3618

Tel: +852 2598 3600

**Studio City Entertainment**

For and on behalf of
**STUDIO CITY ENTERTAINMENT LIMITED**

By: /s/ Janelle Maree Campbell
**JANELLE MAREE CAMPBELL**


| | |
|---|---|
| Address: | c/o 36th Floor<br>The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong |
| Attention: | Stephanie Cheung, EVP & Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Tel: | +852 2598 3600 |

**Studio City Developments**

For and on behalf of
**STUDIO CITY DEVELOPMENTS LIMITED**

By: /s/ Janelle Maree Campbell
**JANELLE MAREE CAMPBELL**


Address: c/o 36th Floor
The Centrium
60 Wyndham Street
Central
Hong Kong

Attention: Stephanie Cheung, EVP & Chief Legal Officer

Fax: +852 2537 3618

Tel: +852 2598 3639

**Studio City Hotels**

For and on behalf of
**STUDIO CITY HOTELS LIMITED**

By: /s/ Janelle Maree Campbell
**JANELLE MAREE CAMPBELL**


| | |
|---|---|
| Address: | c/o 36th Floor<br>The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong |
| Attention: | Stephanie Cheung, EVP & Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Tel: | +852 2598 3600 |

**Company**

For and on behalf of
**MELCO CROWN (MACAU) LIMITED**

By: /s/ Janelle Maree Campbell
**JANELLE MAREE CAMPBELL**


| | |
|---|---|
| Address: | c/o 36th Floor<br>The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong |
| Attention: | Stephanie Cheung, EVP & Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Tel: | +852 2598 3600 |

**Preference Holder**

For and on behalf of
**STUDIO CITY HOLDINGS FIVE LIMITED**

By: /s/ Janelle Maree Campbell
**JANELLE MAREE CAMPBELL**

| | |
|---|---|
| Address: | Studio City Investments Limited<br>Appleby Corporate Services (BVI) Limited<br>Jayla Place<br>Wickhams Cay I<br>Road Town<br>Tortola<br>British Virgin Islands |
| Attention: | Company Secretary |
| Fax: | +1 284 494 7279 |

With a copy to:

| | |
|---|---|
| Address: | Melco Crown Entertainment Limited<br>36/F, The Centrium<br>60 Wyndham Street<br>Central<br>Hong Kong SAR |
| Attention: | Ms. Stephanie Cheung, EVP & Chief Legal Officer |
| Fax: | +852 2537 3618 |
| Telephone: | +852 2598 3600 |

**Golden Shareholder**

For and on behalf of
**STUDIO CITY HOLDINGS FIVE LIMITED**

By: /s/ Janelle Maree Campbell
**JANELLE MAREE CAMPBELL**


Address: Studio City Investments Limited
Appleby Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Attention: Company Secretary

Fax: +1 284 494 7279

With a copy to:

Address: Melco Crown Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong SAR

Attention: Ms. Stephanie Cheung, EVP & Chief Legal Officer

Fax: +852 2537 3618

Telephone: +852 2598 3600

**The Security Agent**

For and on behalf of
**INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**

| By: /s/ Cheng, Wing Fai | By: /s/ Zheng Zhiguo |
|---|---|
| **CHENG, WING FAI** | **ZHENG ZHIGUO** |

For loan administration matters:

| | |
|---|---|
| Address: | 18/F, ICBC Tower, Macau Landmark<br>555 Avenida da Amizade<br>Macau |
| Attention: | Linda Chan / Chloe Wong |
| Telephone: | +853 8398 2227 |
| Fax: | +853 2858 4496 |

For credit matters:

| | |
|---|---|
| Address: | 24/F, ICBC Tower, Macau Landmark<br>555 Avenida da Amizade<br>Macau |
| Attention: | Wanny Lei / Alex Li |
| Telephone: | +853 8398 2723 / 8398 7313 |
| Fax: | +853 8398 2160 |

**The Agent**

For and on behalf of
**DEUTSCHE BANK AG, HONG KONG BRANCH**

| By: /s/ Bernardo Paiva Mourão | By: /s/ Hernâni Rouxinol |
| --- | --- |
| **BERNARDO PAIVA MOURÃO** | **HERNÂNI ROUXINOL** |


Address: 52/F, International Commerce Centre<br>1 Austin Road West<br>Kowloon

Attention: Trust and Securities Services

Telephone: +852 2203 7858

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**The POA Agent**

For and on behalf of
**INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**

By: /s/ Cheng, Wing Fai
**CHENG, WING FAI**

By: /s/ Zheng Zhiguo
**ZHENG ZHIGUO**

For loan administration matters:

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|---|---|
| Address: | 18/F, ICBC Tower, Macau Landmark<br>555 Avenida da Amizade<br>Macau |
| Attention: | Linda Chan / Chloe Wong |
| Telephone: | +853 8398 2227 |
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For credit matters:

| | |
|---|---|
| Address: | 24/F, ICBC Tower, Macau Landmark<br>555 Avenida da Amizade<br>Macau |
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Exhibit 10.10

EXECUTION VERSION

# MASTER SERVICES AGREEMENT

This Master Services Agreement (this "Agreement") is dated December 21, 2015 (the "Effective Date"), by and between the entities named in Schedule A-1 hereto (each a "Studio City Party" and collectively, "Studio City Parties"), on the one hand, and the entities named in Schedule A-2 hereto (each a "Melco Crown Party" and collectively, "Melco Crown Parties"), on the other hand. Capitalized terms used in this Agreement shall have the meanings set forth in this Agreement.

## PRELIMINARY STATEMENTS

A. Melco Crown Entertainment Limited ("MCE"), through its subsidiary MCE Cotai Investments Limited, owns a 60% equity interest in Studio City International Holdings Limited ("SCIH").

B. MCE is a developer, owner and operator of casino gaming and entertainment resort facilities in Asia and has experience in conducting gaming, hotel and related businesses.

C. SCIH is the developer, owner and operator of the Studio City project, a large- scale cinematically-themed integrated entertainment, retail and gaming resort which is expected to open on October 27, 2015 ("Studio City Complex"). The Studio City Complex, upon completion, will include gaming facilities, hotel offerings and various entertainment, retail and food and beverage outlets.

D. Certain aspects of the Studio City Complex are governed by the Services and Right to Use Agreement and neither this Agreement nor any Work Agreement (as defined below) is intended to modify, amend, alter or supersede in any manner the Services and Right to Use Agreement or apply to any of the matters covered by such agreement.

E. The Parties desire to enter into this Agreement to set out the terms and conditions that shall apply to certain services to be provided under the Work Agreements by (i) Melco Crown Parties to Studio City Parties and (ii) Studio City Parties to Melco Crown Parties, in each case on terms that are fair and beneficial to the party receiving such services and based on arms' length negotiations from a commercial perspective, as part of the ordinary course of their respective businesses and to secure access to the services that may be offered by a counterparty to this Agreement, on the terms and conditions set forth herein.

F. On the basis that the Melco Crown Parties are related parties of the Studio City Parties under the Related Party Transactions Policy and Procedures of SCIH, each of the Studio City Parties, including SCIH, has obtained the requisite internal approvals to enter into this Agreement, the Work Agreements (as defined below) dated as of the Effective Date (and as in effect as of the Effective Date) and any and all transactions to be undertaken under and in accordance with such Work Agreements in satisfaction of the requirements under the Shareholders Agreement (as defined below) and the Related Party Transactions Policy and Procedures of SCIH and will be required to obtain internal approvals in satisfaction of the requirements under the Shareholders Agreement and the Related Party Transactions Policy and Procedures of SCIH for additional Work Agreements or amendments to then existing Work Agreements or this Agreement to the extent the terms thereof so require.

## AGREEMENT

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

## ARTICLE 1
## DEFINED TERMS; USAGE

### 1.1 DEFINED TERMS

For the purposes of this Agreement, the following terms have the meanings specified in this Section 1.1:

"Additional Service" is defined in Section 2.1(c).

"Adjustment Documentation" is defined in Section 3.2(d).

"Affiliates" means a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the first-mentioned Person. For the purposes of this definition, "control" of a Party means the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through the ownership of voting securities, by contract or otherwise. For the purpose of this Agreement, (a) MCE and its subsidiaries (other than SCIH and its subsidiaries) shall not be regarded as Affiliates of SCIH and its subsidiaries and (b) SCIH and its subsidiaries shall not be regarded as Affiliates of MCE and its subsidiaries (other than SCIH and its subsidiaries).

"Agreed MSM Remedy" is defined in Section 3.2(e).

"Agreement" is defined in the preamble.

"Business Day" means any day other than a day, which is Saturday or Sunday, or other day on which commercial banks in Macau or Hong Kong are authorized or required to be closed.

"Change" is defined in Section 2.1(c)(i).

"Change Request" is defined in Section 2.1(c)(i).

"Confidential Information" is defined in Section 4.3(b).

"Damages" is defined in Section 6.1(a)(i).

"Disclosing Party" is defined in Section 4.3(a).

"Dispute" means any dispute, controversy, difference or claim arising out of or relating to (i) this Agreement or any Work Agreement (including the existence, validity, interpretation, performance, breach or termination thereof), (ii) matters involving a decision to be made by a Studio City Party whether or not to terminate this Agreement or any Work Agreement (or any portion thereof) or (iii) matters involving a decision to be made by a Studio City Party whether or not to bring a claim under this Agreement or any Work Agreement.

"Due Date" is defined in Section 3.2(b).

"Effective Date" is defined in the preamble.

"Fees" is defined in Section 3.1(a).

"Financier" is defined in Section 4.3(c).

"Financing" is defined in Section 7.7.

"Force Majeure Event" means any event that is beyond the reasonable control of a Party whose performance is prevented, hindered, limited or delayed by such event, including death, fire, explosion, equipment failure (other than any equipment failure that could have been prevented through prudent and appropriate routine maintenance), action of the natural elements, riot, war, acts of terrorism, shortages or unavailability of transportation or raw materials, changes in laws or regulations, orders or decrees and similar events beyond the reasonable control of such Party.

"Group" means the MCE Group or the SCIH Group, as the context requires.

"HKIAC" is defined in Section 7.10(b).

"Indemnified Party" is defined in Section 6.1(b).

"Indemnifying Party" is defined in Section 6.1(b).

"Intellectual Property" means all trademarks, service marks, trade names, trade dress, copyrights, trade secrets, slogans, advertisements, promotions, proprietary information (including, without limitation, customer lists, marketing strategies and other similar information) and know-how relating to operating methods, procedures and policies, inventions (whether patentable or not), software and all object and source code versions thereof and all related documentation, flow charts, and user/service/operating manuals, and any other intangible right protectable under any applicable Law.

"Item Projected Amount" means the amount for a line item for the applicable period set forth in the MSM.

"Key Studio City Entities" means entities which own and control the Studio City Complex and other facilities which are material for purposes of sustaining operations of the Studio City Complex as a whole and the gaming areas in particular.

"Law" means any laws, ordinances, rules, regulations, permits, licenses and certificates, orders, judgments, and decrees of courts and governmental bodies of competent jurisdiction.

"Lien" means any mortgage, pledge, lien, security interest, conditional or installment sale agreement, option, right of first refusal, restriction, extraction, imposition, charge or other claims of third parties of any kind of nature.

"MCE" is defined in the recitals.

"MCE Change of Control Event" means the occurrence of any of the following:

(i) MCE does not directly, or indirectly through one or more interposed entities, own and control SCIH as conclusively determined by holding a majority of the voting power of SCIH or having the right to appoint a majority of the board of directors or similar governing body of SCIH, and

(ii) MCE does not directly, or indirectly through one or more interposed entities, own and control the Key Studio City Entities, with ownership and control in each instance being conclusively determined by holding a majority of the voting power in or having the right to appoint a majority of the board of directors or similar governing body of the relevant Key Studio City Entity, provided that, in the event any of the foregoing entities (or all or substantially all of such entity's assets) is sold, transferred or otherwise disposed of, directly or indirectly, to a third party while such entity is directly or indirectly under MCE control (other than in connection with any action taken by a lender to enforce any Lien against such entity or such entity's assets or the entities through which MCE directly or indirectly holds the Key Studio City Entities or their assets), such entity shall no longer be deemed to be a Key Studio City Entity, and

(iii) any lender has taken any action to foreclose on or enforce any Lien against a Studio City Party, Key Studio City Entity or any such interposed entities or their assets which prevents MCE from exercising any such power or right in clause (i) or (ii) or the result of which is that MCE is fundamentally deprived of ownership or control over SCIH, any Key Studio City Entity or any interposed entities or their assets, which assets are material for purposes of sustaining operations of the Studio City Complex as a whole and the gaming areas in particular or the exercise of any such powers or right.

"MCE Group" means MCE and any Affiliate of MCE.

"MCE Personnel" means any employees, agents or other personnel of MCE or any other member of the MCE Group that perform work in connection with any Melco Crown Services.

"MCE Resorts" means the hotel resort complexes majority owned and operated by MCE and its subsidiaries from time to time in Macau, but excluding Studio City Complex.

"Melco Crown Party" and "Melco Crown Parties" are defined in the preamble.

"Melco Crown Service" and "Melco Crown Services" are defined in Section 2.1(a).

"Melco Crown's Intellectual Property" is defined in Section 4.2(a).

"MSM" means the Master Services Model in the form attached hereto as Exhibit A, setting forth the projected amounts to be charged for Services hereunder for the relevant twelve (12) month period, as amended from time to time in accordance with this Agreement to reflect projected charges for subsequent twelve (12) month periods.

"Non-gaming Intellectual Property" means any Intellectual Property that does not constitute Operator's Intellectual Property under the Services and Right to Use Agreement.

"Parties" or "Party" means Melco Crown Parties, any Melco Crown Party, Studio City Parties or any Studio City Party, as applicable.

"Person" means an individual or an entity, including a corporation, share company, limited liability company, partnership, trust, association, governmental body or any other body with legal personality separate from its equity holders or members.

"Personnel" means MCE Personnel and/or SCIH Personnel, as the context requires.

"Proceeding" is defined in Section 6.1(b).

"Project Manager" is defined in Section 7.1.

"Quarterly Review Report" is defined in Section 3.2(f).

"Receiving Party" is defined in Section 4.3(a).

"SCIH" is defined in the recitals.

"SCIH Group" means SCIH and any Affiliate of SCIH.

"SCIH Personnel" means any employees, agents or other personnel of SCIH or any other member of the SCIH Group that perform work in connection with any Studio City Services.

"SCIH Services" is defined in Section 2.1(a).

"Service" or "Services" means the Melco Crown Service(s) and/or the Studio City Service(s), as the context requires.

"Service Modification" is defined in Section 2.1(c).

"Service Provider" means the Party who is to provide a Service.

"Service Recipient" means the Party who is to receive a Service.

"Services Charge Schedule" is defined in Section 3.2(c).

"Services and Right to Use Agreement" means the services and right to use agreement by and among Studio City Entertainment Limited and Melco Crown (Macau) Limited, dated May 11, 2007, as supplemented on 15 June 2014 and thereafter amended.

"Shareholders Agreement" means the Shareholders' Agreement by and among MCE Cotai Investments Limited, New Cotai, LLC, MCE and SCIH (formerly Cyber One Agents Limited) dated July 27, 2011, as heretofore and hereafter amended.

"Significant Contested Item" means a charge contained in a Services Charge Schedule that deviates from the Item Projected Amount by 10% or more, which the Party being charged notifies the other Party in writing that it is a Significant Contested Item.

"Studio City's Intellectual Property" is defined in Section 4.2(a).

"Studio City Party" and "Studio City Parties are defined in the preamble.

"Studio City Complex" is defined in the recitals.

"Studio City Service" and "Studio City Services" are defined in Section 2.1(a).

"Term" is defined in Section 5.1.

"Third Party Service Provider" means any subcontractor or agent of any Melco Crown Party or any Studio City Party who is engaged by such Melco Crown Party or Studio City Party to provide Services hereunder.

"Transition Period" is defined in Section Section 5.4.

"Work Agreement" is defined in Section 2.1(a).

**1.2 USAGE; GENERAL RULES OF CONSTRUCTION**

Any reference in this Agreement to an "Article," "Section" or "Schedule" refers to the corresponding Article or Section to this Agreement or to the applicable Work Agreement or an Article or Section thereof, unless the context indicates otherwise. The headings of Articles and Sections are provided for convenience only and will not affect the construction or interpretation of this Agreement. All words used in this Agreement should be construed to be of such gender or number as the circumstances require. The terms "include" and "including" indicate examples of a foregoing general statement and not a limitation on that general statement. "Herein", "hereof" and "hereto" are references to this Agreement. Any definition of or reference to any law, agreement, instrument or other document herein will be construed as referring to such law, agreement, instrument or other document as from time to time amended, supplemented or otherwise modified. Any definition of or reference to any statute will be construed as referring also to any rules and regulations promulgated thereunder. Any reference to a Party refers to such Party and its successors and permitted assigns.

## ARTICLE 2
## SERVICES

### 2.1 SERVICES

(a) **Provision of Services**. During the Term and subject hereto, (1) the relevant Melco Crown Party or Melco Crown Parties that enters or enter into a Work Agreement will provide or cause one or more members of the MCE Group to provide to one or more members of the SCIH Group the services set forth in such Work Agreement (each a "Melco Crown Service" and collectively, the "Melco Crown Services"), and (2) the relevant Studio City Party or Studio City Parties that enters or enter into a Work Agreement will provide or cause one or more members of the SCIH Group to provide to one or more members of the MCE Group the services set forth in such Work Agreement (each a "Studio City Service" and collectively, the "Studio City Services"). Each Work Agreement shall (A) be signed by the relevant Melco Crown Parties and relevant Studio City Parties, (B) include the applicable terms and details of Services as set forth in Schedule B and (C) except as specifically provided therein, be deemed to incorporate all of the terms and conditions set forth herein ("Work Agreement"). Each Work Agreement shall, to the extent applicable, contain:

(i) a description of the project and the services to be performed or resources or assets to be provided (and any relevant specifications and/or service levels);

(ii) a description of the tasks to be performed;

(iii) a description of the deliverables, if any, to be produced (and any applicable acceptance/rejection procedures and/or criteria);

(iv) the term and schedule for completion of each deliverable and/or stage of the project (and any applicable milestones);

(v) the fees to be paid, the basis of fee calculation and a schedule for payment;

(vi) any additional terms and conditions applicable to the services to be performed due to the specific nature thereof; and

(vii) the conditions of termination of all or any portion of such Work Agreement.

For the avoidance of doubt, the Services to be provided shall only be those Services that the parties specifically agree to and which are set forth in a Work Agreement, together with any tasks not specifically described in a Work Agreement but that are inherent in, or necessarily required for the provision of the Services described in such Work Agreement (which shall be deemed included within the Services as if specifically described in such Work Agreement). If there is any conflict between the terms of the body of this Agreement and any Work Agreement, the terms of this Agreement will prevail, unless the Work Agreement explicitly states that it is intended to supersede the body of this Agreement.

Notwithstanding the above, each Party agrees and acknowledges that each Work Agreement (A) will be a separate contract and agreement made by and between the relevant Service Provider and Service Recipient for the project, services, tasks, resources, assets and/or deliverables to be provided and/or performed under such Work Agreement, and (B) will not form a part of, relate to or depend on any other Work Agreement (unless otherwise expressly provided for in any Work Agreement).

For the avoidance of doubt, no individual Service may be charged by Service Provider to Service Recipient under more than one Work Agreement or under any Work Agreement and under the Services and Right to Use Agreement.

(b) **Standard of Care; Quality.** Each Service Provider will deliver or cause to be delivered the Services that they are obligated to provide under each relevant Work Agreement to the relevant Service Recipient:

(i) in accordance with this Agreement, the reasonable instructions of the Service Recipient that are consistent with and within the scope of this Agreement and the relevant Work Agreement, and applicable Law;

(ii) in a timely, diligent and workmanlike manner;

(iii) with at least the equivalent degree of (and, in any event, no less than a reasonable degree of) effort, care and skill in providing the Services to Service Recipient as is applied, if applicable, in work done by the applicable Service Provider or member of its Group at or for other MCE Group operated properties or businesses; and

(iv) as otherwise specifically set forth in a Work Agreement.

(c) **Service Modifications and Additional Services.** Except as otherwise provided in a Work Agreement and, to the extent applicable, subject to Recital F of this Agreement, during the Term, the Parties to a Work Agreement may, in accordance with the procedures specified in this Section 2.1(c): (i) agree in writing to modify the terms and conditions relating to the performance of or payment for a previously agreed-upon Service to reflect, among other things, new procedures, processes or other methods of providing such Service (a "Service Modification") or (ii) agree in writing upon terms and conditions relating to the provision of services that are in addition to any of the previously agreed-upon Services (an "Additional Service").

(i) Change Requests. If either Party to a Work Agreement desires a Service Modification or an Additional Service (in each case, a "Change"), the Party requesting the Change will deliver a written description of the proposed Change (a "Change Request") to the other Party as follows: (a) in the case of a Change Request by any Melco Crown Party, to Studio City Parties' Project Manager; and (b) in the case of a Change Request by any Studio City Party, to Melco Crown Parties' Project Manager.

(ii) Meeting of the Parties. Unless the Party receiving the Change Request agrees to implement the Change Request as proposed, the Project Manager of each Party to the relevant Work Agreement will meet in person or by telephone or correspond via email to discuss the Change Request no later than ten (10) Business Days after delivery of the Change Request to the other Party. Each Party shall consider any Change Request in good faith.

(iii) Approval of Service Recipient Change Requests. All Change Requests that are requested by a Service Recipient must be approved by the Service Provider's Project Manager in writing before the Change may be implemented in accordance with Section 2.1(c)(v) below. Such consent may be withheld in the sole and absolute discretion of the Service Provider with respect to any Change Request for an Additional Service. Such consent may not be unreasonably withheld, conditioned or delayed by Service Provider with respect to any Change Request for a Service Modification; provided, however, the Parties agree that the Service Provider may condition such consent on the Service Recipient agreeing to (i) bear any increases in the Service Provider's cost of performance resulting from such Change and (ii) reimburse the Service Provider for all reasonable documented out-of-pocket costs and expenses incurred by it as a result of the implementation of such Change.

(iv) Approval of Service Provider Change Requests. All Change Requests that are requested by a Service Provider must be approved by the Service Recipient's Project Manager in writing before the Change may be implemented in accordance with Section 2.1(c)(v) below. Such consent may be withheld in the sole and absolute discretion of the Service Recipient with respect to any Change Request for an Additional Service. Such consent may not be unreasonably withheld, conditioned or delayed by Service Recipient with respect to any Change Request for a Service Modification; provided, however, the Parties agree that the Service Recipient may condition such consent on the Service Provider agreeing (i) not to pass to the Service Recipient any increases in the Service Provider's cost of performance resulting from such Change, and (ii) to reimburse the Service Recipient for all reasonable documented out-of- pocket costs and expenses incurred by it as a result of the implementation of such Change.

(v) Implementation of Approved Change. If a Change Request is approved in accordance with this Section 2.1(c), then the applicable Work Agreement, and the definition of the Services, will be amended in accordance with Section 7.5 below as agreed by the Parties to reflect the implementation of the Change Request and any other agreed-upon terms or conditions relating to the Change.

(d) **Personnel.** Except as provided in a Work Agreement, MCE will have the sole and exclusive responsibility for MCE Personnel and SCIH will have the sole and exclusive responsibility for SCIH Personnel, including but not limited to responsibility for employment, supervision, direction and discharge of such Personnel and the payment of any and all compensation, necessary insurance for employees under applicable Law, employee benefits and other employment-related charges, liabilities, taxes and deductions with respect to such Personnel.

(e) **Termination of Work Agreement.** Each Work Agreement (and any Service contemplated thereby) shall terminate as provided in such Work Agreement or Section 5.2.

(f) **Books and Records**. During the Term and for three (3) years thereafter (or such longer period required by applicable Law), each Service Provider shall keep books and records of the Services provided and commercially reasonable supporting documentation of all charges

and expenses incurred in providing such Services and of all Fees and shall produce written records that verify the dates and times during which all Services were performed and the calculation of all Fees. During the Term and for three (3) years thereafter (or such longer period required by applicable Law), each Service Provider shall make such books and records available to the Service Recipient (or its designee), upon reasonable advanced written notice, during normal business hours, for audit and inspection (including the right to make copies thereof at Service Recipient's cost).

(g) **Subcontractors**. Each Service Provider shall be permitted to engage any Third Party Service Providers to perform any or all of their obligations under a Work Agreement without the prior written consent of the Service Recipient (to the extent consistent with such Service Provider's use of Third Party Service Providers at MCE Resorts (in case of Melco Crown Parties being the Service Provider) or Studio City Complex (in case of Studio City Parties being the Service Provider). To the extent the Service Provider uses any Third Party Service Providers for any purpose, such Service Provider shall in all cases remain primarily liable for the acts and omissions of such Third Party Service Providers and shall remain primarily responsible for all of its obligations hereunder with respect to the scope of the Services, the manner in which such Services are performed as set forth in Section 2.1 hereof and the content of the Services provided to the Service Recipient.

(h) **Exclusive Remedy**. Except as provided in Sections 6.1 and 6.3, if either Party breaches its obligations under Sections 2.1(a) or 2.1(b), the other Party's exclusive remedy will be to:

(a) require the breaching party to perform or re-perform the relevant Services should the non-breaching Party reasonably determine that performance or re-performance of the associated Services is commercially practicable; and/or

(b) receive a refund from the breaching Party of any Fees (as defined below) paid for the relevant Services should the non-breaching Party reasonably determine that performance or re-performance of the associated Services is not commercially practicable or would not sufficiently compensate for the harm caused by the breach (as applicable).

Notwithstanding the foregoing, if the breach results from or otherwise involves bad faith, gross negligence or willful misconduct of the breaching Party, then the limitation of remedies in this Section 2.1(h) shall not apply.

## 2.2 OTHER RESPONSIBILITIES

**General Obligations**. The Service Recipient will be responsible for providing to Service Provider all reasonably necessary input and other information in Service Recipient's possession or control in such format and level of detail requested by the Service Provider and that is reasonably necessary to allow the Service Provider to provide the Services requested (other than to the extent the applicable Work Agreement specifically provides that Service Provider is responsible to provide such input and other information). If the Service Recipient fails to comply with this Section 2.2, the Service Provider will be relieved of its obligations under Sections 2.1(a) and 2.1(b), as appropriate, solely to the extent such failure renders performance of the Services or the achievement of such standards described in such Sections impractical, impossible or economically not feasible. Service Provider will use commercially reasonable efforts to promptly notify Service Recipient in writing of any such failures.

## ARTICLE 3
## PAYMENT

### 3.1 FEES

(a) The Service Provider shall invoice the Service Recipient for fees and reasonable documented out-of-pocket expenses due pursuant to the payment schedule set forth in the applicable Work Agreement ("Fees"). Unless otherwise agreed in writing, the method of billing and payment is electronic and via bank remittance.

(b) To the extent not otherwise provided for in a Work Agreement, each of the Service Provider and the Service Recipient shall bear its own costs and out-of-pocket expenses incurred by it in connection with the provision and receipt of the relevant Services, including reasonable travel, lodging and meal expenses, mileage, copy costs, supplies, telecommunication charges and third party costs and expenses.

### 3.2 PAYMENTS / BILLING DISPUTES

(a) **Invoices**. To the extent not otherwise specified in a Work Agreement (or a purchase order thereunder), a Service Provider will use its reasonable efforts to issue an invoice to the relevant Service Recipient for the Services provided to such Service Recipient within twenty (20) days of the end of the month during which such Service was delivered or provided. Service Provider will, upon request, forward a copy of such invoice issued by it to the Project Manager of Studio City Parties.

(b) **Payment Terms**. To the extent not otherwise specified in a Work Agreement, all invoices issued by Service Providers in accordance herewith and the applicable Work Agreement will be payable within ten (10) days after the delivery of the invoice as set forth in Section 3.2(a) (the "Due Date"). All payments shall be made in Hong Kong or U.S. dollars or Macau patacas, as specified in the invoice to an account or accounts designated by the relevant Service Provider from time to time, or as set forth in the Work Agreement or by way of set-off if agreed by the Service Provider and the Service Recipient.

(c) **Services Charge Schedule**. Project Manager of Melco Crown Parties will prepare a monthly schedule (a "Services Charge Schedule"), setting forth a summary of all invoices issued by Melco Crown Parties or Studio City Parties, as the case may be, during the prior month. The Services Charge Schedule will set forth in reasonable detail a description of the Services provided by Melco Crown Parties or Studio City Parties, as the case may be, which must specify, at a minimum:

(i) the Work Agreement under which such Services were performed;

(ii) the name of Service Recipient, the date on which such Services were performed;

(iii) the date of the relevant purchase order and delivery (if applicable);

(iv) the amounts payable or paid therefor;

(v) the invoice numbers for the Services; and

(vi) reasonably detailed supporting documentation and calculations relevant to the amounts shown on the Services Charge Schedule.

The Project Manager of Melco Crown Parties shall provide a copy of the Services Charge Schedule to the Project Manager of the Studio City Parties no later than twenty (20) Business Days after the end of each month.

(d) **Monthly Review Process**. At the request of either Project Manager, within ten (10) Business Days after the delivery of a Services Charge Schedule, the Project Managers shall meet in person or by telephone to review the Services Charge Schedule and attempt in good faith to respond to any queries and resolve any disputes. If, based on such review process, the Project Managers agree that an adjustment should be made to an invoiced amount, an adjustment invoice for such adjustment shall be issued and signed by each of the Project Managers (the "Adjustment Documentation"). Such Adjustment Documentation shall be delivered to the relevant Service Recipient and Service Provider. The amount set forth in the Adjustment Documentation shall be paid within ten (10) days after the delivery thereof. Details of such Adjustment Documentation shall be included in the quarterly report for the relevant quarter as set out in Section 3.2(f). Any disputes (other than Significant Contested Items) not resolved in the monthly review process shall be addressed in the quarterly review process described below; provided, however, that any disputes shall not entitle the Service Recipient to withhold payment of any amounts invoiced unless such withheld amount (i) is being contested in good faith and (ii) is no greater than the amount in excess of the applicable amounts determined by reference to the MSM.

(e) **Significant Contested Items.** Notwithstanding sub-paragraph (d) above, in the event a Service Recipient identifies a Significant Contested Item within thirty (30) days after delivery of the Services Charge Schedule, the Service Provider's Project Manager shall, upon being notified of such item, prepare and submit a written report setting out any good faith justifications for the relevant charge or deviation from the MSM. After consideration of the report in good faith, the Service Recipient may request a meeting of the Project Managers of MCE Group and SCIH Group and such other representatives of the Service Provider as reasonably appropriate in order to consider if any concerns with the delivery, pricing, allocation methodology, quality or efficiency of the relevant Services need to be addressed. The Parties shall meet in good faith to address any such concerns and if the Parties agree that any such concerns need to be addressed, the Parties shall work together in good faith to attempt to remedy such concerns as soon as practicable, including adjusting charges or providing credits or refunds for Services if appropriate. In case of any adjustments, credits, refunds or any other remedy agreed to be made by the Parties ("Agreed MSM Remedy"), each Party shall prepare a report setting forth the Agreed MSM Remedy in reasonable detail, which must include, at a minimum, the Significant Contested Item, the monetary adjustment to be made pursuant to the Agreed MSM Remedy and the date and procedures for effecting such adjustment. Such report shall be included in the relevant Quarterly Review Report and reviewed during the quarterly review process described in Section 3.2(f). If the Parties are unable to agree on any of the foregoing within 30 days after delivery of the Services Charge Schedule, such disputes shall be resolved as set forth in Section 7.10.

(f) **Quarterly Review Process**. Within forty-five (45) days after the end of each calendar quarter, the Project Manager of Melco Crown Parties shall prepare and deliver a statement to the Chief Financial Officer of SCIH setting forth in reasonable detail a consolidated description of the Services performed by both Parties during the quarter, the date the Services were performed, the amounts payable and paid therefor and reasonable supporting documents (to the extent not provided with the relevant monthly Services Charge Schedule) (the "Quarterly Review Report"). The Quarterly Review Report shall also include a description of any adjustment made pursuant to the monthly review process described in Section 3.2(d), which must specify, at a minimum, the Work Agreement under which such adjustment was made, the name of Service Recipient, the amounts adjusted and the original invoice number for the Service (as applicable) and include any Adjustment Documentation and report any Agreed MSM Remedy. Within ten (10) Business Days after delivery of the Quarterly Review Report to the Chief Financial Officer of SCIH, the Project Managers will meet to review and determine any adjustments, credits or refunds that may be appropriate and agree to update the MSM to the extent necessary to reflect any changes to the business or the market. If the Parties are unable to agree on any of the foregoing within thirty (30) days after the delivery of the Quarterly Review Report, such disputes shall be resolved as set forth in Section 7.10.

(g) **Settlement of Disputed Charges**. Any disputed charges that are ultimately determined through the dispute resolution procedures set forth in this Section 3.2 or Section 7.10 to be invalid, shall, (i) if payment has already been made, be paid back or credited by the billing Party to the Service Recipient within five (5) Business Days after such determination is made, and (ii) if payment is due and has not already been made, be paid by the Service Recipient to the billing Party within five (5) Business Days after such determination is made.

## ARTICLE 4
## ADDITIONAL COVENANTS

### 4.1 RELATIONSHIP BETWEEN THE PARTIES

Each Melco Crown Party is deemed an independent contractor hired to provide the relevant Melco Crown Services, and each Studio City Party is deemed an independent contractor hired to provide the relevant Studio City Services. This Agreement does not constitute, create, give effect to or make either Party or any of its Group members agents, employees, franchisees, joint venturers, legal representatives or partners of the other Party or any of the members of its Group, and each Party will not and will cause the members of its Group not to represent otherwise to a third party. No employees, subcontractors or representatives of any member of either Party's Group will be deemed to be employees, subcontractors or representatives of the other Party or any member of the other Party's Group.

**4.2 INTELLECTUAL PROPERTY**

(a) Subject to Section 4.2(b) and applicable Law, any Non-gaming Intellectual Property developed by Melco Crown Parties for use solely in connection with the provision of the Melco Crown Services or developed by any Studio City Parties for use in connection with the Studio City business ("Studio City's Intellectual Property"), provided that all customer data as to the non-gaming aspects of the Studio City business compiled or created (i) by the Melco Crown Parties, arising from or related to their provision of the Melco Crown Services, or (ii) by or on behalf of the Studio City Parties, shall constitute Studio City's Intellectual Property. Melco Crown Parties shall not use any such Studio City's Intellectual Property other than in connection with the performance of their obligations under this Agreement and any Work Agreement.

(b) Except as provided in Section 4.2(a), the following shall remain the property of Melco Crown Parties: (i) any previously developed and existing Intellectual Property of Melco Crown Parties, (ii) any improvements to, derivations of, modifications to, or derivative works of any Intellectual Property developed by Melco Crown Parties, (iii) any unique and proprietary processes or other Intellectual Property developed and/or utilized by Melco Crown Parties that is not developed solely for use in connection with the provision of Melco Crown Services (whether or not utilized in the performance of the Melco Crown Services), and (iv) subject to applicable Law, any Intellectual Property developed by Studio City Parties solely for Melco Crown Parties in relation to the Studio City Services (collectively, "Melco Crown's Intellectual Property"). Except as provided in any Work Agreement, Melco Crown Parties and their Affiliates shall not be required hereunder to grant access to or share with Studio City Parties or use for the benefit of Studio City Parties Melco Crown's Intellectual Property. None of the provisions set out in Sections 4.2(a) and 4.2(b) shall amend, modify or alter the intellectual property provisions of the Services and Right to Use Agreement.

(c) Melco Crown Parties acknowledge and agree that Studio City Parties are the sole and exclusive owner of Studio City's Intellectual Property and that Studio City Parties shall retain all right, title and interest in, to and under Studio City's Intellectual Property. Melco Crown Parties shall not in any way or manner represent to others that they own or have any ownership rights in Studio City's Intellectual Property. Melco Crown Parties shall not apply for registration of any of Studio City's Intellectual Property and any other mark, name, word or symbol that is confusingly similar to or a variation of same. Melco Crown Parties shall not make any use of Studio City's Intellectual Property or any word or term that is confusingly similar thereto, in any manner, written, oral, or electronic, on the Internet as a domain name, or otherwise, without the express prior written consent of Studio City Parties. Melco Crown Parties agree and acknowledge that any and all goodwill accruing or arising from their past, present and future use of Studio City's Intellectual Property shall be for the sole benefit of Studio City Parties or their licensees.

(d) Studio City Parties acknowledge and agree that Melco Crown Parties are the sole and exclusive owner of Melco Crown's Intellectual Property and that Melco Crown Parties shall retain all right, title and interest in, to and under Melco Crown's Intellectual Property. Studio City Parties shall not in any way or manner represent to others that they own or have any ownership rights in Melco Crown's Intellectual Property. Studio City Parties shall not apply for

registration of any of Melco Crown's Intellectual Property and any other mark, name, word or symbol that is confusingly similar to or a variation of same. Studio City Parties shall not make any use of Melco Crown's Intellectual Property or any word or term that is confusingly similar thereto, in any manner, written, oral, or electronic, on the Internet as a domain name, or otherwise, without the express prior written consent of Melco Crown Parties. Studio City Parties agree and acknowledge that any and all goodwill accruing or arising from their past, present and future use of Melco Crown's Intellectual Property shall be for the sole benefit of Melco Crown Parties or their licensees.

**4.3 CONFIDENTIALITY**

(a) **General**. Each of MCE Group and SCIH Group (in each case, as applicable, the "Receiving Party") will maintain all Confidential Information of the other (the "Disclosing Party") in strict confidence, and the Receiving Party will disclose such Confidential Information only as authorized under this Agreement or a Work Agreement or as otherwise authorized in writing by the Disclosing Party. The Receiving Party shall only use such Confidential Information for the purpose of providing and receiving the Services or exercising any rights or remedies hereunder or under any Work Agreement, including:

(i) with respect to Service Provider, performing the Services hereunder for Service Recipient in accordance with the terms hereof; and

(ii) with respect to Service Recipient, receiving and enjoying the benefits of the Services.

The Receiving Party further agrees to take the same care with the Disclosing Party's Confidential Information as it does with its own, but in no event less than a reasonable degree of care.

(b) **Definition of Confidential Information**. For the purposes of this Agreement, "Confidential Information" means the following types of information and other information of a similar nature of the Disclosing Party, whether set forth in writing, disclosed or made available by the Disclosing Party's representatives orally or in any other manner (or with respect to which the Receiving Party is provided access to the information by the Disclosing Party in connection with the Services or this Agreement), to the extent designated in writing by the Disclosing Party as "confidential" or would otherwise reasonably be expected to be treated as confidential due to the nature thereof:

(i) all non-public information and material of or relating to the Disclosing Party and its Affiliates (and of or relating to companies with which the Disclosing Party or its Affiliates has entered into confidentiality agreements or has other confidentiality obligations) which the Receiving Party obtains knowledge of or access to;

(ii) non-public Intellectual Property of the Disclosing Party which the Receiving Party or its agent, employee or representative, obtains knowledge of or access to;

(iii) business and financial information of the Disclosing Party including pricing, business plans, forecasts, revenues, expenses, earnings projections, sales data and any and all other non-public financial information which the Receiving Party or its agent, employee or representative obtains knowledge of or access to;

(iv) the terms and conditions of this Agreement; and

(v) the terms and conditions of the Work Agreements.

(c) **Exceptions**. Notwithstanding any of the foregoing, Confidential Information does not include information which:

(i) has been made generally available to the public (other than by acts of the Receiving Party or its Affiliates or their respective employees, attorneys, agents, consultants, advisors or representatives in violation of this Agreement or any other duty of confidentiality to the Disclosing Party by which they are bound);

(ii) becomes available to the Receiving Party on a non-confidential basis from a source other than the Disclosing Party, provided that the source of such information was not known by the Receiving Party to be bound by a confidentiality agreement or other confidentiality obligations to the Disclosing Party in respect of such Confidential Information;

(iii) was within the possession of the Receiving Party prior to its being furnished to the Receiving Party by or on behalf of the Disclosing Party;

(iv) becomes available or known to the MCE Group as a service provider under the Services and Right to Use Agreement or a shareholder of SCIH (which such information shall be governed by the terms of the Services and Right to Use Agreement or the Shareholders Agreement, as applicable); or

(v) is independently developed by the Receiving Party or one of its employees, attorneys, agents, consultants, advisors or representatives without reference to or use of the Confidential Information.

Notwithstanding anything to the contrary herein, neither the Receiving Party nor any of its employees, attorneys, agents, consultants, advisors or representatives shall be precluded from disclosing Confidential Information:

(1) to its Affiliates, representatives and advisors on a need-to-know basis, in accordance with Section 4.3(d) hereof, or as permitted by the Shareholders Agreement,

(2) pursuant to the order of any court or administrative agency,

(3) as required by any applicable Law, including any regulation or requirement imposed by any applicable stock exchange or listing authority,

(4) upon the request or demand of any regulatory authority having jurisdiction over such Person or any of its Affiliates; provided that, in the case of the foregoing (2), (3) and (4), to the extent legally permissible, such Receiving Party shall provide the Disclosing Party with prompt notice of such request, demand or requirement in order to enable the Disclosing Party to

seek an appropriate protective order or other remedy (and if the Disclosing Party seeks such an order, the Receiving Party shall provide such cooperation as the Disclosing Party may reasonably request (at the sole cost and expense of the Disclosing Party), to consult with the Disclosing Party with respect to the Disclosing Party taking steps to resist or narrow the scope of such request, demand or legal process), or to waive compliance, in whole or in part, with the terms of this Section 4.3; provided, further that, in the event that such protective order or other remedy is not obtained, or that the Disclosing Party waives compliance, in whole or in part, with the terms of this Section 4.3, the Receiving Party shall disclose only that portion of the Disclosing Party's Confidential Information which such Receiving Party is advised by counsel as legally required to be disclosed and shall use commercially reasonable efforts to ensure that all of the Disclosing Party's Confidential Information so disclosed will be accorded confidential treatment,

(5) to any prospective purchaser of, or investor in, any or all of the assets, stock or the business of the Receiving Party or any of its subsidiaries, or to any current or prospective financier or any agent and/or trustee acting on their behalf (each a "Financier") to the Receiving Party or any of its subsidiaries, provided that such Person executes and delivers a confidentiality agreement (or has previously executed and delivered a confidentiality agreement that remains in effect) containing obligations of confidentiality that are at least as protective, in all material respects, of the Disclosing Party's Confidential Information as those set forth in this Section 4.3,

(6) to any Financier of a Receiving Party or any of its subsidiaries under financing arrangements that are in place on the Effective Date to the extent that such Financier is subject to a customary duty of confidentiality to the Receiving Party and/or one of its subsidiaries in respect of such Confidential Information, or

(7) as otherwise set forth herein.

(d) **Receiving Party Personnel**. The Receiving Party will limit access to the Confidential Information of the Disclosing Party to those Affiliates, employees and contractors having a need to know such information in order to exercise or perform the Receiving Party's rights and obligations under this Agreement and the Work Agreements and subject to confidentiality obligations (or, with respect to third party contractors, written confidentiality agreements containing obligations of confidentiality) that are at least as protective, in all material respects, of the Disclosing Party's Confidential Information as those set forth in Section 4.3.

(e) **No Implied License**. Without limiting the provisions of Section 4.2, no license or conveyance of any rights to any Intellectual Property is granted to the Receiving Party by the disclosure of Confidential Information pursuant to this Agreement or the Work Agreements.

(f) **Survival**. The obligations contained in this Section 4.3 will survive the termination or expiration of this Agreement in perpetuity; provided, however, that notwithstanding the foregoing, all Confidential Information also received or disclosed pursuant to any other agreement between any member of the MCE Group and any member of the SCIH Group will be governed by the confidentiality provision of any such agreement, to the extent applicable.

## 4.4 AUDIT ASSISTANCE

If either Party is subject to (i) a request from or audit by a governmental authority, standards organization or (ii) legal or arbitration proceedings in which such Party requests access to or an audit of books, records, documents or accounting practices and procedures pursuant to applicable Law, standards or contract provisions and such examination or audit relates to the Services, the other Party will provide (at sole cost and expense of the requesting Party) all reasonable assistance requested by the Party that is subject to the audit or proceedings in responding to such audits, requests for information, or legal or arbitration proceedings, to the extent that such assistance or information is (a) within the reasonable control of the cooperating Party and (b) related to the Services; provided that such assistance and provision of information shall be subject to the terms of Section 4.3.

# ARTICLE 5
# TERM AND TERMINATION; TRANSITION

## 5.1 TERM

This Agreement will commence on the Effective Date and shall terminate upon the earliest of: (a) any termination pursuant to Section 5.2; and (b) June 26, 2022, unless renewed or extended by mutual agreement of the Parties in writing (such term of this Agreement, the “Term”).

## 5.2 TERMINATION

This Agreement: (a) may be terminated by mutual agreement of Parties in writing; (b) shall automatically terminate if the Services and Right to Use Agreement is terminated in accordance with its terms; (c) may be terminated by any Party upon thirty (30) days prior written notice if all Work Agreements have been terminated and are no longer in effect; (d) may be terminated by Melco Crown Parties upon (i) the material breach by a Studio City Party of this Agreement which remains uncured after thirty (30) days of written notice provided by Melco Crown Parties of such breach or (ii) upon any MCE Change of Control Event; and/or (e) may be terminated by Studio City Parties upon the material breach by a Melco Crown Party of this Agreement which remains uncured after thirty (30) days of written notice provided by Studio City Parties of such breach. Upon the termination of this Agreement in accordance herewith, all of the Work Agreements shall automatically terminate.

## 5.3 EFFECT OF TERMINATION

(a) General. If this Agreement is terminated pursuant to Sections 5.1 or 5.2, all of the Parties’ obligations hereunder and under the Work Agreements will terminate, except that, in any event, Sections 1, 2.1(f) (for the time period set forth therein), 4.2, 4.3, 4.4, 5.4 (for the Transition Period), and 7.2 through 7.12, as well as Article 6, and this Section 5.3, will survive and the Parties’ rights to pursue all legal remedies for breaches of this Agreement will survive unimpaired. Following expiration or termination of this Agreement, each Party remains responsible for paying to the other Party all accrued but unpaid Fees through the date of termination, in accordance with Section 3.2. The termination of this Agreement will not be deemed to be an election of remedies by a terminating Party.

(b) Payment. All accrued and unpaid Fees for the Services shall be due and payable upon termination of this Agreement or particular Work Agreement with respect to such Services.

**5.4 TRANSITION**

In connection with (a) the termination of this Agreement and/or any Work Agreement (or portion thereof), for a period commencing on the date of the relevant termination notice and ending on the relevant date of termination of this Agreement or the relevant Work Agreement, or

(b) the expiration of this Agreement and/or any Work Agreement (or portion thereof), for the period commencing six months prior to the end of Term until the end of the Term, as the case may be, (the period specified in (a) and (b) above, the "Transition Period"), at the request of Service Recipient, Service Provider shall (and shall use its commercially reasonable efforts to cause its third-party vendors to) assist and cooperate and work together with Service Recipient to assist in the transition of the performance of such terminated Services or similar services by Service Recipient or by a third party engaged by Service Recipient to perform such Services or similar services; provided, however, that the Transition Period shall be extended, if additional time for transitioning of the performance of such terminated Services is reasonably required by the Service Recipient, by a number of days (in no circumstances to exceed 180 days) sufficient for such transitioning to be completed to the reasonable satisfaction of the Service Recipient (such extended period, the "Post-Termination Transition Period"), and only to the extent that (i) the Post Termination Transaction Period does not exceed 180 days nor extend beyond June 26, 2022; (ii) Service Recipient uses and continues to use all commercially reasonable endeavors to expedite the completion of such transitioning; and (iii) the transition services to be provided do not cause incremental interference to Service Provider's business operations and are structured (as between the Service Provider and Service Recipient, each acting in good faith) in such a manner as to cause no incremental commercial risk or loss to the Service Provider, in each case as compared to such interference, risk or loss faced by Service Provider during the Term. Without limiting the foregoing, during the Transition Period, Service Provider shall:

(a) make available on a timely basis to Service Recipient all information and materials reasonably requested by Service Recipient about the Services and the information technology systems used in connection with the provision of such Services and deliver to Service Recipient such documents, records and information as are reasonably requested by Service Recipient, but excluding any such items that constitute Melco Crown's Intellectual Property (if the Service Provider is one or more of the Melco Crown Parties) or Studio City's Intellectual Property (if the Service Provider is one or more of the Studio City Parties);

(b) make reasonably available to Service Recipient (x) any Personnel of Service Provider (or any member of its Group) to answer questions that Service Recipient may have regarding the terminated Services or management and operation of its business and properties in relation to the terminated Services, and (y) any information technology systems of Service Provider (or any member of its Group) reasonably necessary to continue to manage and operate the Studio City Complex in relation to the terminated Services in substantially the same manner and functionality as prior to such termination;

(c) comply with any specific termination or transition provisions under any applicable Work Agreement; and

(d) reasonably cooperate with Service Recipient, at Service Recipient's request, to assist in the development and installation of hardware and software systems as are reasonably necessary to continue to manage and operate its business and properties in relation to the terminated Services in substantially the same manner and functionality as prior to such termination; provided, however, that this obligation shall not include cooperation or assistance in the development and installation of any gaming-related hardware or software systems.

Immediately upon the termination or expiration of this Agreement or any applicable Work Agreement, Service Provider shall promptly deliver to Service Recipient copies of any and all documents, records and information in Service Provider's possession relating to the terminated or expired Service and owned by Service Recipient or to which Service Recipient is otherwise entitled pursuant to this Agreement or the applicable Work Agreement, other than any such items that constitute Melco Crown's Intellectual Property (if the Service Provider is one or more of the Melco Crown Parties) or Studio City's Intellectual Property (if the Service Provider is one or more of the Studio City Parties).

Service Recipient will reimburse Service Provider for any reasonable and documented out of pocket costs and expenses incurred by Service Provider, and with respect to Personnel of the Service Provider, any reasonable labor and employment costs, in providing the foregoing transition services within ten (10) days after being invoiced therefor.

During the portion of any Transition Period that is prior to the expiration or termination of this Agreement or any Work Agreement (or portion thereof), the provisions of this Section 5.4 shall be in addition to, and not in substitution of, all other obligations under this Agreement and the relevant Work Agreement, including, without duplication, the obligations of Service Recipient to pay for the Services.

## ARTICLE 6
## INDEMNIFICATION; WARRANTIES; LIMITATION OF LIABILITY

### 6.1 INDEMNIFICATION

(a) **Indemnity**.

(i) Each Party shall indemnify and hold harmless the other Party and its Affiliates, and their respective employees, agents, officers and directors, from any and all liabilities, losses, damages, charges, deficiencies, fines, penalties, and costs and expenses (including, to the extent payable to a third party, special, exemplary, punitive and consequential damages, and reasonable legal fees, advisory and consulting fees and expenses and reasonable documented out-of-pocket costs of investigation and litigation of claims) (collectively, "Damages") arising from any third-party claims, demands or complaints against the other Party as a result of or relating to such indemnifying Party's (or its Affiliate's) (1) breach of this Agreement (including any representations herein) or any Work Agreement, or (2) violation of applicable Law.

(ii) Service Provider shall indemnify and hold harmless Service Recipient and its Affiliates, and their respective employees, agents, officers and directors, from any and all Damages arising from (1) any claim, demand or complaint by or on behalf of a subcontractor of

Service Provider, Third Party Service Provider or Service Provider Personnel, or (2) any third- party claim, demand or complaint that the Services or deliverables provided by Service Provider or any Third Party Service Provider, or Service Recipient's use thereof infringes or constitutes a misappropriation or other violation of the Intellectual Property rights of any Person (including pursuant to Section 4.2).

(b) **Indemnity Procedures**. If any claim or action is asserted against a party entitled to an indemnity hereunder (as applicable, the "Indemnified Party") that would entitle such Indemnified Party to indemnification pursuant to this Section 6.1 (a "Proceeding"), the Indemnified Party will give prompt written notice thereof to the other Party ("Indemnifying Party"); provided, however, that the failure of any Indemnified Party to give timely notice hereunder will not affect its rights to indemnification hereunder, except to the extent that such failure actually prejudices the Indemnifying Party's ability to defend against such Proceeding. The Indemnifying Party may elect to direct the defense or settlement of any such Proceeding by giving written notice to the Indemnified Party, which election will be effective immediately upon receipt by the Indemnified Party of such written notice of election. The Indemnifying Party will have the right to employ counsel to defend any such Proceeding, or to compromise, settle or otherwise dispose of the same, if the Indemnifying Party deems it advisable to do so, all at the expense of the Indemnifying Party; provided that the Indemnifying Party will not settle, or consent to any entry of judgment in, any Proceeding without obtaining either: (i) an unconditional release of the Indemnified Party from all liability with respect to all claims underlying such Proceeding; or (ii) the prior written consent of the Indemnified Party (not to be unreasonably withheld, conditioned or delayed). An Indemnified Party will not settle, or consent to any entry of judgment, in any Proceeding without obtaining the prior written consent of the Indemnifying Party. Each Indemnifying Party and Indemnified Party will fully cooperate with each other in any such Proceeding and will make available to each other any books or records useful for the defense of any such Proceeding. Notwithstanding the foregoing, in any event, the Indemnified Party shall have the right to (x) participate in the defense and/or settlement of any Proceeding with its own counsel at its own expense, or (y) control, pay or settle any Proceeding which the Indemnifying Party shall have undertaken to defend so long as the Indemnified Party shall also waive any right to indemnification therefor by the Indemnifying Party.

**6.2 WARRANTIES; DISCLAIMER**

Except as expressly set forth herein or in any Work Agreement, no Party makes any warranty in connection with the subject matter of this Agreement or any Work Agreement and each Party hereby disclaims any and all implied or statutory warranties, including all implied warranties of title, merchantability, non-infringement and fitness for a particular purpose regarding such subject matter. To the extent the relevant Service Provider or Service Recipient may not as a matter of applicable Law disclaim any implied warranty, the scope and duration of such warranty will be the minimum permitted under such law.

**6.3 LIMITATION ON LIABILITY**

(a) **Consequential and Other Damages**. No Party shall be liable, whether contractually or extra-contractually or otherwise, for any special, indirect or consequential damages whatsoever which in any way arise out of, are related to, or are a consequence of, its

performance or nonperformance hereunder, or the provision of or failure to provide any service hereunder, including indirect loss of profits. The foregoing limitations do not apply to third- party claims that are subject to indemnification under Section 6.1 or any damages resulting from a breach by such Party of Section 4.3.

(b) **Liability Cap**. The aggregate liability of the relevant Party with respect to this Agreement or Work Agreement (other than with respect to the Service Recipient's obligation to pay fees) or in connection with the performance, delivery or provision of any Service under the Work Agreement shall be limited to the fees paid or charged under the relevant Work Agreement; provided, however, that the foregoing limitation of liability under this Section 6.3(b) shall not apply to (i) a breach by such Party of Section 4.3, or (ii) such Party's bad faith, gross negligence, willful misconduct or willful infringement of any rights in respect of Intellectual Property in connection with the performance, delivery or provision of the relevant Service by such Party (including Section 4.2).

**6.4 INSURANCE**

Each Party, at its sole cost, will maintain insurance coverage as described in Schedule C with insurance companies having a minimum current A.M. Best rating of A, S&P rating of A- or as otherwise reasonably acceptable to the other Party, with coverage in amounts customary for the size and nature of the Parties' businesses. Except as otherwise provided in the relevant Work Agreements, all costs and deductible amounts will be for the sole account of the insuring Party and its subcontractors and agents.

**6.5 LICENSES AND PERMITS**

Each Party represents that it has obtained or, at its sole cost and expense, will obtain any authorization or permit required by applicable Law to conduct its business and to perform the Services it is performing. Each Party will cooperate with each other, at the expense of the Party who is required to obtain any authorization or permit, in obtaining such authorization or permit.

## ARTICLE 7
## GENERAL PROVISIONS

**7.1 PROJECT MANAGER**

Melco Crown Parties, on one hand, and Studio City Parties, on the other hand, will each appoint at least one project manager (a "Project Manager") to facilitate communications and performance under this Agreement during the Term. Each Party may treat an act of a Project Manager of the other Party as being authorized by such Party without inquiring behind such act or ascertaining whether such Project Manager had authority to so act. As of the Effective Date, Melco Crown Parties' Project Managers shall be the individuals named in Part 1 of Schedule D; and Studio City Parties' Project Managers shall be the individuals named in Part 2 of Schedule D. Each Party will have the right at any time and from time to time to replace its Project Manager(s) by giving notice in writing to the other Party setting forth the name(s) of the Project Manager(s) to be replaced and the name(s) of the substituted Project Manager(s).

**7.2 NOTICES**

All notices, consents, waivers and other communications under this Agreement must be in writing and will be deemed given to a Party when (a) delivered to the appropriate address by hand or by nationally recognized overnight courier service (costs prepaid), (b) sent by facsimile or e-mail with confirmation of transmission by the transmitting equipment, or (c) received by the addressee, if sent by certified mail, return receipt requested, in each case to the following addresses, facsimile numbers or e-mail addresses and marked to the attention of the individual (by name or title) designated below (or to such other address, facsimile number, e-mail address or individual as a Party may designate by written notice to the other Party):

If to Melco Crown Parties:

c/o: Melco Crown Entertainment Limited

City of Dreams, Estrada do Istmo, Cotai, Macau
Attention: Project Manager
Fax: +853 88673232
E-mail: jcampbell@cod-macau.com

with copies to:

Melco Crown (Macau) Limited
1/F unit A1, Flower City Building, 199-207 Rua de Évora, Taipa, Macau
Attention: Inês Antunes
Fax: +853 88673232
E-Mail: inesantunes@melco-crown.com

If to Studio City Parties:

Studio City, Estrada do Istmo, Cotai, Macau
Attention: Project Manager
Fax: +853 88677366
E-mail: timnauss@sc-macau.com

with copies to:

Melco Crown (Macau) Limited
1/F unit A1, Flower City Building, 199-207 Rua de Évora, Taipa, Macau
Attention: Inês Antunes
Fax: +853 88673232
E-Mail: inesantunes@melco-crown.com

### 7.3 FORCE MAJEURE EVENT

Neither Party will be liable or deemed to be in breach of this Agreement or the Work Agreements for failure, hindrance, limitation or delay of performance caused wholly or partly by a Force Majeure Event as long as the Party whose performance is affected by the Force Majeure Event notifies the other Party as promptly as practicable thereof and takes commercially reasonable efforts to overcome it and resume performance hereunder as soon as possible. For the avoidance of doubt, the foregoing sentence shall not apply to any failure or delay of performance of any payment obligation. If a Party's performance is affected by a Force Majeure Event, the time for that Party's performance will be extended or, as appropriate, suspended for the duration of the Force Majeure Event without liability, except as otherwise provided in this Agreement. Each Service Provider shall treat the Service Recipient in the same manner as any other recipient for the affected Services (or similar services), if any, in connection with the resumption of performance. During the period of a Force Majeure Event affecting performance by a Service Provider of any Service(s), the Service Recipient (a) shall be relieved of the obligation to pay Fees for such Services(s) throughout the duration of such Force Majeure Event, (b) shall be entitled to seek an alternative service provider with respect to such Service(s), and (c) shall be entitled to permanently terminate the relevant Work Agreement (or, if less than an entire Work Agreement is affected, the affected portions thereof) if a Force Majeure Event shall continue to exist for more than sixty (60) consecutive days, provided that the Service Recipient shall provide written notice of such termination to the Service Provider. Except as specifically provided for in respect of a Force Majeure Event, the foregoing shall not affect any other rights of the Service Recipient to terminate this Agreement or all or any portion of any Work Agreement.

### 7.4 FURTHER ACTIONS

Upon the reasonable request of a Party, the other Party will (a) furnish to the requesting Party any additional information, (b) execute and deliver, at its own expense, any other documents and (c) take any other reasonable actions as the requesting Party may reasonably require, reasonably required to carry out the terms of this Agreement and the Work Agreements.

### 7.5 ENTIRE AGREEMENT AND MODIFICATION

This Agreement and the Work Agreements supersede all prior agreements between the Parties with respect to their subject matter, and constitute a complete and exclusive statement of the terms of the agreement between the Parties with respect to their subject matter. This Agreement and the Work Agreements may not be amended, supplemented or otherwise modified except in a written document executed by the Parties. Notwithstanding the foregoing, neither this Agreement nor any Work Agreement shall modify, amend, alter or supersede in any way the Services and Right to Use Agreement or the Shareholders Agreement.

### 7.6 SEVERABILITY

If a court of competent jurisdiction or arbitral tribunal holds any provision of this Agreement or any Work Agreement invalid or unenforceable, the other provisions of this Agreement and each Work Agreement will remain in full force and effect. Any provision of this Agreement or any Work Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

### 7.7 ASSIGNMENT; SUCCESSORS; NO THIRD-PARTY RIGHTS

Except as provided herein or in any relevant Work Agreement, no Party may assign any of its rights or delegate any of its obligations under this Agreement or the Work Agreements without the prior written consent of the other Party; provided, however, that, for the purposes of a Party securing financing, the proceeds of which will be used for such Party's properties and businesses (a "Financing"), or complying with the terms of any Financing that exists as of the Effective Date, a Party may pledge or grant a security interest in this Agreement and the Work Agreements to a Financier which provides such Financing without the other Party's consent; provided, further, however, that no Financier shall be required to assume the obligations of a Party under this Agreement or a Work Agreement (but may do so if it so elects), unless and until that Financier has exercised remedies under such security interest such that it becomes the counterparty to this Agreement or the relevant Work Agreement(s), in which event it shall be required to assume the obligations of such Party under this Agreement and the relevant Work Agreement(s) from and after the date thereof and the other provisions thereof.

### 7.8 JOINT AND SEVERAL LIABILITY

Each Melco Crown Party and each Studio City Party executing this Agreement agrees that it shall be jointly and severally liable for the payment of all amounts payable by Melco Crown Parties and Studio City Parties (respectively) hereunder and under any Work Agreement.

### 7.9 WAIVER

The rights and remedies of the Parties are cumulative and not alternative. Neither any failure nor any delay by either Party in exercising any right, power or privilege under this Agreement or any of the documents referred to in this Agreement will operate as a waiver of such right, power or privilege, and no single or partial exercise of any such right, power or privilege will preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege.

### 7.10 RESOLUTION OF DISPUTES

(a) The Parties will cooperate in good faith and use commercially reasonable efforts to amicably resolve any Disputes. All Disputes shall be governed by the process set forth below:

(i) after each Quarterly Review, the SCIH Project Manager shall prepare a report on all unresolved Disputes to the SCIH Board of Directors (the "SCIH Board"), for discussion in the relevant quarterly meeting of the SCIH Board;

(ii) if, during any calendar quarter, there is an unresolved Dispute, or group of related unresolved Disputes, that involves less than US$3 million, and will not, with the passage of time and continuation of Services in accordance with past practice, exceed US$3 million in any calendar year, the SCIH Board, by a simple majority, shall have the sole authority to decide on the appropriate resolution of the unresolved Dispute(s);

(iii) if, during any calendar quarter, there is an unresolved Dispute, or group of related unresolved Disputes, that involves US$3 million or more, but less than US$8 million, or that, with the passage of time and continuation of Services in accordance with past practice will amount to US$3 million or more, but less than US$8 million, in any calendar year, the matter shall be referred to the Conflict Committee of SCIH, which, by a simple majority, shall have the sole authority to decide on the appropriate resolution of the unresolved Dispute(s);

(iv) if, during any calendar quarter, there is an unresolved Dispute or group of related unresolved Disputes that involves US$8 million or more, or that with the passage of time and continuation of Services in accordance with past practice will amount to US$8 million or more in any calendar year, the SCIH Board meeting and decision process will be as follows:

(A) before the relevant quarterly meeting of the SCIH Board, each member of the SCIH Board shall raise and discuss the unresolved Disputes with the relevant shareholder of SCIH whom the member is representing; and

(B) during the relevant quarterly meeting of the SCIH Board, if the unresolved Disputes cannot be resolved unanimously by the SCIH Board, the SCIH Board shall refer the unresolved Dispute(s) to the shareholders of SCIH for resolution; and

(v) If the SCIH Shareholders fail to resolve the unresolved Dispute(s) within thirty Business Days after such Board meeting, SCIH, or the applicable Studio City Party, if so directed by the SCIH Board member representing the disinterested shareholder within 120 days after such Board meeting shall refer such unresolved Dispute(s) to arbitration, with one arbitrator for Dispute(s) of US$8 million and less than US$15 million and with three arbitrators for Dispute(s) of US$15 million or more, in accordance with the provisions of Section 7.10(b).

(vi) If the SCIH Board members representing disinterested shareholders fail to refer an unresolved Dispute(s) to arbitration, within such 120 day period, then the issue(s) shall be resolved in favor of the applicable Melco Crown Party.

(vii) Upon referral of a Dispute to arbitration, any actions taken by SCIH in connection solely with respect to such arbitration shall be as determined by the SCIH Board members representing disinterested shareholders. For the avoidance of doubt, the provision in this Subsection 7.10(a)(vii) applies only to matters undertaken in connection with the arbitration proceedings and does not extend to other matters under this Agreement or any Work Agreement.

(b) In the event any Dispute(s) are to be arbitrated pursuant to Agreement, the Disputes shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre ("HKIAC") under the HKIAC Administered Arbitration Rules in force at the time the Notice of Arbitration is submitted. The law of this arbitration clause shall be Hong Kong law. The seat of the arbitration shall be in Hong Kong. Unless otherwise agreed by the Parties, the appointment of such arbitrator or arbitrators shall be made by the HKIAC. The arbitrator or arbitrators shall be entitled to engage financial or other experts to the extent reasonably necessary to assist them in reaching their decision regarding the dispute. The

arbitration proceedings shall be conducted in English. The arbitral tribunal and the Parties may by agreement hold hearings in any location convenient to the arbitral tribunal and the Parties, including by teleconference and videoconference; in the absence of such agreement, hearings will be held in Hong Kong. When any Dispute occurs and when any Dispute referred to arbitration, except for the matters in dispute, the Parties shall continue to fulfill their respective obligations, and shall be entitled to exercise their respective rights under this Agreement or the relevant Work Agreement.

(c) In the event of any such arbitration, members of the MCE Group, in addition to presenting arguments as a Service Provider or Service Recipient, may also present, and the arbitrator(s) shall take into consideration, arguments as an equity holder of SCIH, as to why the Melco Crown Party's position is in the best interest of SCIH and the Studio City Parties.

(d) The cost of any arbitration shall be borne equally by the applicable Studio City Party and the applicable Melco Crown Party.

**7.11 INJUNCTIVE RELIEF; SPECIFIC PERFORMANCE**

Each Party acknowledges and agrees that the other Party may be damaged irreparably if certain terms of this Agreement (including the Work Agreements) are not performed in accordance with their specific terms and that any breach of any of such Sections by the other Party may not be adequately compensated in all cases by monetary damages alone. Accordingly, each Party agrees that, in addition to any other right or remedy to which the other Party may be entitled, at law or in equity, it will be entitled to seek, through arbitration or in a court of competent jurisdiction, specific performance, temporary, preliminary and permanent injunctive relief, and other interim measures or preliminary orders to prevent breaches or threatened breaches of any such provisions.

**7.12 GOVERNING LAW**

This Agreement will be governed by and construed under the laws of Hong Kong without regard to conflicts of laws principles that would require the application of any other law.

**7.13 NON-EXCLUSIVITY**

This Agreement is non-exclusive and either Party may contract with other parties for the procurement or sale of comparable services; provided, however, that any such arrangement shall not relieve such Party from paying Fees or from performing its obligations under the terms of any Work Agreement.

**7.14 TIME IS OF THE ESSENCE**

The Parties agree time is of the essence and that the timing of performance of the Services set forth in the applicable Work Agreements are material terms of this Agreement.

**7.15 COUNTERPARTS**

This Agreement and the Work Agreements may be executed in two or more counterparts and by facsimile, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

**7.16 ACCESSION**

Any subsidiary of any Party to this Agreement may accede to this Agreement after the date hereof by executing a supplemental agreement in the form attached hereto as Exhibit B, countersigned by MPEL Services Limited and Studio City Services Limited.

*[The remainder of this page is intentionally blank.]*

The parties have executed and delivered this Agreement as of the date indicated in the first sentence of this Agreement.

**Studio City International Holdings Limited**

By: /s/ Timothy Green NAUSS
Name: Timothy Green NAUSS
Title: Property CFO

**Studio City Ventures Limited**

By: /s/ Timothy Green NAUSS
Name: Timothy Green NAUSS
Title: Property CFO

**Studio City Entertainment Limited**

By: /s/ Timothy Green NAUSS
Name: Timothy Green NAUSS
Title: Property CFO

**Studio City Services Limited**

By: /s/ Timothy Green NAUSS
Name: Timothy Green NAUSS
Title: Property CFO

**Studio City Hotels Limited**

By: /s/ Timothy Green NAUSS
Name: Timothy Green NAUSS
Title: Property CFO

**Studio City Developments Limited**

By: /s/ Timothy Green NAUSS
Name: Timothy Green NAUSS
Title: Property CFO

**Studio City Retail Services Limited**

By: /s/ Timothy Green NAUSS
Name: Timothy Green NAUSS
Title: Property CFO

[Signature Page to Master Services Agreement]

**MPEL Services Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**Melco Crown (COD) Hotels Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**Melco Crown (COD) Developments Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**Altira Hotel Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**COD Theatre Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**Melco Crown COD (GH) Hotel Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**Melco Crown (COD) Retail Services Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**Altira Developments Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**Melco Crown (Macau) Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**Golden Future (Management Services) Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

[Signature Page to Master Services Agreement]

**MPEL Properties (Macau) Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**Melco Crown Hospitality and Services Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**Melco Crown Security Services Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**Melco Crown COD (HR) Hotel Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**Melco Crown COD (CT) Hotel Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**MCE Travel Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**MCE Transportation Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

**MCE Transportation Two Limited**

By: /s/ CHUNG, Yuk Man
Name: CHUNG, Yuk Man
Title: Director

[Signature Page to Master Services Agreement]

## EXHIBIT A

### Master Services Model

**MCE / Studio City**
**Master Services Model**

| W.A. No. | Nature of Services | Estimate to be Charged (USD '000) 1 Nov 2015 to 31 Dec 2015 | 2016 | Notes |
|---|---|---|---|---|
| **1** | **Sale of purchase of FFE, Inventory & Supplies** | | | |
| | FFE | | | Adhoc. Individual transactions are subject to advance approval of the Studio City CFO ("SC CFO"). Not possible to estimate dollar value. |
| | Inventory & Supplies | | | Adhoc. Transactions are at cost plus 5% or Fair Market Value if item is over 2 years old and has a unit cost greater than 10,000 MOP. |
| **2** | **Corporate Services** | | | |
| | Corporate Fee | 5,000 | 40,000 | |
| | Senior Vice Presidents | 612 | 3,400 | |
| **3** | **Pay-as-used Corporate Charges** | | | |
| | Audit and taxation advisory fees | 191 | 821 | |
| | Insurance | 1,219 | 5,401 | |
| | Legal | 1,032 | 1,512 | |
| | Other | | | Adhoc. |
| **4** | **Operational / Property Shared Services (Non-Gaming)** | | | |
| | **Charges by MCE Group to Studio City** | 409 | 2,178 | |
| | Marketing | | | |
| | F&B Senior Management & Admin | 99 | 564 | |
| | Retail Senior Management & Admin | 24 | 126 | |
| | Hotel Senior Management & Admin | — | — | |
| | Sales | 207 | 1,057 | |
| | Entertainment Projects | 151 | 861 | |
| | Mall Development | 76 | 430 | |
| | Fitness Centre | 14 | 84 | |

| | | | | |
|---|---|---|---|---|
| | Finance (Financial Planning and Analysis, Project & Fixed Assets, Non-Gaming Control, General Ledger and Tax, Accounts Payable) | 836 | 4,655 | |
| | Entertainment Technology | 1,192 | 7,153 | |
| | Human Resources – Macau | 49 | 200 | |
| | IT Services | 896 | 4,433 | |
| | Contact Centre | 603 | 3,241 | |
| | Office Usage Charge for all above departments | 1,787 | 10,717 | |
| | Retention Bonus & Annual Bonus for all above departments | 1,541 | 8,381 | |
| | Dedicated Operational Services | 41,121 | 246,813 | |
| | Visitor Agent Services | 50 | 600 | |
| | **Charges by SC Group to MCE** | | | |
| | Studio City Office Charge to MCE | 138 | 829 | |
| | SC Vacant Office Credit | 267 | 1,602 | |
| **5** | **Shared Limo Services - MCE Fleet** | | | |
| | Transportation / Limo - Payroll | 638 | 3,479 | |
| | Transportation / Limo - Vehicle Costs | 121 | 724 | |
| **6** | **Aviation Charges** | | | |
| | Helicopter | | | Adhoc and per price schedule |
| | Jet | | | Adhoc and subject to prior approval by the SC CFO. |
| **7** | **Collection & Payment Services** | — | — | Services are provided by each party free of charge. |
| **8** | **Shared Limo Services - SC Fleet** | — | — | No services to be rendered under this Work Agreement at this time |

**EXHIBIT B**

**Supplemental Agreement**

_____________, a_____________, by execution hereof, agrees to be bound by the terms of the Agreement among_____________and_____________, dated as of_____________, 2015, as subsidiary of [a Melco Crown Party / a Studio City Party] (as such term is defined therein).

Dated: ______________________________

______________________________

By: ______________________________

Acknowledged and Agreed:

______________________________

By: ______________________________

______________________________

By: ______________________________

**SCHEDULE A-1**

**List of Studio City Parties**

- Studio City International Holdings Limited
- Studio City Entertainment Limited
- Studio City Hotels Limited
- Studio City Retail Services Limited
- Studio City Developments Limited
- Studio City Ventures Limited
- Studio City Services Limited

**SCHEDULE A-2**

**List of Melco Crown Parties**

- Melco Crown (COD) Hotels Limited
- Melco Crown (COD) Developments Limited
- Altira Hotel Limited
- COD Theatre Limited
- Melco Crown COD (GH) Hotel Limited
- Melco Crown (COD) Retail Services Limited
- Altira Developments Limited
- Melco Crown (Macau) Limited
- MPEL Services Limited
- Golden Future (Management Services) Limited
- MPEL Properties (Macau) Limited
- Melco Crown Hospitality and Services Limited
- Melco Crown Security Services Limited
- Melco Crown COD (HR) Hotel Limited
- Melco Crown COD (CT) Hotel Limited
- MCE Travel Limited
- MCE Transportation Limited
- MCE Transportation Two Limited

## SCHEDULE B

### Items for Inclusion in Each Work Agreement to the Extent Applicable

1. Project name
2. Work Agreement number
3. Date of Work Agreement
4. Names of Service Recipient(s) and Service Provider(s)
5. Description of Services, including:
    a. Services to be performed under this Work Agreement
    b. Location (as applicable) at which Services are being performed
6. Service requirements, including:
    a. Scope of the project for which the Service Provider(s) will provide Services (as applicable)
    b. Tasks to carry out the scope of the project;
    c. Specific timelines for performance of the works as well as milestones (as applicable)
7. Delivery requirements (as applicable), including:
    a. Frequency and timing of the delivery
    b. Location at which the deliverables are to be delivered
8. Term, including:
    a. Work Agreement commencement and completion dates
    b. Renewal of the term, as applicable
    c. Milestones, as applicable
9. Compensation terms, including:
    a. Fees applicable to the Services being provided
    b. Method of payment, as applicable
    c. Invoicing procedures, as applicable
10. Purchase orders, as applicable
11. Termination provisions, as applicable
    a. Grounds for termination
    b. Consequences of termination

## SCHEDULE C

**Schedule of Insurance Coverage**

1. Property Damage
2. Third Party Liability
3. Any other legally-required insurances, including (but not limited to) employee compensation and motor third party liability insurances

# SCHEDULE D

## Project Managers

***Part 1. Melco Crown Parties' Project Managers:***

Janelle Campbell, Senior Vice President, Finance (Macau)

***Part 2. Studio City Parties' Project Managers:***

Tim Nauss, Property CFO

**Exhibit 10.11**

**EXECUTION VERSION**

**Work Agreement #1**

PROJECT NAME: Sale and Purchase of FFE, Inventory and Supplies

WORK AGREEMENT ("Work Agreement") #: 1

This Work Agreement is entered into by and between Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Retail Services Limited, Studio City Developments Limited, Studio City Ventures Limited and Studio City Services Limited (each a "Studio City WA1 Party" and collectively, the "Studio City WA1 Parties"), on the one hand, and Melco Crown (COD) Hotels Limited, Melco Crown (COD) Developments Limited, Altira Hotel Limited, COD Theatre Limited, Melco Crown COD (GH) Hotel Limited, Melco Crown (COD) Retail Services Limited, Altira Developments Limited, Melco Crown (Macau) Limited, MPEL Services Limited, Golden Future (Management Services) Limited and MPEL Properties (Macau) Limited (each a "Melco Crown WA1 Party" and collectively, the "Melco Crown WA1 Parties"), on the other hand. All of the terms and conditions of the Master Services Agreement, dated December 21, 2015, as amended from time to time (the "Master Services Agreement"), by and between Studio City Parties (as defined therein) and Melco Crown Parties (as defined therein) are deemed to be incorporated in this Work Agreement.

---

## 1. DEFINITIONS

For the purposes of this Work Agreement, the following terms shall have the meanings specified in this Section 1:

"Commencement Date" shall mean the date of execution of this Work Agreement.

"Delivered Goods" is defined in Section 3.3.

"FFE" shall mean, per IFRS, items that are capitalized to property, plant and equipment, including fixtures, furniture, furnishings and equipment together with all replacements therefor and additions thereto, but shall not include Inventory and Supplies.

"IFRS" shall mean international accounting standards within the meaning of IAS Regulation 1606/2002.

"Inventory and Supplies" shall mean inventory and stock in trade, per IFRS, including (but not limited to) (i) items purchased for resale or use in the production of items for sale;

(ii) spare parts used for repairs and maintenance; (iii) items purchased for the resort loyalty club for patron redemption with points; and (iv) food and beverage items from specialist kitchens, but excluding FFE.

"Ongoing Inventory Arrangement" means an arrangement by which Service Provider maintains a central stock of any Inventory and Supplies items which may be provided to Service Recipient on an ongoing basis pursuant to a Purchase Order made in accordance with Section 7.

"Parties" or "Party" means Melco Crown WA1 Parties, any Melco Crown WA1 Party, Studio City WA1 Parties or any Studio City WA1 Party, as applicable.

"Provider Cost" shall mean 105% of the out of pocket costs and expenses (including any currency and foreign exchange costs) incurred or paid by the Service Provider or Service Recipient, as the case may be, in obtaining the relevant FFE and/or Inventory and Supplies to be resold to the other Party under the relevant Purchase Order pursuant to this Work Agreement.

"Purchase Order" shall mean the document specifying the FFE, Inventory and Supplies to be provided by the relevant Service Provider pursuant to this Work Agreement, in the form attached hereto as Appendix A or Appendix B (as applicable) or such form (which may be in computer generated form) as agreed by the Project Managers of each Party.

"Quality Standard" shall mean the standard of FFE, Inventory and Supplies maintained at such other hotel resorts in Macau, with a hotel rating comparable to the applicable Studio City hotel.

"Rejected Goods" is defined in Section 3.3.

"Services" means the services described in Section 2 hereof.

"Usage Arrangements" has meaning in Section 2.1 hereof.

Capitalized terms not defined herein shall have the meaning set forth in the Master Services Agreement.

## 2. SERVICES

2.1 Subject to the terms of Section 3 below, each of the Melco Crown WA1 Parties and the Studio City WA1 Parties, in each case acting as a Service Provider, may, from time to time (a) sell FFE, Inventory and Supplies to or (b) lease to or permit the use of its FFE by on a short term basis, not to exceed one (1) month ("Usage Arrangements") the Studio City WA1 Parties (in case of the Melco Crown WA1 Parties acting as Service Provider) or the Melco Crown WA1 Parties (in case of the Studio City WA1 Parties acting as Service Provider), as the case may be, as Service Recipients.

## 3. REQUIREMENTS

3.1 Subject to agreement by both Service Provider and Service Recipient on the terms of a Purchase Order, Service Provider shall sell such FFE, Inventory and Supplies to Service Recipient and Service Recipient shall purchase from Service Provider, based on the type, quality and amount as required by Service Recipient pursuant to the relevant Purchase Order; provided, however, that such FFE, Inventory and Supplies shall generally meet the Quality Standard. The Parties agree that all Purchase Orders issued pursuant to this Section 3.1 shall be deemed to incorporate the following terms and conditions:

**(a) Delivery:**

(i) Service Provider will confirm an estimated delivery date to Service Recipient at the time of Service Provider's acceptance of the Purchase Order. Delivery times are approximate and based upon conditions at the time of acceptance of the Purchase Order. Service Provider will use all commercially reasonable efforts to meet the delivery date(s) as quoted, but will not be liable for any failure to meet such date(s). Partial shipments may be made.

(ii) Unless otherwise specified in an accepted Purchase Order, Service Provider shall deliver the (as the case may be) FFE, Inventory and/or Supplies to Service Recipient at Service Recipient's premises, whereupon title to and all risk of loss, damage to or destruction of the relevant FFE and/or Inventory and Supplies shall pass to Service Recipient.

(iii) Service Provider's delivery of FFE and/or Inventory and Supplies to Service Recipient shall constitute Service Recipient's acceptance of such FFE and/or Inventory and Supplies. Upon receipt, Service Recipient shall visually inspect the FFE and/or Inventory and Supplies for any obvious physical damage and shall immediately notify Service Provider of the same upon discovery of any such damage.

**(b) Purchase Price and Payment:**

(i) Service Provider will use all reasonable efforts to deliver an invoice for the FFE and/or Inventory and Supplies (which shall be consistent with the purchase price set forth in the Purchase Order plus any applicable sales and use taxes) upon or after delivery thereof and Service Recipient shall pay the purchase prices set forth in the invoice for the FFE and/or Inventory and Supplies within ten (10) days after delivery of the invoice for the FFE and/or Inventory and Supplies pursuant to the terms set forth therein, *provided* that failure to issue an invoice within such period shall not excuse any Party from its payment obligations hereunder following receipt of such invoice.

(ii) All pricing set forth in the relevant Purchase Order is inclusive of common ground transportation charges but exclusive of applicable sales/use taxes, if any.

3.2 Service Provider may provide usage of FFE to Service Recipient pursuant to a Usage Arrangement, based on the type, quality and amount as required by Service Recipient (as applicable) pursuant to the relevant Purchase Order; *provided, however*, that such FFE shall generally meet the Quality Standard. The Parties agree that all Purchase Orders in respect of Usage Arrangements issued pursuant to this Section 3.2 shall be deemed to incorporate the following terms and conditions:

**(a) Delivery:**

(i) Service Provider will confirm an estimated delivery date to Service Recipient at the time of Service Provider's acceptance of the Purchase Order. Delivery times are approximate and based upon conditions at the time of acceptance of the Purchase Order. Service Provider will use all commercially reasonable efforts to meet the delivery date(s) as quoted, but will not be liable for any failure to meet such date(s). Partial shipments may be made.

(ii) Unless otherwise specified in an accepted Purchase Order, Service Provider shall deliver the FFE to Service Recipient at Service Recipient's premises, whereupon all risk of loss, damage to or destruction of the FFE shall pass to Service Recipient.

(iii) Service Provider's delivery of FFE to Service Recipient shall constitute Service Recipient's acceptance of such FFE in respect of the relevant Usage Arrangement. Upon receipt, Service Recipient shall visually inspect the FFE for any obvious physical damage and shall immediately notify Service Provider of the same upon discovery of any such damage.

**(b) Fee and Payment:**

(i) Service Provider will use all reasonable efforts to deliver an invoice in respect of the Usage Arrangement (which shall be consistent with the Purchase Order plus any applicable sales and use taxes) upon or after delivery thereof and Service Recipient shall pay the fee set forth in any such invoice within ten (10) days after delivery of the invoice for the Usage Arrangement for the FFE pursuant to the terms set forth therein *provided* that failure to issue an invoice within such period shall not excuse any Party from its payment obligations hereunder following receipt of such invoice.

(ii) All pricing set forth in the relevant Purchase Order or invoice, as applicable, shall be inclusive of common ground transportation charges but exclusive of applicable sales/use taxes, if any.

**(c) Return of FFE:**

(i) At the end of the term of the Usage Arrangement for any item of FFE, the Service Recipient shall return such item to the Service Provider.

(ii) The Service Recipient shall be responsible for any damage to the FFE while it is in its possession, ordinary wear and tear excepted, and shall pay the lessor for any such damage.

3.3 Service Recipient shall inspect, at its sole cost and expense, the FFE and/or Inventory and Supplies delivered pursuant hereto ("Delivered Goods") within five (5) days of receipt thereof and shall notify Service Provider in writing if (in Service Recipient's reasonable opinion) any such Delivered Goods do not meet the Quality Standard or are not fit for its intended purpose ("Rejected Goods"). Failure to inspect as agreed or to so notify Service Provider of defects during such period shall constitute acceptance of the Delivered Goods. Unless not required by Service Provider and at Service Provider's risk and expense, Rejected Goods shall be returned to Service Provider. Service Provider shall issue Service Recipient a credit for the costs of such Rejected Goods or replace or correct the Rejected Goods, at Service Recipient's election (acting reasonably).

## 4. DELIVERY REQUIREMENTS

4.1 Each Party in its capacity as Service Provider shall provide monthly reports to the Project Manager of Service Recipient of the sales and purchases and delivery status of the FFE and/or Inventory and Supplies that occur in the immediate preceding month within twenty (20) Business Days after the end of each month.

## 5. TERM

5.1 Subject to Section 8.1, this Work Agreement shall be effective as of the Commencement Date and shall continue (unless earlier terminated by the provisions hereof or the Master Services Agreement) until June 26, 2022.

## 6. COMPENSATION

6.1 Except as provided in Section 6.2 and Section 6.3, all Inventory and Supplies sold hereunder shall be at Provider Cost.

6.2 With respect to Inventory and Supplies which are being sold under this Work Agreement that have been held by Service Provider or its Affiliates for more than two years that have a per unit cost of more than ten thousand Patacas (MOP10,000), such Inventory and Supplies shall be sold at the then fair market value of such item, if such fair market value is readily ascertainable. If not readily ascertainable, then the transfer of the relevant item of Inventory and Supplies shall be subject to agreement on pricing between the Service Provider's Project Manager and the Service Recipient's Project Manager.

6.3 FFE shall be sold pursuant to one of the following methodologies, as elected by the Service Provider (acting reasonably):

(a) at Provider Cost;

(b) at Provider Cost, with "100%" substituted for "105%" in the definition thereof;

(c) at fair market value, if such fair market value is readily ascertainable;

(d) Provider Cost less depreciation (as determined under IFRS) based on the latest estimate of useful life; or

(e) replacement cost.

6.4 All Usage Arrangements shall be at a market rental rate agreed between the Parties. The Parties acknowledge that short term "lending" of minor FFE for periods of up to three (3) days are common between third party hotels and resorts for no fee and may by agreement be conducted between the Parties for no fee.

6.5 Billing and payment for the Services hereunder, including for the sales and purchases of FFE and/or Inventory and Supplies shall be governed by Section 3.2 of the Master Services Agreement.

## 7. PURCHASE ORDERS

7.1 Sales and purchases of FFE and/or Inventory and Supplies, and the usage of FFE, between Service Provider and Service Recipient shall be evidenced by Purchase Orders or by a transfer document produced by the procurement and inventory system utilized by the Parties, all of which will be governed by the terms of this Work Agreement.

7.2 Any arrangement or transaction that constitutes an Ongoing Inventory Arrangement shall require the prior written approval of Project Manager of each of Service Provider and Service Recipient which shall set forth general terms of the Ongoing Inventory Arrangement including, but not limited to: (i) the type of Inventory and Supplies to be provided; (ii) the frequency of the transactions to take place; and (iii) the aggregate dollar amount of the transactions authorized thereunder. Service Recipient's Project Manager may request that a cost analysis of the proposed Ongoing Inventory Arrangement be provided by Service Provider prior to any review or approval of the Ongoing Inventory Arrangement.

## 8. TERMINATION

8.1 This Work Agreement shall terminate upon the first to occur of (i) mutual agreement of the Parties in writing, (ii) termination of the Master Services Agreement, (iii) termination of this Work Agreement by Melco Crown WA1 Parties upon the material breach by a Studio City WA1 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Melco Crown WA1 Parties of such breach, (iv) termination of this Work Agreement by Studio City WA1 Parties upon the material breach by a Melco Crown WA1 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Studio City WA1 Parties of such breach or (v) upon 180 days' prior written notice by Service Recipient to the Service Provider.

8.2 Upon termination, all Services under this Work Agreement shall cease and the Parties shall pay to each other all amounts owing hereunder for Services provided through the date of termination. Upon such termination, the Parties shall remain obligated to complete in full under any uncompleted Purchase Orders and Usage Arrangements, unless the Parties otherwise agree.

8.3 Either Party may terminate any Ongoing Inventory Arrangement Service hereunder upon ninety (90) days' prior written notice to the other Parties, *provided* that a shorter notice period (but no less than thirty (30) days in any event) may apply as determined by reference to the number of days' worth of the Inventory and Supplies subject to such Ongoing Inventory Arrangement Service held by Service Provider (calculated to the reasonable satisfaction of the Service Recipient).

## 9. ACCESSION

Any Studio City Party or Melco Crown Party may accede to this Work Agreement after the date hereof by executing a supplemental agreement in the form attached to the Master Services Agreement as Exhibit B, countersigned by Studio City Services Limited and MPEL Services Limited. Upon such accession, such acceding Party will be a Studio City WA1 Party or a Melco Crown WA1 Party, as the case may be, for the purposes of this Work Agreement.

[*Signature Page Follows*]

**Studio City Entertainment Limited**

By: /s/ Timothy Green NAUSS

Title: Property CFO

Date: December 21, 2015

**Studio City Services Limited**

By: /s/ Timothy Green NAUSS

Title: Property CFO

Date: December 21, 2015

**Studio City Hotels Limited**

By: /s/ Timothy Green NAUSS

Title: Property CFO

Date: December 21, 2015

**Studio City Retail Services Limited**

By: /s/ Timothy Green NAUSS

Title: Property CFO

Date: December 21, 2015

**Studio City Developments Limited**

By: /s/ Timothy Green NAUSS

Title: Property CFO

Date: December 21, 2015

**Studio City Ventures Limited**

By: /s/ Timothy Green NAUSS

Title: Property CFO

Date: December 21, 2015

[Signature Page to Work Agreement #1 – Sale and Purchase of FFE Inventory and Supplies]

**Melco Crown (COD) Hotels Limited**

By: /s/ CHUNG, Yuk Man

Title: Director

Date: December 21, 2015

**Melco Crown (COD) Retail Services Limited**

By: /s/ CHUNG, Yuk Man

Title: Director

Date: December 21, 2015

**Melco Crown (COD) Developments Limited**

By: /s/ CHUNG, Yuk Man

Title: Director

Date: December 21, 2015

**Altira Developments Limited**

By: /s/ CHUNG, Yuk Man

Title: Director

Date: December 21, 2015

**Altira Hotel Limited**

By: /s/ CHUNG, Yuk Man

Title: Director

Date: December 21, 2015

**Melco Crown (Macau) Limited**

By: /s/ CHUNG, Yuk Man

Title: Director

Date: December 21, 2015

**COD Theatre Limited**

By: /s/ CHUNG, Yuk Man

Title: Director

Date: December 21, 2015

**MPEL Services Limited**

By: /s/ CHUNG, Yuk Man

Title: Director

Date: December 21, 2015

**Melco Crown COD (GH) Hotel Limited**

By: /s/ CHUNG, Yuk Man

Title: Director

Date: December 21, 2015

**Golden Future (Management Services) Limited**

By: /s/ CHUNG, Yuk Man

Title: Director

Date: December 21, 2015

[Signature Page to Work Agreement #1 – Sale and Purchase of FFE Inventory and Supplies]

**MPEL Properties (Macau) Limited**

By: /s/ CHUNG, Yuk Man

Title: Director

Date: December 21, 2015

[Signature Page to Work Agreement #1 – Sale and Purchase of FFE Inventory and Supplies]

# APPENDIX A

PURCHASE ORDER

PROJECT NAME________________________________

P.O. NUMBER__________________________________

DATE________________________________________

REQUESTED DELIVERY DATE______________________

SERVICE RECIPIENT/ PURCHASER__________________________________

SHIPPING ADDRESS__________________________________

__________________________________

__________________________________

ATTENTION__________________________________

TELEPHONE__________________________________

FAX__________________________________

EMAIL__________________________________

CONFIRMING ORDER PLACED WITH:

SERVICE PROVIDER/ VENDOR __________________________________

ON: BY:

ACCEPTED BY:__________________________________

PRINTED NAME:__________________________________

TITLE:__________________________________

DATE:__________________________________

| ITEM NO. | QUANTITY | DESCRIPTION | $UNIT | $TOTAL |
|---|---|---|---|---|
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |

This is an offer to purchase (as the case may be) the FFE, Inventory and/or Supplies enumerated above by [Service Recipient] from [Service Provider] based on the terms and conditions stated in (i) the Master Services Agreement, dated , 2015, as amended from time to time, by and between Studio City Parties (as defined therein) and Melco Crown Parties (as defined therein) (the "Master Services Agreement"); (ii) the Work Agreement #1 dated , 2015 between Studio City WA1 Parties and Melco Crown WA1 Parties (the "Work Agreement"), including Section 3.1 thereof; and (iii) on attachments listed immediately below. This section and [Service Recipient]'s acceptance must conform in all respects. Any additional or different terms proposed by [Service Recipient] are rejected unless accepted by [Service Provider] in writing. This purchase order becomes effective only when the [Service Provider] accepts the terms hereof by countersigning above.

Capitalized terms not defined herein shall have the meaning set forth in the Master Services Agreement and the Work Agreement.

**Appendix B**

PURCHASE ORDER
(USAGE ARRANGEMENT)

PROJECT NAME________________________________

P.O. NUMBER__________________________________

DATE______________________________________

REQUESTED DELIVERY DATE______________________

SERVICE
RECIPIENT/
LESSEE__________________________________

SHIPPING
ADDRESS_____________________________________

_____________________________________

_____________________________________

ATTENTION___________________________________

TELEPHONE___________________________________

FAX_________________________________________

EMAIL_______________________________________

CONFIRMING ORDER PLACED WITH:

SERVICE
PROVIDER/
LESSOR __________________________________

ON: BY:

ACCEPTED BY:_______________________________________

PRINTED NAME:______________________________________

TITLE:_____________________________________________

DATE:_____________________________________________

| ITEM NO. | QUANTITY | DESCRIPTION | $MONTHLY FEE/UNIT | $TOTAL MONTHLY FEE | TERM |
|---|---|---|---|---|---|
| 1. | | | | | |
| 2. | | | | | |
| 3. | | | | | |

This is an offer to lease the FFE enumerated above by [Service Recipient] from [Service Provider] based on the terms and conditions stated in (i) the Master Services Agreement, dated , 2015, as amended from time to time, by and between Studio City Parties (as defined therein) and Melco Crown Parties (as defined therein) (the "Master Services Agreement"); (ii) the Work Agreement #1 dated , 2015 between Studio City WA1 Parties and Melcro Crown WA1 Parties (the "Work Agreement"), including Section 3.2 thereof; and (iii) on attachments listed immediately below. This section and [Service Recipient]'s acceptance must conform in all respects. Any additional or different terms proposed by [Service Recipient] are rejected unless accepted by [Service Provider] in writing.

Capitalized terms not defined herein shall have the meaning set forth in the Master Services Agreement and the Work Agreement.

**Exhibit 10.12**

**EXECUTION VERSION**

**Specific terms in this exhibit have been redacted because confidential treatment for those terms has been requested. The redacted material has been separately filed with the Securities and Exchange Commission, and the terms have been marked at the appropriate place with three asterisks [***].**

**Work Agreement #2**

PROJECT NAME: Corporate Services

WORK AGREEMENT ("Work Agreement") #: 2

This Work Agreement is entered into by and between Studio City Entertainment Limited and Studio City Services Limited (each a "Studio City WA2 Party" and collectively, the "Studio City WA2 Parties"), on the one hand, and MPEL Services Limited and Golden Future (Management Services) Limited (each a "Melco Crown WA2 Party" and collectively, the "Melco Crown WA2 Parties"), on the other hand. All of the terms and conditions of the Master Services Agreement, dated December 21, 2015, as amended from time to time (the "Master Services Agreement"), by and between Studio City Parties (as defined therein) and Melco Crown Parties (as defined therein) are deemed to be incorporated in this Work Agreement.

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**1. DEFINITIONS**

For the purposes of this Work Agreement, the following terms shall have the meanings specified in this Section 1:

"Allocable Service Provider Cost" shall mean, with respect to any General Corporate Service, Provider Cost and/or Provider Personnel Cost allocable to such service as determined by Service Provider in good faith.

"Commencement Date" shall mean the date of execution of this Work Agreement.

"Cost Adjustment Factor" shall mean a factor determined as follows:

$$\text{Cost Adjustment Factor} = \frac{\text{Current Hong Kong Index}}{\text{Base Hong Kong Index}}$$

Where:

(a) Current Hong Kong Index is the average of the officially published Hong Kong Index for the most recent 12 months for which data is available immediately prior to each adjustment described in Section 4.2; and

(b) Base Hong Kong Index is the average of the officially published Hong Kong Index for the most recent 12 months for which data is available on January 1 2016;

*provided*, *however*, that the Cost Adjustment Factor shall not be less than one (1).

[***].

"Fiscal Year" shall mean the calendar year except that the first (1st) Fiscal Year hereunder shall commence on November 1, 2015 and shall continue until December 31, 2015 and the last Fiscal Year hereunder shall end on the date of the expiration or earlier termination of this Work Agreement.

"General Corporate Services" is defined in Section 2.1 of this Work Agreement.

"Gross Revenues" shall mean an amount equal to the consolidated gross revenues of the Service Recipient Group for the relevant period, calculated in accordance with international financial reporting standards and is gross of any casino sales incentives such as commissions and points earned in customer loyalty programs.

"Hong Kong Index" shall mean the Composite Consumer Price Index published by the Census & Statistics Department of the Government of the Hong Kong Special Administrative Region. If official publication of the Hong Kong Index information that would otherwise be used pursuant to this Work Agreement has been delayed and not published as of the first day of the year for which an adjustment hereunder is being determined, then, in the interim, until such Hong Kong Index information is officially published, no adjustment shall be made. When such Hong Kong Index information is officially published, the determination shall be made as though such Hong Kong Index had been officially published as of the first day of such year and the Hong Kong Index adjustments shall be applied retroactively and prospectively for the remainder of such year.

If the Hong Kong Index is discontinued by the Census & Statistics Department of the Government of the Hong Kong Special Administrative Region, or any successor thereto, and not replaced by any substantially similar index, then any Cost Adjustment required hereunder shall be renegotiated by the Parties in good faith during the thirty (30) days immediately preceding expiration of such year.

"MCE Rooms" shall mean hotel rooms in hotels owned, managed or controlled by Melco Crown Entertainment Limited or its subsidiaries, other than SC Rooms.

"Net Room Change" means Total Additional MCE Rooms *less* the Total Additional SC Rooms.

"Office Usage Service" is defined in Section 2.7 of this Work Agreement.

"Parties" or "Party" shall mean Melco Crown WA2 Parties, any Melco Crown WA2 Party, Studio City WA2 Parties or any Studio City WA2 Party, as applicable.

"Percentage of Estimated Effort" shall mean the estimated effort, expressed as a percentage of employee time, of Service Provider's Senior Vice Presidents engaged in providing the Services to the Service Recipient, determined in good faith by Service Provider.

"Premium Direct Players" shall mean rolling chip players who are direct customers of a casino that are not sourced by a junket.

"Provider Cost" shall mean all costs and expenses (including any currency and foreign exchange costs) incurred or paid by the Service Provider in providing, or obtaining the provision of, the Services to the Service Recipient pursuant to this Work Agreement, excluding Provider Cost for Senior Vice President Services and Provider Personnel Cost.

"Provider Cost for Senior Vice President Services" shall mean for each Senior Vice President of Service Provider or member of Service Provider Group utilized to provide the Senior Vice President Services, all costs and expenses incurred or paid by Service Provider or

members of Service Provider Group in employing such Senior Vice Presidents, including salary, bonuses, monetary value of equity compensation, payroll taxes, employee related insurance and employee benefits multiplied by Percentage of Estimated Effort.

"Provider Personnel Cost" shall mean for each employee or consultant of Service Provider or member of Service Provider Group, excluding any Senior Vice President or any person that provides the Senior Vice President Services, utilized to provide the Services to the Service Recipient pursuant to this Work Agreement, all costs and expenses incurred or paid by Service Provider or members of Service Provider Group, including salary, bonuses, monetary value of equity compensation, payroll taxes, employee related insurance and employee benefits.

"Relevant Month" is defined in Section 4.5 of this Work Agreement. "Relevant Revenues" shall mean Gross Revenues *less* VIP Gaming Revenues.

"SC Rooms" shall mean hotel rooms in hotels owned, managed or controlled by Studio City International Holdings Limited or any of its subsidiaries.

"Senior Vice Presidents" shall mean:

(a) those employees who are employed as, and whose official internal employment title/designation is, "Senior Vice President" and who report directly to persons with the title of "Senior Vice President," who report directly to persons with the title of "Executive Vice President," or more senior;

(b) any of the employees in (a) above who, after the date of this Work Agreement, are given a different official internal employment title/designation, *provided* that such employee's business reporting line remains substantially the same and such employee continues to perform substantially the same role and functions as were performed prior to the change in internal employment title/designation.

"Senior Vice President Services" shall mean the services performed by Senior Vice Presidents in each of the functional departments in which they are employed by the relevant member of the MCE Group.

"Service Fee" shall mean a fee equal to:

(a) three percent (3%) for the period from November 1, 2015 to December 31, 2016; and

(b) two and one-half percent (2.5%) thereafter,

of the Service Recipient Group's annual Relevant Revenues, *provided* that the amount of the Service Fee payable shall at no time (i) be lower than the Service Fee Base, nor (ii) exceed the Service Fee Cap. The Service Fee shall be subject to adjustment pursuant to Section 6.2 of this Work Agreement.

"Service Fee Base" shall mean:

(a) for the period from November 1, 2015 to December 31, 2015, US$5,000,000;

(b) for the Fiscal Year from January 1, 2016 to December 31, 2016, US$30,000,000; and

(c) for each subsequent Fiscal Year, US$30,000,000, as adjusted pursuant to Sections 4.2 and 4.3.

"Service Fee Cap" shall mean:

(a) for the period from November 1, 2015 to December 31, 2015, US$6,666,667;

(b) for the Fiscal Year from January 1, 2016 to December 31, 2016, US$40,000,000; and

(c) for each subsequent Fiscal Year, US$40,000,000, as adjusted pursuant to Sections 4.2 and 4.3.

"Service Provider" shall mean the Melco Crown WA2 Parties as the provider of the Services described in Section 2.

"Service Provider Group" shall mean Service Provider and those entities which are its Affiliates.

"Service Recipient" shall mean the Studio City WA2 Parties as the receiver of the services described in Section 2.

"Service Recipient Group" shall mean Service Recipient and those entities which are its Affiliates.

"Services" shall mean the General Corporate Services, the Senior Vice President Services, the Customer Database Service, the Office Usage Service and the SOP Services.

"Service Termination" is defined in Section 6.1 of this Work Agreement.

"Service Termination Costs" shall mean all costs reasonably incurred by Service Provider in terminating a Service, including employee severance costs, but excluding any fees for such Service which Service Provider would otherwise have had the right to charge to Service Recipient after the date of Service Termination.

"SOP Services" is defined in Section 2.6 of this Work Agreement.

"Studio City Annual Operating Budget" means the annual operating budget prepared by the management of Studio City business and agreed by the board of directors of SCIH.

"SVP Service Payment" is defined in Section 4.1(b) of this Work Agreement.

"Term" is defined in Section 3.1 of this Work Agreement.

"Total Additional MCE Rooms" means, at the relevant time, the aggregate number of MCE Rooms in excess of 2,579.

"Total Additional SC Rooms" means, at the relevant time, the aggregate number of SC Rooms in excess of 1,598.

"VIP Gaming Revenues" shall mean revenue generated for the relevant period from the table games played in private VIP gaming rooms or areas by rolling chip patrons who are either Premium Direct Players or junket players.

Capitalized terms not defined herein shall have the meaning set forth in the Master Services Agreement.

**2. DESCRIPTION OF SERVICES**

2.1 Service Provider shall provide general corporate services of the nature described in Schedule A to the Service Recipient on an on-going basis (the "General Corporate Services") during the Term (as defined below).

2.2 To the extent necessary, Service Provider may also provide General Corporate Services from its international offices.

2.3 Service Provider shall provide Senior Vice President Services to the Service Recipient on an on-going basis during the Term.

2.4 [***].

2.5 [***].

2.6 Service Provider shall provide Service Recipient with copies of Service Provider's standard operating procedures for relevant operations, and any updates thereto from time to time (the "SOP Services").

2.7 Service Provider shall provide office space located in Hong Kong and other locations outside of Macau for the relevant personnel providing Service Recipient with the General Corporate Services and the Senior Vice President Services (the "Office Usage Service").

## 3. TERM

3.1 Subject to Section 5.1, this Work Agreement shall be effective as of the Commencement Date and shall continue (unless earlier terminated by the provisions hereof or the Master Services Agreement) until June 26, 2022.

## 4. COMPENSATION

4.1 Beginning on November 1, 2015, Service Recipient shall pay to Service Provider:

(a) the Service Fee on a monthly basis in consideration for the Services, (excluding the Senior Vice President Services provided by Service Provider hereunder); and

(b) a fee in an amount equal to the Provider Cost for Senior Vice President Services on a monthly basis (the "SVP Service Payment").

4.2 The Service Fee Base and the Service Fee Cap shall be adjusted on January 1 of each year (beginning on January 1, 2017) by multiplying each of the then Service Fee Base and Service Fee Cap by the Cost Adjustment Factor.

4.3 In addition to being adjusted in accordance with Section 4.2, the Service Fee Base and the Service Fee Cap shall be further adjusted on January 1 of each year (beginning on January 1, 2017) as follows:

(a) if the Net Room Change at such time is negative, the Service Fee Base and the Service Fee Cap (in each case, as adjusted pursuant to Section 4.2, but without regard to any previous adjustments pursuant to this Section 4.3) shall be increased by two percent (2%) for each full 200 of Net Room Change; and

(b) if the Net Room Change at such time is positive, the Service Fee Base and the Service Fee Cap (in each case, as adjusted pursuant to Section 4.2, but without regard to any previous adjustments pursuant to this Section 4.3) shall be decreased by two percent (2%) for each full 200 of Net Room Change.

For the avoidance of any doubt, the two percent (2%) adjustment to be made pursuant to Section 4.3(a) and (b) shall apply to 200 (and not any lower number) of Net Room Change and any multiples thereof.

4.4 With respect to any Services provided from the Commencement Date until October 31, 2015, the Services provided will be charged based on all actual costs and expenses (including any currency and foreign exchange costs) incurred or paid by Service Provider in providing, or obtaining the provision of, the Services to Service Recipient pursuant to this Work Agreement multiplied by the estimated effort, expressed as a percentage of employee time of Service Provider's employees or consultants engaged in providing the Services, determined in good faith by Service Provider.

4.5 With respect to any Fiscal Year and each calendar month included therein, the Service Fee shall be payable by Service Recipient in tentative monthly installments as herein provided.

(a) With respect to any calendar month in any Fiscal Year (the "Relevant Month"), the tentative monthly installment payable on account of the Service Fee for that Relevant Month shall be equal to the tentative Service Fee calculated on the basis of the current Relevant Revenues for the Fiscal Year up to the last date of the Relevant Month *less* the aggregate amount of the tentative monthly installments having theretofore been paid for such Fiscal Year on account of the Service Fee.

(b) Service Provider will use all reasonable efforts to issue an invoice to Service Recipient for the tentative monthly installment amount of the Service Fee within twenty (20) days of each calendar month end (which invoice will include a copy of the calculation of the tentative monthly installment amount in accordance with Section 4.5(a) that was done by the Service Provider), *provided* that failure to issue an invoice within such period shall not excuse any Party from its payment obligations hereunder following receipt of such invoice.

(c) Service Recipient shall pay, or cause to be paid, within ten (10) days after the delivery of the relevant invoice, the tentative monthly installments of the Service Fee to Service Provider.

(d) If, for any Fiscal Year, the aggregate amount of the tentative monthly installments paid to Service Provider on account of the Service Fee is determined to be more or less than the Service Fee payable for such Fiscal Year based upon the final determination of Gross Revenues (as reflected in Service Recipient's consolidated audited financial statements) and Relevant Revenues for such Fiscal Year, then, by way of year end adjustment, within fifteen (15) days after the preparation of such consolidated audited financial statements, Service Provider shall pay to Service Recipient the amount of such overpayment or Service Recipient shall pay to Service Provider the amount of any such underpayment.

4.6 Service Provider will use all reasonable efforts to issue an invoice to Service Recipient for the Provider Cost for Senior Vice President Services provided to such Service Recipient within twenty (20) days of the end of each month (which invoice will set out a statement for the Provider Cost for Senior Vice President Services, including the percentage allocation to the Service Recipient for each Senior Vice President and reasonable detail of the cost allocation therefor), *provided* that failure to issue an invoice within such period shall not excuse any Party from its payment obligations hereunder following receipt of such invoice.

4.7 Service Recipient shall pay, or cause to be paid, within ten (10) days after the delivery of the relevant invoice, the Provider Cost for Senior Vice President Services for the month to which the invoice relates.

4.8 The Service Fee does not include any third-party expenses reasonably incurred by Service Provider in providing the foregoing services (but not in substitution for Service Provider's obligation to provide the Services directly), which shall be compensated by Service Recipient to Service Provider (in an amount not to exceed Service Provider's actual cost) within ten (10) days after receiving an invoice therefor. Any third-party expense to be incurred by Service Provider which (a) exceeds the fee amount for the Service budgeted in the Studio City Annual Operating Budget and (b) is over (i) US$100,000 (on a line items basis), shall be pre-advised to the Chief Financial Officer of SCIH and (ii) US$500,000 (on a line items basis), shall be pre-approved by the Chief Financial Officer of SCIH.

## 5. TERMINATION OF WORK AGREEMENT

5.1 This Work Agreement shall terminate upon the first to occur of (i) mutual agreement of the Parties in writing, (ii) termination of the Master Services Agreement, (iii) termination of this Work Agreement by Melco Crown WA2 Parties upon the material breach by a Studio City WA2 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Melco Crown WA2 Parties of such breach or (iv) termination of this Work Agreement by Studio City WA2 Parties upon the material breach by a Melco Crown WA2 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Studio City WA2 Parties of such breach.

5.2 Upon termination, all Services under this Work Agreement shall cease and the Parties shall pay to each other all amounts owing hereunder for Services provided through the date of termination.

## 6. TERMINATION OF SPECIFIC SERVICE

6.1 In the event Service Recipient provides a written notice to Service Provider which adequately demonstrates (to the reasonable satisfaction of Service Provider) that any General Corporate Service or Senior Vice President Service under this Work Agreement (the "Relevant Service") can be undertaken by Service Recipient itself or by engaging one or more third parties at a lesser cost than the Allocable Service Provider Cost for the Relevant Service under this Work Agreement, or at a higher quality of service (for a cost not greater than the increase in benefit to the business of Service Recipient) for the Relevant Service under this Work Agreement, Service Recipient may terminate such Relevant Service upon 180 days' prior written notice (or such shorter period as may be agreed by the Parties) (a "Service Termination"); *provided, however*, that no such Service Termination may take effect and the written notice of termination shall be deemed void if, within thirty (30) days after the date of demonstration by the Service Recipient that the Relevant Services can be undertaken at a lesser cost or at a higher quality of service (for a cost not greater than the increase in benefit to the business of Service Recipient) (which demonstration must be sufficient to the reasonable satisfaction of Service Provider), Service Provider agrees in writing to provide the Relevant Service at such lesser cost or higher quality as demonstrated by Service Recipient and to adjust the Service Fee or Provider Cost for Senior Vice President Services, as applicable, accordingly.

6.2 Upon a Service Termination:

(a) of any of the Services (other than the Senior Vice President Services), the dollar amount of the Service Fee shall be reduced by the relevant portion of Allocable Service Provider Cost for the Relevant Service for periods subsequent to the date of Service Termination; or

(b) of any part of the Senior Vice President Services, the SVP Service Payment shall be reduced by the relevant portion of the Provider Cost for Senior Vice President Services for periods subsequent to the date of Service Termination.

6.3 Upon a Service Termination, Service Recipient shall pay all Service Termination Costs within ten (10) days after receiving an invoice therefor.

## 7. ACCESSION

Any Studio City Party or Melco Crown Party may accede to this Work Agreement after the date hereof by executing a supplemental agreement in the form attached to the Master Services Agreement as Exhibit B, countersigned by Studio City Services Limited and MPEL Services Limited. Upon such accession, such acceding Party will be a Studio City WA2 Party or a Melco Crown WA2 Party, as the case may be, for the purposes of this Work Agreement.

[*Signature Page Follows*]

**Studio City Entertainment Limited**

By: /s/ Timothy Green NAUSS

Title: Property CFO

Date: December 21, 2015

**Studio City Services Limited**

By: /s/ Timothy Green NAUSS

Title: Property CFO

Date: December 21, 2015

[Signature Page to Work Agreement #2 – Corporate Services]

**MPEL Services Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Golden Future (Management Services) Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

[Signature Page to Work Agreement #2 – Corporate Services]

## SCHEDULE A

### General Corporate Services

1. Corporate Executive Vice Presidents and Chief Executive Officer management services include, but are not limited to:

   - establishment of core values, vision and mission and ensuring that they and shareholders' interests are met;
   - establishment of a culture of innovation, cost consciousness, compliance and efficiency to drive shareholder value;
   - development of core strategy and determination of key policies;
   - monitor and drive business performance;
   - monitor and evaluate business conditions and developments in the gaming industry on an ongoing basis to ensure that the impact of changes are identified and addressed effectively;
   - [***];
   - [***];
   - leadership of business units;
   - corporate social responsibility leadership and management;
   - executive management of lender relationships;
   - development of effective frameworks and ongoing monitoring to ensure all significant business risks are identified and appropriate policies and procedures are established to ensure risk is effectively mitigated to an acceptable level;
   - capital and liquidity strategy, management and control; and
   - proactively monitor business performance against targets and market and drive focus on key initiatives and corrective action to improve results.

2. In-house legal services including, but not limited to:

   - transaction management and execution (including financing transactions);
   - legal advice on legal and regulatory compliance and contract covenant compliance (including loan and bond term compliance);
   - insurance procurement;
   - advising on operational risk management;

- development and review of contracts;
- drafting and establishing various internal procedures and policies;
- managing regulatory and contractual compliance issues;
- preparing, reviewing and filing of public reports and other disclosures;
- internal contract management and company secretarial matters;
- providing intellectual property protection tools;
- preparation and coordination for Board and shareholder meetings;
- managing litigation matters and insurance claims;
- liaison with other departments on deal execution related matters; and
- liaison with government authorities on legal issues.

3. Corporate finance and treasury services including, but not limited to:
   - accounting for non-operational companies;
   - consolidation of Studio City entities;
   - the Sarbanes-Oxley Act compliance control and compliance reviews;
   - all treasury services (including debt / equity management, debt raising, compliance monitoring, liquidity management, foreign exchange risk management);
   - investor relations;
   - financial compliance (determination of accounting policies for new and unusual transactions);
   - preparation of all external financial statements for the Securities & Exchange Commission, DICJ and debtholders; and
   - oversight of audit and tax services.
4. Internal audit services including, but not limited to: establishment and execution of a comprehensive internal audit program designed to audit internal controls and procedures across the business with a risk focus and to fulfill requirements of the DICJ and external audit.
5. Corporate communications services including, but not limited to:
   - [***]

- GOE - local Macau protocol, Government/Guest Invitations, Media Invitation (Hong Kong, Macau & Regional), Press Conference, Media Tours, Red Carpet media handling and Media Junkets/Interviews;
- post-opening destination media Tours (China/Taiwan/Korea/Japan/Southeast Asia) & PR promotions; and
- on-going - Crisis Communications and Media Office for Studio City.

6. Corporate investigation services including, but not limited to:
   - vendor and employee due diligence;
   - contract review focused on procurement fraud, anomalies and correct tender process;
   - investigations of suspected illegal activities at the Parties’ companies and premises;
   - investigation of suspected illegal acts committed by patrons at the Parties’ premises;
   - investigation of suspected vendor fraud and implementation of controls to mitigate corruption relating to vendor performance and product delivery;
   - identification of organized crime and notification to relevant authorities;
   - patron due diligence relating to reputational and credit suitability;
   - bad debt monitoring and review of patron financial suitability;
   - collection of long term and high risk outstanding debts;
   - corporate-wide strategic information security planning;
   - manage and perform information security incident response and investigation activities;
   - implementation and management of DLP and DID processes and systems relating to data theft, data forensics and data recovery; and
   - corporate-wide incident management system, implementation and deployment to BUs and properties, review of collated data for incident trend analysis.
   - executive protection operations for senior executive, entertainers and dignitaries.

7. Procurement services including, but not limited to:

- procurement of operating items and capital;
- monitoring of global spend to ensure global leveraging opportunities are exploited for SC’s benefit; and
- assist in leveraging vendors for sponsorship and marketing income.

8. Corporate recruitment and expatriate services including, but not limited to:

- Centralized function to ensure strategic resourcing, consistent approach and well defined employer image;
- development and implementation of regional and local recruitment initiatives and process standards;
- specialist recruitment service operating in a highly challenging labor market and reaching out to potential employees;
- building of key relationships with stakeholders and delivering commercial and creative sourcing plans to meet aggressive hiring needs;
- development of effective sourcing methods to ensure that MCE Parties stay ahead of the curve in hiring the best talents;
- supporting the business with well-defined recruitment tools, clearly defined employer messages and brand standards, website employment portal (Taleo), use of social media (Linkedin, Facebook, etc.), association with academic institutions, government offices and worker groups;
- create and utilize well-defined employee specifications, and candidate profile requirements, interview assessment standards and evaluation, alignment of shortlisted candidates compared to requirements and work closely with business leaders to ensure recruitment and onboarding times are minimized;
- expatriate services deal with complex visa and work permit issues/renewals, government quota requirements to enable the company to employ overseas nationals and provide support to expatriate nationals in legally required government processes; and
- effective management of third party recruitment agencies to ensure enhanced services within budgets.

9. Learning and development in-house labor services including, but not limited to:

- setting the vision and operating strategies for the Studio City Parties in the areas of learning and expertise development;
- defining and leading the overall strategy/direction of learning and development across all dimensions of the industry, practice areas, capabilities and professional competencies;

- working with business leaders and subject matter experts to strategically align business goals with people development;
- leading the overall continuity of the learning strategy implementation from planning to development to deployment to execution; provide oversight, review materials and assist in critical development tasks during implementation;
- developing and implementing learning and development programs that communicate the business strategy, internal values, aims, operating standards and goals for all employees;
- defining and maintaining core learning curriculum for business units; and
- enriching the skills of employees through managed development programs, providing learning opportunities which allow individuals to grow and progress within the company and meet their potential.

10. Payroll services including, but not limited to:
    - balancing and reconciling payroll data, scheduling and attendance records supplied from HR teams;
    - ensuring the accurate calculation of due salaries & wages based on rates of pay;
    - organizing payroll cycle payment calculations by paygroup, deducting income tax, pension funds and any other approved deductions;
    - securing management approvals for payment;
    - depositing funds with approved banks;
    - calculating reimbursements, bonuses, overtime and holiday pay;
    - generating payslips for employees;
    - verifying the reliability of pay data with Finance;
    - ensuring accurate payroll records are maintained; and
    - all payroll activities for senior management, both expatriate and local and payroll compliance and regulatory reporting functions.
11. Corporate human resources services, including, but not limited to:
    - providing access to the standard operating procedures of Service Provider;
    - ensuring that HR operations are aligned to corporate HR strategies and business goals of the organization;

- administering approved employee branding, internal messaging and corporate required learning and development;
- providing centralized services such as benefits management, management appointments, talent management, compensation & benefits management, championing of processes, internal management development, formulation of policy (and adherence);
- providing HR analytics, HR systems, government required documentation;
- assessing legality of HR practices and deployment of resources;
- coordinating decentralized HR functions which are closely aligned with business units and business operations.
- implementation and execution of corporate HR strategies, policies and frameworks; monitoring compliance with all applicable laws and regulations concerning employment practices, employees health and welfare as well as internal HR policies;
- day to day management of all aspects of delivering compensation, benefits, international mobility and payroll for senior executives of the Group;
- providing comprehensive analyses on competitive market positions and trends to ensure competitive positioning for top management, Compensation Committees and the various Boards of Directors for the Group;
- aligning HR policies, practices and resources with overall business and corporate objectives;
- development of competitive equity compensation models as part of the overall compensation package for senior executives and board members;
- maintenance of comprehensive records of equity compensation plan activities;
- providing compliance services for all domestic and international laws with respect to income and tax withholdings for equity awards;
- administration of all matters pertaining to stock compensation, including preparation of all stock compensation related disclosures;
- providing Sarbanes-Oxley Act procedures related to equity process and agreements and equity notices to employees; and
- day to day business partnering support to all business units for Hong Kong based employees, IT and expatriates.

12. Corporate risk and compliance services including, but not limited to:

    - identification, assessment, and treatment of strategic and operational risks via development and monitoring of risk registers and indicators, and oversight of appropriateness of processes and controls in place to respond to and manage such risks; and

- monitoring of processes to ensure compliance with all key regulatory and contractual obligations.

13. Warehouse and logistics senior management services including, but not limited to:
    - management and development of the property dedicated warehouse and logistics team;
    - establishment of policies and procedures;
    - establishment of inventory PAR levels and monitoring of slow moving stock; and
    - management of non-inventory items in storage to ensure onsite and offsite storage space is effectively utilized and offsite storage space minimized.

14. Macau office administration services including, but not limited to:
    - managing and coordinating workspace allocation, access control, office equipment, administration needs, repair & maintenance and upkeep of offices located in City of Dreams, Studio City, Flower City and DCW;
    - coordinating supporting facilities, cleaning schedules and managing the mail rooms located in each building; and
    - the transfer and delivery of mail and a messenger service for internal and business related documents throughout Macau.

**Work Agreement #3**

PROJECT NAME: Pay-as-Used Charges

WORK AGREEMENT ("Work Agreement") #: 3

This Work Agreement is entered into by and between Studio City Services Limited and Studio City Entertainment Limited (each a "Studio City WA3 Party" and collectively, the "Studio City WA3 Parties"), on the one hand, and MPEL Services Limited, Golden Future (Management Services) Limited and Melco Crown (Macau) Limited (each a "Melco Crown WA3 Party" and collectively, the "Melco Crown WA3 Parties"), on the other hand. All of the terms and conditions of the Master Services Agreement, dated December 21, 2015, as amended from time to time (the "Master Services Agreement"), by and between Studio City Parties (as defined therein) and Melco Crown Parties (as defined therein) are deemed to be incorporated in this Work Agreement.

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## 1. DEFINITIONS

For the purposes of this Work Agreement, the following terms shall have the meanings specified in this Section 1:

"Actual Usage Percentage" shall have the meaning set forth in Section 4.1(5) of this Work Agreement.

"Commencement Date" shall mean the date of execution of this Work Agreement.

"Computer Hardware Services" shall mean the services described in Section 2.4 of this Work Agreement.

"Computer Software Services" shall mean the services described in Section 2.3 of this Work Agreement.

"Estimated Usage Percentage" shall have the meaning set forth in Section 4.1(5) of this Work Agreement.

"Hardware Estimated Usage Percentage" shall have the meaning set forth in Section 4.1(4) of this Work Agreement.

"Monthly Computer Hardware Cost A" shall mean the monthly running costs for computer hardware (including maintenance and insurance), plus a monthly capital cost equal to the monthly amortization expense for the computer hardware over its useful life (calculated on a straight-line basis).

"Monthly Computer Hardware Cost B" shall mean the monthly running costs for computer hardware (including maintenance and insurance), but not including amortization expense for the computer hardware over its useful life.

"Parties" or "Party" means Melco Crown WA3 Parties, any Melco Crown WA3 Party, Studio City WA3 Parties or any Studio City WA3 Party, as applicable.

"Pass-Through Services" shall mean the services described in Section 2.2 of this Work Agreement.

"Provider Cost" shall mean all out of pocket costs and expenses (including any currency and foreign exchange costs) incurred or paid by the Service Provider in providing, or obtaining the provision of, the Services to the Service Recipient pursuant to this Work Agreement, excluding costs of Service Provider or its Affiliates' employees, except as where otherwise provided, and with such adjustments as are provided in Section 4.1.

"Provider Personnel Cost" shall mean for each employee or consultant of Service Provider or member of Service Provider Group utilized to provide the Special Property Project Services (other than Service Provider Group corporate level personnel), all costs and expenses incurred or paid by the Service Provider or members of the Service Provider Group, including salary, bonuses, monetary value of equity compensation, payroll taxes, employee related insurance and employee benefits.

"Service Provider Group" shall mean Service Provider and those entities which are its Affiliates.

"Services" shall mean the services described in Section 2, including Special Property Project Services, Pass-Through Services, Computer Software Services and Computer Hardware Services.

"Shared Asset" or "Shared Assets" shall have the meaning set forth in Section 2.5 of this Work Agreement.

"Shared Asset Owner Buyout" shall have the meaning set forth in Section 5.4(a) of this Work Agreement.

"Shared Asset User Buyout" shall have the meaning set forth in Section 5.4(b) of this Work Agreement.

"Special Property Project Services" shall mean the services described in Section 2.1 of this Work Agreement.

"Term" is defined in Section 3.1 of this Work Agreement.

"Up-Front Computer Hardware Capital Cost" shall mean the capital cost equal to the amortization expense for the computer hardware over its useful life (calculated on a straight- line basis).

Capitalized terms not defined herein shall have the meaning set forth in the Master Services Agreement.

**2. DESCRIPTION OF SERVICES**

Service Provider shall provide the following Services to the Service Recipient on an on-going basis during the Term (as defined below):

2.1 Special Property Project Services: construction management services, together with the required administrative staff for Service Recipient's construction and renovation projects, provided that Studio City WA3 Parties may only be a Service Recipient of the Services described in this Section 2.1.

2.2 Pass-Through Services:

(a) Engaging and monitoring external audit, taxation and legal advisers for their audit, taxation and legal services rendered to or for the Service Recipient and either arranging for the Service Recipient to pay directly or paying professional service fees to such external auditors and legal advisers on Service Recipient's behalf.

(b) Obtaining insurance coverage on behalf of Service Recipient and either arranging for the Service Recipient to pay directly or paying insurance premiums and fees on Service Recipient's behalf charged by insurance companies providing insurance coverage to the Service Recipient.

(c) Monitoring and administering legal proceedings on behalf of Service Recipient and either arranging for the Service Recipient to pay directly or paying on Service Recipient's behalf settlements, fines and penalties arising from or in connection with any legal or administrative proceedings against or involving the Service Recipient.

(d) Engaging and using external recruitment agencies for employees to perform Services at Service Recipient facilities and either arranging for the Service Recipient to pay directly or paying agency service fees on Service Recipient's behalf payable to any external recruitment agencies for their recruitment services rendered to or for the benefit of Service Recipient.

(e) Paying other third party fees and expenses reasonably incurred in the performance of services described herein on behalf of the Service Recipient, or arranging for the Service Recipient to pay directly.

Studio City WA3 Parties may only be a Service Recipient of the Pass-Through Services.

2.3 Computer Software Services: Use of Service Provider's computer software that is licensed by Service Provider for use in its properties.

2.4 Computer Hardware Services: Use of Service Provider's computer hardware and associated equipment.

2.5 Usage of Shared Assets: Melco Crown WA3 Parties and Studio City WA3 Parties may, where appropriate, share usage of certain equipment constituting capital assets where usage is generally predictable in proportion, and for which shared rights to use are more cost-effective (each a "Shared Asset" and collectively, the "Shared Assets"). The ownership of such Shared Assets and percentage of use shall be agreed upon between the relevant Parties at the time such Shared Asset is acquired, or at any relevant time in relation to previously-acquired assets. The owner of the Shared Asset (for these purposes, Service Provider) will grant the other party (for these purposes, Service Recipient) the right to use the Shared Asset for the life of the Shared Asset and scheduling and priority of usage shall be agreed at the time the Shared Asset is agreed to be a Shared Asset and will be on non-preferential terms (other than the agreed percentage of the right to use).

## 3. TERM

3.1 Subject to Section 5.1, this Work Agreement shall be effective as of the Commencement Date and shall continue (unless earlier terminated by the provisions hereof or the Master Services Agreement) until June 26, 2022.

## 4. COMPENSATION

4.1 All Services provided by the Service Provider to the Service Recipient hereunder shall be charged on the actual usage and incurrence in accordance with the following fee schedule:

| | Type of Service | Fees |
|---|---|---|
| 1 | **Special Property Project Services** | Provider Personnel Cost (determined by dividing the annual Provider Personnel Cost by the number of hours in a year contracted to be worked by the relevant personnel and multiplying that number by the number of hours expended in rendering the Special Property Project Services) *plus 5%*. |
| 2 | **Pass-Through Services** | Provider Cost |
| 3 | **Computer Software** | The product of (i) the cost paid for the software license by Service Provider and (ii) a percentage equal to the estimated percentage of Service Recipient's usage of such software, determined by reference to number of users or, if agreed between the Service Provider and Service Recipient, another metric that is considered more appropriate for the relevant software (for example only, by percentage of hotel rooms covered in the case of allocation of costs for the Property (Hotel) Management System). |

| | Type of Service | Fees |
|---|---|---|
| 4 | **Computer Hardware** | As agreed between the Project Managers, either:<br>(i) the product of:<br>(x) Service Provider's Monthly Computer Hardware Cost A; and<br>(y) a percentage equal to the estimated percentage of Service Recipient's usage of such hardware (the "Hardware Estimated Usage Percentage") to be paid on a monthly basis; or<br>(ii) the sum of:<br>(x) the product of Up-Front Computer Hardware Capital Cost and the Hardware Estimated Usage Percentage, as invoiced at the commencement of the relevant Computer Hardware Services; and<br>(y) the product of Service Provider's Monthly Computer Hardware Cost B and Hardware Estimated Usage Percentage, to be paid on a monthly basis. |
| 5 | **Shared Assets** | A preliminary fee in an amount equal to the percentage of Service Provider's cost of purchasing such asset multiplied by a percentage equal to the estimated percentage of Service Recipient's use of such asset (the "Estimated Usage Percentage").<br>Any insurance or maintenance costs associated with the Shared Asset shall be shared in accordance with the relevant Estimated Usage Percentage.<br>The Melco Crown WA3 Parties' Project Manager shall provide the Chief Financial Officer of SCIH, as part of the Quarterly Review Report for the last quarter of each year, a written report setting forth in detail the actual usage percentage of each Shared Asset by Service Recipient (the "Actual Usage Percentage") and providing a re-calculation of the fee and the sharing of maintenance costs on the basis of the Actual Usage Percentage |

| Type of Service | Fees |
| --- | --- |
| | instead of the Estimated Usage Percentage and the net amounts owing among the Parties for use of the Shared Assets. The meeting of Project Managers pursuant to Section 3.2(f) of the Master Services Agreement shall include a determination of what adjustments, credits or refunds are appropriate with respect to the fee for Shared Assets and the sharing of maintenance costs, and if they are unable to agree on the foregoing, the dispute will be resolved by arbitration as set forth in Section 7.10 of the Master Services Agreement. |

4.2 Service Recipient shall pay, or cause to be paid, within ten (10) days of receipt, any bills and invoices that it receives from the Service Provider for Services provided under or pursuant to this Work Agreement, subject to receiving any appropriate support documentation for such bills and invoices and, more particularly, the provisions under Section 3.2 of the Master Services Agreement.

## 5. TERMINATION OF WORK AGREEMENT

5.1 This Work Agreement shall terminate upon the first to occur of (i) mutual agreement of the Parties in writing, (ii) termination of the Master Services Agreement, (iii) termination of this Work Agreement by Melco Crown WA3 Parties upon the material breach by a Studio City WA3 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Melco Crown WA3 Parties of such breach, (iv) termination of this Work Agreement by Studio City WA3 Parties upon the material breach by a Melco Crown WA3 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Studio City WA3 Parties of such breach or (v) termination of this Work Agreement by Service Recipient subject to a 180 days prior written notice of termination delivered to Service Provider.

5.2 Upon termination, all Services under this Work Agreement shall cease and the Parties shall pay to each other all amounts owing hereunder for Services provided through the date of termination.

5.3 Upon termination, subject to Section 5.4 of the Master Services Agreement, all shared computer hardware and computer software services shall be dealt with as follows:

(a) Service Provider shall assign where possible software licenses equivalent to the percentage paid by the Service Recipient to the Service Recipient.

(b) Service Provider shall provide all reasonable assistance to the Service Recipient at the Service Recipient’s cost for it to transfer data and software which constitutes Studio City’s Intellectual Property (as such term is defined in the Master Services Agreement) to computer hardware owned by the Service Recipient.

(c) With respect to any Up-Front Computer Hardware Capital Cost paid by Service Recipient for shared computer hardware assets, the fair market value shall be assessed and the Service Provider shall pay the Service Recipient its share of the fair market value based on the relevant usage share charged to the Service Recipient.

5.4 Upon termination, all Shared Assets shall be dealt with as follows:

(a) First, Service Provider may purchase Service Recipient's interest in the Shared Asset for an amount equal to the product of the then current amortized book value of the Shared Asset (a "Shared Asset Owner Buyout") as recorded on the books of Service Provider by a percentage equal to the Actual Usage Percentage for the prior year;

(b) If a Shared Asset Owner Buyout does not occur in accordance with (i) above within thirty days after the date of termination of this Work Agreement, Service Recipient may purchase the Shared Asset (a "Share Asset User Buyout") for a purchase price equal to the product of the then-current amortized book value of the Shared Asset as recorded on the books of Service Provider by a percentage equal to 100 minus the Estimated Usage Percentage; or

(c) If a Shared Asset User Buyout does not occur within thirty days after the expiration of the owner's right to effect a Shared Asset Owner Buyout, then the Parties shall cooperate in the sale of the Shared Asset to a third-party and the net proceeds (after costs of marketing and sales and taxes) of the sale multiplied by the Estimated Usage Percentage shall be paid to Service Recipient and the Service Provider shall retain the balance of the net proceeds.

## 6. ACCESSION

Any Studio City Party or Melco Crown Party may accede to this Work Agreement after the date hereof by executing a supplemental agreement in the form attached to the Master Services Agreement as Exhibit B, countersigned by Studio City Services Limited and MPEL Services Limited. Upon such accession, such acceding Party will be a Studio City WA3 Party or a Melco Crown WA3 Party, as the case may be, for the purposes of this Work Agreement.

[*Signature Page Follows*]

**Studio City Services Limited**

By: /s/ Timothy Green NAUSS
Title: Property CFO
Date: December 21, 2015

**Studio City Entertainment Limited**

By: /s/ Timothy Green NAUSS
Title: Property CFO
Date: December 21, 2015

[Signature Page to Work Agreement #3 – Pay-as-Used Corporate Charges]

**MPEL Services Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Golden Future (Management Services) Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown (Macau) Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

[Signature Page to Work Agreement #3 – Pay-as-Used Corporate Charges]

**Exhibit 10.14**

**EXECUTION VERSION**

**Work Agreement #4**

PROJECT NAME: Operational / Property Shared Services (Non-Gaming), Other Non- Gaming Charges

WORK AGREEMENT ("Work Agreement") #: 4

This Work Agreement is entered into by and between Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Retail Services Limited, Studio City Developments Limited, Studio City Ventures Limited and Studio City Services Limited (each a "Studio City WA4 Party" and collectively, the "Studio City WA4 Parties"), on the one hand, and Melco Crown Hospitality and Services Limited, Melco Crown (COD) Hotels Limited, Melco Crown (COD) Developments Limited, Melco Crown (COD) Retail Services Limited, Melco Crown Security Services Limited, Golden Future (Management Services) Limited, MPEL Services Limited and MPEL Properties (Macau) Limited (each a "Melco Crown WA4 Party" and collectively, the "Melco Crown WA4 Parties"), on the other hand. All of the terms and conditions of the Master Services Agreement, dated December 21, 2015, as amended from time to time (the "Master Services Agreement"), by and between Studio City Parties (as defined therein) and Melco Crown Parties (as defined therein) are deemed to be incorporated in this Work Agreement.

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## 1. DEFINITIONS

For the purposes of this Work Agreement, the following terms shall have the meanings specified in this Section 1:

"Commencement Date" shall mean the date of execution of this Work Agreement.

"DCW" shall mean the offices located at Av. Dr. Sun Yat Sen, Plaza Grande China, n.º 498-544, 'A1' 'A2' 'B1' 'B2' 'C1' 'C2' 'D1' 'D2', Taipa, Macau.

"Flower City" shall mean the offices located at 1/F unit A1, 2/F units A2 and B2, Flower City Building, 199-207 Rua de Évora, Taipa, Macau.

"Group Resorts" shall mean Studio City Complex and MCE Resorts.

"Information Technology Center" shall have the meaning described in Section 2.4 of this Work Agreement.

"Monthly Office Usage Costs" shall mean, in relation to any office (but irrespective of where such office is located), the amount of the monthly fees paid by the relevant Melco Crown Party to third parties for the use of the offices located at Flower City (or any other Offsite Offices substituted for Flower City (in the event that Flower City ceases to be used by the relevant Melco Crown Party for whatever reason), as may be agreed by the Project Managers of both Service Provider and Service Recipient in good faith).

"Office Amortized Costs" shall mean the out of pocket cost of personal computers, office software and IP phones amortized over three years (calculated on a straight-line basis), if applicable.

"Office Usage Costs" shall mean, for purposes of determining Other Costs, the Monthly Office Usage Costs, out of pocket leasing costs (including leasing agent fees and commission), relevant costs for taxes and stamp duty, and office "fit-out" costs (amortized over the lower of the office lease term and the useful lives of such fit-out items (and calculated on a straight-line basis)) allocated on a per-person basis.

"Offsite Offices" means Flower City, DCW, or such other office premises outside of Studio City as the Melco Crown WA4 Parties may determine from time to time, and the Information Technology Center.

"Offsite Warehouses" means: (a) in the case of Melco Crown WA4 Parties, the warehouses located at (i) Level 1B, Level 2, 3, 4, 6 and 8, Zone 9 – 1, Zhuhai-Macao Cross Border Industrial Zone, Zhuhai Park, Zhuhai, People's Republic of China and (ii) Est. Marginal I, Verda Lote A, Gl06, Flat F, G & H, Edif Industrial, Macau (or such other warehouses outside of the Group Resorts as the Melco Crown WA4 Parties may determine from time to time); or (b) in the case of Studio City WA4 Parties, such warehouses outside of the Studio City Complex as the Studio City WA4 Parties may determine from time to time.

"Operating Expenses" shall mean office administrative expenses for consumables (e.g., paper, stationery, toner, general office supplies).

"Other Costs" shall equal the sum of Office Amortized Costs, Office Usage Costs and Operating Expenses.

"Parties" or "Party" means Melco Crown WA4 Parties, any Melco Crown WA4 Party, Studio City WA4 Parties or any Studio City WA4 Party, as applicable.

"Percentage of Estimated Effort" shall mean the estimated effort, expressed as a percentage of employee time, of Service Provider's employees engaged in providing the Services, determined in good faith by Service Provider after consultation with the applicable department group head.

"Percentage of Sales Target" shall mean the percentage of the total Sales Target represented by the Sales Target of the Studio City property.

"Provider Personnel Cost" shall mean for each employee or consultant of Service Provider or member of Service Provider Group utilized to provide the Services (other than Service Provider Group Chief Executive Officer and Corporate Executive Vice Presidents), all costs and expenses (including any currency and foreign exchange costs) incurred or paid by the Service Provider or members of the Service Provider Group, including salary, bonuses, value of equity compensation, payroll taxes, employee related insurance and employee benefits.

"Relevant Service" is defined in Section 6.1 of this Work Agreement.

"Sales Target" shall mean the revenue targets of Group Resorts, established annually for the relevant sales teams and expressed on a property by property basis.

"SCI Office Usage Costs" shall mean the Monthly Office Usage Costs allocated on a per-person basis for each employee or consultant of the Service Recipient or Service Recipient Group who is providing Services for both the Service Provider Group and the Service Recipient Group and has offices at Studio City.

"Service Provider Group" shall mean Service Provider and those entities which are its Affiliates.

"Service Recipient Group" shall mean Service Recipient and those entities which are its Affiliates.

"Services" shall mean the services described in Section 2 of this Work Agreement.

"Service Termination" is defined in Section 6.1 of this Work Agreement.

"Service Termination Costs" shall mean all costs reasonably incurred by Service Provider in terminating a Service, including employee severance costs (for the avoidance of doubt, such costs do not include the "loss of profit" or "loss of fee" resulting from the relevant termination of Service).

"Studio City Complex" shall mean the integrated hotel resort located at Estrada do Istmo, Cotai in Macau.

"Term" is defined in Section 3.1 of this Work Agreement.

"Theoretical Revenue" is an amount tracked for a customer calculated by multiplying their bets by the win rate of the games they play.

"Total Mall Leasable Area" shall be the proportion of the mall area of the Studio City Complex to the total mall area in the Group Resorts.

"Visitor Agent Services" shall mean the services described in Section 2.7 of this Work Agreement.

Capitalized terms not defined herein shall have the meaning set forth in the Master Services Agreement.

## 2. DESCRIPTION OF SERVICES

2.1 Shared Services. Service Provider shall provide and share certain services for the benefit of Service Recipient and its facilities in the following functional areas:

(a) Property Operational (Non-Gaming):

(i) ***Marketing***—general marketing services, including but not limited to building marketing platforms, and producing collaterals, marketing campaigns and digital marketing;

(ii) ***Food & Beverage Senior Management & Administration***— management and planning of food and beverage operations;

(iii) ***Retail Senior Management & Administration***—management of retail operations;

(iv) ***Hotel Senior Management & Administration***—hotel development and pre-opening planning and assistance services;

(v) ***Sales***—trade engagement and non-gaming sales activities;

(vi) ***Entertainment Projects***—entertainment development and event and attraction operations;

(vii) ***Mall Development***—retail mall partner management, tenant relationship, mall strategy and development planning; and

(viii) ***Fitness Center*** – fitness center training services.

(b) Venue Support & Property Shared Services:

***(i) Financial Planning and Analysis***

- assemble and produce periodic budgets and forecasts
- conduct analysis of financial results, review of pro forma result projections for events and promotions, post-event and promotion analysis with input from the Studio City Parties

***(ii) Project and Fixed Assets Accounting***

- assist the Studio City Parties with the tabulation of fixed assets and calculation of applicable depreciation and amortization
- assist the Studio City Parties with the maintenance of the database of fixed assets for the annual filing to be submitted to the Gambling Inspection and Coordination Bureau of Macau (DICJ) with respect to Studio City Complex and property

***(iii) Non-Gaming Control and Compliance***

- provide a daily review, audit and posting to the general ledger of the non-gaming receipts of Studio City property
- provide operation support and management oversight of all non- gaming outlet point-of-sale set up and floats
- conduct periodic audits
- provide training of cashiers for non-gaming outlets
- provide non-gaming credit management and accounts receivable services
- provide oversight support over all non-gaming promotional vouchers and gift certificates issued

***(iv) Entertainment Technology***

- provide entertainment technical setup and related services
- provide maintenance services in the public area and arena and for meetings, events, conferences and exhibitions (MICE), attractions

***(v) Human Resources***

- administer employee intake and termination process
- maintain employee databases, records and compliance documents
- provide employee benefits administration

***(vi) Information Technology Services***

- provide system and infrastructure operations
- provide the project management office and information technology management and administration services

***(vii) General Ledger & Tax***

- provide periodic property financial reports and detail supporting those reports
- provide general ledger and tax bookkeeping services

***(viii) Accounts Payable***

- provide accounts payable functions on behalf of Service Recipient. Funding for all payments on behalf of Service Recipient to be funded fully by Service Recipient's bank accounts

***(ix) Contact Center***

- provide call reservations and general customer service

***(x) Transportation***

- provide transportation management, supervisory and operations services (excluding any services directly related to limousine services and paid for pursuant to Work Agreement No. 5 or Work Agreement No. 8)

*provided* that Studio City WA4 Parties may only be a Service Recipient of the Services described in this Section 2.1.

2.2 Dedicated Operational Services. Service Provider shall, solely for the benefit of Service Recipient and its facilities, provide certain additional dedicated operational services and resourcing not otherwise provided under Section 2.1 or otherwise provided under any other work agreement or under any other agreement between members of the Service Recipient Group on the one hand and members of the Service Provider Group on the other hand. Studio City WA4 Parties may only be a Service Recipient of the Services under this Section 2.2.

2.3 Macau Offsite Warehouse. Service Provider shall provide to Service Recipient use of certain areas within any of the Service Provider's Offsite Warehouses that it may have from time to time on a space available basis.

2.4 Information Technology Center. Service Provider shall provide to Service Recipient use of the information technology center located at Cyberport, Hong Kong (or elsewhere as may be from time to time determined by the Service Provider at its sole discretion) and other mirror sites, if any (collectively "Information Technology Center"), for Studio City operations. Studio City WA4 Parties may only be a Service Recipient of the Services under this Section 2.4.

2.5 SCI Shared Office Space. Service Provider shall provide Service Recipient with office space at Studio City for Service Recipient Group employees and consultants providing services to both Service Provider Group and Service Recipient Group. Only Studio City WA4 Parties may be a Service Provider of the Services under this Section 2.5.

2.6 Cash Handling Assistance. Service Provider will assist Service Recipient with cash handling at the Studio City Complex, including issuing (from Service Recipient's account to Service Recipient personnel), collecting and securing non-gaming related cash as required from time to time, and collecting, counting and depositing in Service Recipient's designated bank accounts non-gaming related cash proceeds as required from time to time. Studio City WA4 Parties may only be a Service Recipient of the Services under this Section 2.6.

2.7 Visitor Agent Services: Engaging, using and making related payments to visitor agents (contracted by Melco Crown WA4 Parties) for the marketing of the Group Resorts. Studio City WA4 Parties may only be a Service Recipient of the Services under this Section 2.7.

## 3. TERM

3.1 Subject to Section 5.1, this Work Agreement shall be effective as of the Commencement Date and shall continue (unless earlier terminated by the provisions hereof or the Master Services Agreement) until June 26, 2022.

## 4. COMPENSATION

4.1 All Services provided by the Service Provider to the Service Recipient hereunder shall be determined and charged on a monthly basis in accordance with the following fee schedule:

| | Type of Service | Fees |
|---|---|---|
| **1** | **Shared Services** | |
| **(i)** | **Property Operational (Non-Gaming)** | |
| a. | Marketing | Percentage of Estimated Effort of each group, multiplied by the Provider Personnel Cost of such group; *plus* Percentage of Estimated Effort of each group, multiplied by Other Costs of such group. |
| b. | F&B Senior Management & Admin | |
| c. | Retail Senior Management & Admin | |
| d. | Hotel Senior Management & Admin | |
| e. | Sales | Percentage of Sales Target multiplied by the applicable Provider Personnel Cost of the Sales Group; *plus* Percentage of Sales Target multiplied by the Other Costs of the Sales Group.<br><br>However, for the first year of this Work Agreement, the Percentage of Sales Target shall include an additional 15% multiplier to reflect additional effort to be expended to create sales at Studio City; *provided, however,* that in respect of any period prior to the opening of Studio City to the public the charge shall be based on Percentage of Estimated Effort. |
| f. | Entertainment Projects | Percentage of Estimated Effort by individual position multiplied by the Provider Personnel Cost of such individual; *plus* Percentage of Estimated Effort by individual position, multiplied by Other Costs of such individual. |
| g. | Mall Development | Percentage of Total Mall Leasable Area multiplied by Provider Personnel Cost of the Mall Development Group, *plus,* Percentage of Total Mall Leasable Area multiplied by Other Costs of the Mall Development Group.<br><br>However, prior to opening to the public of the retail expansion at City of Dreams Macau (which is, at the date of this Work Agreement under development), payment shall equal Percentage of Estimated Effort of the Mall Development Group multiplied by Provider Personnel Cost of the Mall Development Group, *plus* Percentage of Estimated Effort of the Mall Development Group multiplied by Other Costs of the Mall Development Group. |

| | Type of Service | Fees |
|---|---|---|
| h. | Fitness Center | Percentage of Estimated Effort. |
| **(ii)** | **Venue Support & Property Shared Services** | |
| a. | Financial Planning & Analysis | Percentage of Estimated Effort of each group, multiplied by the Provider Personnel Cost of such group, *plus* Percentage of Estimated Effort of each group, multiplied by the Other Costs of such group. |
| b. | Project & Fixed Asset | |
| c. | Non-Gaming Control | |
| d. | Entertainment Technology | |
| e. | Human Resources | |
| f. | IT Services | Percentage of IT services rendered to Service Recipient based on a metric that approximates Percentage of Estimated Effort (subject to a cap of 35%), multiplied by the Provider Personnel Cost of IT Services Group; *plus* Percentage of IT services rendered to Service Recipient based on Estimated Effort, multiplied by the Other Costs of IT Services Group. |
| h. | General Ledger & Tax | Percentage of general ledger journal entries attributable to Service Recipient multiplied by the Provider Personnel Cost of General Ledger and Tax Group; *plus* Percentage of general ledger journal entries attributable to Service Recipient multiplied by the Other Costs of General Ledger and Tax Group.<br><br>If agreed between Service Provider and Service Recipient, costs may alternatively be allocated based on Percentage of Estimated Effort. |
| i. | Accounts Payable | Percentage of the total amounts of “Operating Costs”, “External Comps” and “Capital Expenditures” (each as shown in the monthly financial statements of City of Dreams, Altira, Mocha and Studio City properties/business units) attributable to Service Recipient, multiplied by the Provider Personnel Cost of the Accounts Payable group, *plus* percentage of the dollar amount of accounts payable attributable to Service Recipient based on the monthly financial statements of City of Dreams, Altira, Mocha and Studio City properties/business units, multiplied by the Other Costs of the Accounts Payable group. |

| | Type of Service | Fees |
|---|---|---|
| | | If agreed between Service Provider and Service Recipient, costs may alternatively be allocated based on Percentage of Estimated Effort. |
| j. | Contact Center | Percentage of estimated call volumes attributable to Studio City multiplied by the Provider Personnel Cost of Contact Center; plus Percentage of estimated call volumes attributable to Studio City multiplied by the Other Costs of Contact Center Group. |
| k. | Transportation | Percentage of Estimated Effort of each group, multiplied by the Provider Personnel Cost of such group, *plus* Percentage of Estimated Effort of each group, multiplied by the Other Costs of such group. |
| **(iii)** | **Other Services** | |
| **1** | **Other (Non-Gaming) Charges** | |
| | Service Provider Dedicated Operational Services | Provider Personnel Cost. |
| **2** | **Other Charges** | |
| | Office Cost Credit | The relevant Melco Crown WA4 Party will provide a credit to the Studio City WA4 Parties equal to the Office Usage Cost for the number of office spaces that are unoccupied at Studio City. |
| | SCI Office Usage Costs | Service Recipient shall pay Service Provider the SCI Office Usage Costs. |
| | Office Warehouse Usage | Service Recipient shall pay Service Provider a monthly fee calculated as the square footage of warehouse space utilized by the Service Recipient multiplied by the Service Provider’s actual total cost per square foot of the warehouse space. The actual total cost per square foot is calculated based on all the actual costs of providing the warehouse space including rental, maintenance and operating costs including but not limited to warehouse staff and utilities. |
| | Cash Handling Assistance | No charge |
| | Visitor Agent Services | Service Recipient shall pay Service |

| Type of Service | Fees |
|---|---|
| | Provider a percentage of all relevant fees paid to each visitor agent, allocated to Service Recipient on the basis of the Theoretical Revenue of customers recommended by such visitor agents to Studio City Complex as a proportion of the Theoretical Revenue of all customers introduced to Group Resorts by such agent. |

4.2 Service Recipient shall pay, or cause to be paid, within ten (10) days of receipt, any bills and invoices that it receives from the Service Provider for Services provided under or pursuant to this Work Agreement, subject to receiving any appropriate support documentation for such bills and invoices and, more particularly, the provisions under Section 3.2 of the Master Services Agreement.

**5. TERMINATION OF WORK AGREEMENT**

5.1 This Work Agreement shall terminate upon the first to occur of (i) mutual agreement of the Parties in writing, (ii) termination of the Master Services Agreement, (iii) termination of this Work Agreement by Melco Crown WA4 Parties upon the material breach by a Studio City WA4 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Melco Crown WA4 Parties of such breach or (iv) termination of this Work Agreement by Studio City WA4 Parties upon the material breach by a Melco Crown WA4 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Studio City WA4 Parties of such breach.

5.2 Upon termination, all Services under this Work Agreement shall cease and the Parties shall pay to each other all amounts owing hereunder for Services provided through the date of termination.

**6. TERMINATION OF SPECIFIC SERVICE**

6.1 In the event Service Recipient provides a written notice to Service Provider which adequately demonstrates (to the reasonable satisfaction of Service Provider) that a Service under this Work Agreement (the "Relevant Service") can be undertaken by Service Recipient itself or by engaging one or more third parties at a lesser cost than the cost for the Relevant Service under this Work Agreement, or at a higher quality of service (for a cost not greater than the increase in benefit to the business of Service Recipient) for the Relevant Service under this Work Agreement, Service Recipient may terminate such Relevant Service upon 180 days prior written notice (or such shorter period as may be agreed by the Parties) (a "Service Termination"); *provided*, *however*, that no such Service Termination may take effect and the written notice of termination shall be deemed void if, within thirty (30) days after the date of demonstration by Service Recipient that the Relevant Services can be undertaken at a lesser cost or at a higher quality of service (for a cost not greater than the increase in benefit to the business of Service Recipient) (which demonstration must be adequate to the reasonable satisfaction of Service Provider), Service Provider agrees in writing to provide the Relevant Service at such lesser cost or higher quality as demonstrated by Service Recipient and to adjust the fees under this Work Agreement accordingly.

6.2 Upon a Service Termination, Service Recipient shall pay all Service Termination Costs within ten (10) days after receiving an invoice therefor.

**7. ACCESSION**

Any Studio City Party or Melco Crown Party may accede to this Work Agreement after the date hereof by executing a supplemental agreement in the form attached to the Master Services Agreement as Exhibit B, countersigned by Studio City Services Limited and MPEL Services Limited. Upon such accession, such acceding Party will be a Studio City WA4 Party or a Melco Crown WA4 Party, as the case may be, for the purposes of this Work Agreement.

[*Signature Page Follows*]

**Studio City Entertainment Limited**

By: /s/ Timothy Green NAUSS
Title: Property CFO
Date: December 21, 2015

**Studio City Hotels Limited**

By: /s/ Timothy Green NAUSS
Title: Property CFO
Date: December 21, 2015

**Studio City Retail Services Limited**

By: /s/ Timothy Green NAUSS
Title: Property CFO
Date: December 21, 2015

**Studio City Developments Limited**

By: /s/ Timothy Green NAUSS
Title: Property CFO
Date: December 21, 2015

**Studio City Ventures Limited**

By: /s/ Timothy Green NAUSS
Title: Property CFO
Date: December 21, 2015

**Studio City Services Limited**

By: /s/ Timothy Green NAUSS
Title: Property CFO
Date: December 21, 2015

[Signature Page to Work Agreement #4 – Operational-Property Shared Services]

**Melco Crown Hospitality and Services Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown (COD) Hotels Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown (COD) Developments Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown (COD) Retail Services Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown Security Services Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Golden Future (Management Services) Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**MPEL Services Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**MPEL Properties (Macau) Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

[Signature Page to Work Agreement #4 – Operational-Property Shared Services]

**Exhibit 10.15**

**EXECUTION VERSION**

**Work Agreement #5**

PROJECT NAME: Limousine Transportation Services

WORK AGREEMENT ("Work Agreement") #: 5

This Work Agreement is entered into by and between Studio City Hotels Limited and Studio City Ventures Limited (each a "Studio City WA5 Party" and collectively, the "Studio City WA5 Parties"), on the one hand, and Melco Crown (COD) Hotels Limited, Melco Crown COD (GH) Hotel Limited, Altira Hotel Limited, Melco Crown COD (HR) Hotel Limited, Melco Crown COD (CT) Hotel Limited and MCE Travel Limited (each a "Melco Crown WA5 Party" and collectively, the "Melco Crown WA5 Parties"), on the other hand. All of the terms and conditions of the Master Services Agreement, dated December 21, 2015, as amended from time to time (the "Master Services Agreement"), by and between Studio City Parties (as defined therein) and Melco Crown Parties (as defined therein) are deemed to be incorporated in this Work Agreement.

---

## 1. DEFINITIONS

For the purposes of this Work Agreement, the following terms shall have the meanings specified in this Section 1:

"Aggregate Theoretical Revenue" is equal to the Theoretical Revenue of both Service Provider Group's gaming areas at MCE Resorts and Studio City's gaming areas from customers utilizing such ground transportation services.

"Commencement Date" shall mean the date of execution of this Work Agreement.

"Monthly Capital Cost" of the limousine fleet shall be determined by amortizing the cost of the vehicles over the assessed useful life based on the planned replacement date of each vehicle.

"Parties" or "Party" means Melco Crown WA5 Parties, any Melco Crown WA5 Party or Studio City WA5 Party, as applicable.

"Relevant Vehicles" shall have the meaning described in Section 5.3 of this Work Agreement.

"Relevant Vehicle List" shall mean the list of vehicles attached to this Work Agreement as Schedule A, as updated and amended in accordance with this Work Agreement from time to time.

"Relevant Vehicles Purchase Price" shall have the meaning described in Section 5.3 of this Work Agreement.

"Service Provider Group" shall mean Service Provider and those entities which are its Affiliates.

"Services" shall mean the services described in Section 2.1 of this Work Agreement.

"Theoretical Revenue" is an amount tracked for a customer calculated by multiplying their bets by the win rate of the games they play.

"Total Monthly Vehicle Cost" is the sum of (i) the Monthly Capital Cost and (ii) the total monthly running costs (including labor, fuel, maintenance, insurance and relevant license fees) of the limousine fleet.

"Trip" shall mean a trip by an eligible customer from or to a Service Recipient or Service Provider hotel resort in a vehicle provided by Service Provider.

Capitalized terms not defined herein shall have the meaning set forth in the Master Services Agreement.

## 2. DESCRIPTION OF SERVICES

2.1 Service Provider shall provide to Service Recipient's customers limousine transportation services on the same basis as Service Provider provides limousine transportation services to MCE Resorts' customers. Studio City WA5 Parties may only be a Service Recipient of the Services under this Section 2.1.

## 3. TERM

3.1 Subject to Section 5.1, this Work Agreement shall be effective as of the Commencement Date and shall continue (unless earlier terminated by the provisions hereof or the Master Services Agreement) until June 26, 2022.

## 4. COMPENSATION

4.1 All Services provided by the Service Provider to the Service Recipient hereunder shall be determined and charged on a monthly basis in accordance with the following fee schedule:

| Services | Fees |
|---|---|
| Limousine Transportation Services | Service Recipient shall pay an amount equal to (a) the percentage of customers' Trips attributable to Studio City, multiplied by (b) the Total Monthly Vehicle Cost.<br><br>The percentage of customers' Trips attributable to the Studio City WA5 Party will equal the Studio City percentage share of Aggregate Theoretical Revenue from customers using Service Provider limousine transportation services. |

4.2 Service Recipient shall pay, or cause to be paid, within ten (10) days of receipt, any bills and invoices that it receives from the Service Provider for Services provided under or pursuant to this Work Agreement, subject to receiving any appropriate support documentation for such bills and invoices and, more particularly, the provisions under Section 3.2 of the Master Services Agreement.

**5. TERMINATION OF WORK AGREEMENT**

5.1 This Work Agreement shall terminate upon the first to occur of (i) mutual agreement of the Parties in writing, (ii) termination of the Master Services Agreement, (iii) termination of this Work Agreement by Melco Crown WA5 Parties upon the material breach by a Studio City WA5 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Melco Crown WA5 Parties of such breach, (iv) termination of this Work Agreement by Studio City WA5 Parties upon the material breach by a Melco Crown WA5 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Studio City WA5 Parties of such breach or (v) termination of this Work Agreement by Service Recipient subject to a 180 days prior written notice of termination delivered to Service Provider.

5.2 Upon termination, and subject to Section 5.3 below, all Services under this Work Agreement shall cease and the Parties shall pay to each other all amounts owing hereunder for Services provided through the date of termination.

5.3 On a date agreed with Melco Crown WA5 Parties (such date to be no earlier than the date which is 30 days prior to the proposed date of termination of this Work Agreement and no later than the date of termination), the Studio City WA5 Party shall (unless otherwise agreed by the Parties) purchase the vehicles identified in the Relevant Vehicle List (the "Relevant Vehicles") for a purchase price equal to the product of the then current amortized book value of the Relevant Vehicles recorded on the books of the owner of the Relevant Vehicles, which value will include any transfer taxes (the "Relevant Vehicles Purchase Price").

5.4 The Project Managers shall review and mutually agree to any revisions, updates and changes to the Relevant Vehicle List each time a vehicle is added to or removed from the Service Provider's fleet, and in any event (whether or not any vehicles have been added or removed) not less than quarterly.

**6. ACCESSION**

Any Studio City Party or Melco Crown Party may accede to this Work Agreement after the date hereof by executing a supplemental agreement in the form attached to the Master Services Agreement as Exhibit B, countersigned by Studio City Hotels Limited and Melco Crown (COD) Hotels Limited. Upon such accession, such acceding Party will be a Studio City WA5 Party or a Melco Crown WA5 Party, as the case may be, for the purposes of this Work Agreement.

[*Signature Page Follows*]

**Studio City Hotels Limited**

| By: | /s/ Timothy Green NAUSS |
|---|---|
| Title: | Property CFO |
| Date: | December 21, 2015 |

**Studio City Ventures Limited**

| By: | /s/ Timothy Green NAUSS |
|---|---|
| Title: | Property CFO |
| Date: | December 21, 2015 |

[Signature Page to Work Agreement #5 – Shared Limo Services]

**Melco Crown (COD) Hotels Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown COD (GH) Hotel Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Altira Hotel Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown COD (HR) Hotel Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown COD (CT) Hotel Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**MCE Travel Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

[Signature Page to Work Agreement #5 – Shared Limo Services]

**SCHEDULE A**

**Relevant Vehicles**

| Model | Owner | Qty | Date of Purchase | Planned Disposal Month | Life Months |
|---|---|---|---|---|---|
| Toyota Alphard | Melco Crown (COD) Hotels Ltd. | 20 | Oct 2015 | Oct 2020 | 72 |
| Mercedes Benz S500L | Melco Crown (COD) Hotels Ltd. | 6 | Nov 2015 | Nov 2021 | 84 |

**Exhibit 10.16**

**EXECUTION VERSION**

**Work Agreement #6**

PROJECT NAME: Aviation Services

WORK AGREEMENT ("Work Agreement") #: 6

This Work Agreement is entered into by and between Studio City Entertainment Limited and Studio City Hotels Limited (each a "Studio City WA6 Party" and collectively, the "Studio City WA6 Parties"), on the one hand, and MCE Transportation Limited, MCE Transportation Two Limited and Melco Crown (Macau) Limited (each a "Melco Crown WA6 Party" and collectively, the "Melco Crown WA6 Parties"), on the other hand. All of the terms and conditions of the Master Services Agreement, dated December 21, 2015, as amended from time to time (the "Master Services Agreement"), by and between Studio City Parties (as defined therein) and Melco Crown Parties (as defined therein) are deemed to be incorporated in this Work Agreement.

## 1. DEFINITIONS

For the purposes of this Work Agreement, the following terms shall have the meanings specified in this Section 1:

"Aircraft" means any airplane and/or air jet as may be from time to time owned by a Melco Crown WA6 Party.

"Aviation Services" shall mean the services described in Section 2.1 of this Work Agreement.

"Commencement Date" shall mean the date of execution of this Work Agreement.

"Crew" shall mean such pilots (captains and co-pilots), flight attendants and flight engineers who may be employed either by the Service Provider Group or by the Managers for operation and/or maintenance of the Aircraft.

"Crew Costs" shall mean all costs and expenses incurred or paid by the Service Provider Group in employing or engaging such Crew, including salary, bonuses, monetary value of equity compensation, payroll taxes, employee related insurance and employee benefits and applicable training costs.

"Depreciation" of the Aircraft shall be determined by amortizing (on a straight-line basis) the cost of the relevant Aircraft over the assessed useful life based on the planned replacement date of such Aircraft.

"Finance Expenses" means the aggregate amount of the accrued interest, commission, fees, discounts, prepayment penalties or premiums and other finance payments in respect of financing the purchase of the Aircraft.

"Fixed Costs" means the fixed costs attributable to on-going operations of the relevant Aircraft, including, but not limited to, Crew Costs, Maintenance Costs, Management Fees, Aircraft insurance costs, Office Expenses, Depreciation and Finance Expenses.

"Flight Operations Costs" means the direct operating costs of a flight, including, but not limited to, fuel, parking, ground handling (including, but not limited to, de-icing), navigation, planning, passenger handling, airport fees, per diem crew costs, ferry flight charges (if applicable) and any other taxes, duties or charges applicable to such flight.

"Flight Time" means the total time (in hours) an Aircraft spends carrying passengers or positioning.

"Helicopter" means any helicopter as may be from time to time owned by a Melco Crown WA6 Party.

"Hourly Basic Charge", in respect of an Aircraft, means the actual Fixed Costs for the six calendar months immediately prior to the month in which the relevant Aviation Services are provided to a Studio City WA6 Party divided by the total Flight Time for the same period.

"Initial Term" is defined in Section 3.1 of this Work Agreement.

"Maintenance Costs" shall mean all costs and expenses of maintenance, repair or refurbishment of the Aircraft, whether of a recurring or one-off nature, and whether directly incurred, paid or payable by the Service Provider Group, or incurred by the Managers and charged to the Service Provider Group.

"Management Fees" shall mean all the periodic management and administrative fixed fees incurred or paid by the Service Provider Group to the Managers pursuant to the relevant management agreements entered into between Melco Crown WA6 Parties and the Managers.

"Managers" shall mean the third party aircraft operators, with a valid air operator certificates, engaged by Melco Crown WA6 Parties from time to time for operation of the Aircraft.

"Office Expenses" means the Staff Costs and out of pocket office rental for offices used by aviation staff and consultants, utilities and supplies.

"Parties" or "Party" means Melco Crown WA6 Parties, any Melco Crown WA6 Party, Studio City WA6 Parties or any Studio City WA6 Party, as applicable.

"Per Flight Charge" is defined in Section 4.1(1) of this Work Agreement.

"Renewal Term" is defined in Section 3.1 of this Work Agreement.

"Service Provider Group" shall mean the Melco Crown WA6 Parties and those entities which are its Affiliates.

"Staff Costs" shall mean for each employee or consultant of Service Provider or member of Service Provider Group, excluding any Crew, to the extent utilized to provide the Aviation Services to the Service Recipient pursuant to this Work Agreement or similar services to other members of the Service Provider Group, all costs and expenses incurred or paid by Service Provider or members of Service Provider Group, including salary, bonuses, monetary value of equity compensation, payroll taxes, employee related insurance and employee benefits.

"Term" is defined in Section 3.1 of this Work Agreement.

Capitalized terms not defined herein shall have the meaning set forth in the Master Services Agreement.

## 2. DESCRIPTION OF AVIATION SERVICES

2.1 Service Provider shall provide to the Service Recipient on an on-going basis during the Term (as defined below) the following services (collectively "Aviation Services"):

(a) use of the Aircraft and/or Helicopter for air transportation services on an "as available" basis; and

(b) subject to (a) above, management of such use of the Aircraft and/or Helicopter on substantially the same basis as provided by the Service Provider Group to its staff and customers;

*provided*, that Studio City WA6 Parties may only be a Service Recipient of the Aviation Services under this Section 2.1.

## 3. TERM

3.1 Subject to Section 5.1, this Work Agreement shall be effective as of the Commencement Date and shall continue (unless earlier terminated by the provisions hereof or the Master Services Agreement) until June 26, 2022.

## 4. COMPENSATION

4.1 All Aviation Services provided by the Service Provider to the Service Recipient hereunder shall be charged on the following fee schedule:

| | Type of Service | Fees |
|---|---|---|
| 1 | **Aviation Services** | |
| | Aviation Services—Use of Aircraft | Service Recipient shall pay, for use of Aircraft for each individual trip, an amount equal to the Flight Operations Costs plus the Hourly Basic Charge multiplied by the actual Flight Time incurred for such instance of use ("Per Flight Charge").<br><br>Before Aviation Services with an Aircraft are provided, Service Provider shall provide Service Recipient with an estimated fee quote based on the estimated Flight Time of the requested Aviation Services with an Aircraft and the estimated applicable Hourly Basic Charge (based on the most recent data available); *provided*, *however*, that such a fee quote is sought and provided on the basis that Service Recipient acknowledges that Flight Times and Hourly Basic Charges are calculated and provided on a "reasonable estimate" basis only, and Service Recipient shall be invoiced |

| Type of Service | Fees |
| --- | --- |
| | and shall pay for the actual Flight Time incurred and the actual applicable Hourly Basic Charge.<br><br>Any Aviation Services with an Aircraft to be provided hereunder, and the relevant estimated fee quote in respect thereof, must be pre- approved in writing by one of the following:<br><br>(i) the Chief Financial Officer of SCIH;<br><br>(ii) the Property President of SCIH; or<br><br>(iii) any person to whom either of the above has designated such authority (in writing, and otherwise in such form as is reasonably satisfactory to the Service Provider). |
| Aviation Services—Use of Helicopter | As set forth in Schedule A hereto, which shall be updated from time to time. |

4.2 Service Recipient shall pay, or cause to be paid, within ten (10) days of receipt, any bills and invoices that it receives from the Service Provider for the Aviation Services provided under or pursuant to this Work Agreement, subject to receiving any appropriate support documentation for such bills and invoices and, more particularly, the provisions under Section 3.2 of the Master Services Agreement.

## 5. TERMINATION OF WORK AGREEMENT

5.1 This Work Agreement shall terminate upon the first to occur of (i) mutual agreement of the Parties in writing, (ii) termination of the Master Services Agreement, (iii) termination of this Work Agreement by Melco Crown WA6 Parties upon the material breach by a Studio City WA6 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Melco Crown WA6 Parties of such breach, (iv) termination of this Work Agreement by Studio City WA6 Parties upon the material breach by a Melco Crown WA6 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Studio City WA6 Parties of such breach or (v) termination of this Work Agreement by Service Recipient subject to a 180 days prior written notice of termination delivered to Service Provider.

5.2 Upon termination, all Aviation Services under this Work Agreement shall cease and the Parties shall pay to each other all amounts owing hereunder for Aviation Services provided through the date of termination.

## 6. ACCESSION

Any Studio City Party or Melco Crown Party may accede to this Work Agreement after the date hereof by executing a supplemental agreement in the form attached to the Master Services Agreement as Exhibit B, countersigned by Studio City Hotels Limited and MCE Transportation Limited. Upon such accession, such acceding Party will be a Studio City WA6 Party or a Melco Crown WA6 Party, as the case may be, for the purposes of this Work Agreement.

[*Signature Page Follows*]

**Studio City Entertainment Limited**

By: /s/ Timothy Green NAUSS

Title: Property CFO

Date: December 21, 2015

**Studio City Hotels Limited**

By: /s/ Timothy Green NAUSS

Title: Property CFO

Date: December 21, 2015

[Signature Page to Work Agreement #6 – Aviation Charges]

**MCE Transportation Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**MCE Transportation Two Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown (Macau) Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

[Signature Page to Work Agreement #6 – Aviation Charges]

**SCHEDULE A**

**Aviation Services—Helicopter**

Roundtrip Flight Cost from Shun Tak to Macau Business Aviation Center (approximate flight time per single trip: 20 minutes):

$11,500.00 US Dollars

Roundtrip flight cost from Hong Kong International Airport to Macau Business Aviation Center (approximate Flight Time per single trip: 20 minutes):

$11,500.00 US Dollars

**Exhibit 10.17**

**EXECUTION VERSION**

**Work Agreement #7**

PROJECT NAME: Collection & Payment Services

WORK AGREEMENT ("Work Agreement") #: 7

This Work Agreement is entered into by and between Studio City Retail Services Limited, Studio City Hotels Limited, Studio City Entertainment Limited and Studio City Ventures Limited (each a "Studio City WA7 Party" and collectively, the "Studio City WA7 Parties"), on the one hand, and Golden Future (Management Services) Limited ("Golden Future"), Melco Crown (COD) Hotels Limited, COD Theatre Limited, Altira Hotel Limited, Melco Crown (COD) Developments Limited, Melco Crown COD (GH) Hotel Limited, Melco Crown (COD) Retail Services Limited and MPEL Services Limited (each a "Melco Crown WA7 Party" and collectively, the "Melco Crown WA7 Parties"), on the other hand. Unless otherwise set forth herein, all of the terms and conditions of the Master Services Agreement, dated December 21, 2015, as amended from time to time (the "Master Services Agreement"), by and between Studio City Parties (as defined therein) and Melco Crown Parties (as defined therein) are deemed to be incorporated in this Work Agreement.

---

## 1. DEFINITIONS

For the purposes of this Work Agreement, the following terms shall have the meanings specified in this Section 1:

"Allocable Ticket Proceeds" is defined in Section 2.1(b)(iii) of this Work Agreement.

"Commencement Date" shall mean the date of execution of this Work Agreement.

"Intercompany Ledger" is defined in Section 4.3 of this Work Agreement.

"MCE Resort Purchase Cross Charge" is defined in Section 2.1(c)(i) of this Work Agreement.

"Parties" or "Party" means Melco Crown WA7 Parties, any Melco Crown WA7 Party, Studio City WA7 Parties or any Studio City WA7 Party, as applicable.

"Services" shall mean the services described in Section 2 of this Work Agreement.

"Studio City Complex Purchase Cross Charge" is defined in Section 2.1(c)(i) of this Work Agreement.

"Term" is defined in Section 3.1 of this Work Agreement.

"Travel Agent Agreements" is defined in Section 2.2(a)(i) of this Work Agreement.

Capitalized terms not defined herein shall have the meaning set forth in the Master Services Agreement.

## 2. DESCRIPTION OF SERVICES

2.1 Intercompany Arrangements and Charges:

**(a)** **Company Purchase.** In the event a Melco Crown WA7 Party, as Service Recipient wishes to purchase tickets for non-gaming attractions and activities from a Studio City WA7 Party, as Service Provider or vice versa:[1]

(i) The Service Recipient may request tickets from the Service Provider.

(ii) To the extent available, the tickets shall be sold at a negotiated discounted rate agreed upon by the Parties in good faith.

(iii) Any payments due for the purchase and sale of such tickets shall be made through the Parties' intercompany accounts upon issuance of the relevant invoices.

(iv) Any liability for cancellations or no shows shall be determined by Service Provider and shall be set forth on the tickets for the attraction (or if not set out on the tickets, in accordance with the general terms and conditions applicable to such tickets).

**(b)** **Attraction tickets purchased at the property box offices.**

(i) A Melco Crown WA7 Party as Service Provider may sell, through its box offices at any MCE Resort, tickets for attractions and shows on behalf of a Studio City WA7 Party as Service Recipient at the Studio City Complex.

(ii) A Studio City WA7 Party as Service Provider may sell, through its box offices at the Studio City Complex, tickets for attractions and shows on behalf of a Melco Crown WA7 Party as Service Recipient at an MCE Resort.

(iii) Proceeds from the sales of tickets at the box office of any Service Provider for attractions and shows at a resort of Service Recipient shall be the property of Service Recipient ("Allocable Ticket Proceeds").

(iv) Allocable Ticket Proceeds will be paid to the Party that is entitled to such proceeds under Section 2.1(b)(iii) through the Parties' intercompany accounts within ten (10) days of issuance of the relevant invoices.

**(c)** **Room charge between MCE Resorts and Studio City Complex.**

(i) Customers of any MCE Resort shall be able to charge to their room accounts their purchases at Studio City Complex restaurants, bars, shows and attractions (a "Studio City Complex Purchase Cross Charge"), and the amount of such purchases shall be collected from the MCE Resort customer by the relevant Melco Crown WA7 Party (as Service Provider). Customers of Studio City Complex shall be able to charge to their room accounts their purchases at any MCE Resort restaurants, bars, shows and attractions (a "MCE Resort Purchase Cross Charge"), and the amount of such purchases shall be collected from the Studio City Complex customer by the relevant Studio City WA7 Party (as Service Provider).

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1 For example, for either Party to create hotel packages.

(ii) In case of a Studio City Complex Purchase Cross Charge, the relevant Service Provider shall pay to the relevant Studio City WA7 Party (as Service Recipient) the amount of such Studio City Complex Purchase Cross Charge collected through the Parties' intercompany accounts within ten (10) days of issuance of the relevant invoices. In case of a MCE Resort Purchase Cross Charge, the relevant Service Provider shall pay to the relevant Melco Crown WA7 Party (as Service Recipient) the amount of such MCE Resort Purchase Cross Charge collected through the Parties' intercompany accounts within ten (10) days of issuance of the relevant invoices.

**(d) Attraction tickets purchased online.**

(i) Payments for any Studio City Complex attractions purchased online through the ticketing system and payment gateway operated by MCE Resorts shall be deposited into the appropriate bank account of Melco Crown (COD) Hotels Limited or COD Theatre Limited (as Service Provider), with such proceeds to be held for the benefit of the relevant Studio City WA7 Party entitled to the payments in respect of the relevant attraction (such Studio City WA7 Party, the Service Recipient).

(ii) Service Provider shall pay Service Recipient for such online purchases through the Parties' intercompany accounts within ten (10) days of issuance of the relevant invoices.

2.2 Third Party Travel Agents:

**(a) Travel Agent Credit Management Service.**

(i) Each separate Melco Crown WA7 Party and Studio City WA7 Party selling products to or through travel agents may enter into co-operation agreements with such travel agents (the "Travel Agent Agreements").

(ii) One or more Melco Crown WA7 Parties as Service Provider shall establish specific credit limits for such travel agents in respect of the transactions covered by the Travel Agent Agreements and such travel agents shall provide a cash deposit or bank guarantee to Service Provider to secure such credit limit.

(iii) Travel agents that are provided credit limits by Service Provider under the Travel Agent Agreements will be permitted to use such credit limits to purchase tickets for non-gaming activities, attractions and hotel reservations for MCE Resorts and Studio City Complex.

(iv) Service Provider shall accept and hold the bank guarantees or cash deposits (on behalf of the relevant Melco Crown WA7 Parties and Studio City WA7 Parties, in each case acting as Service Recipient) to secure the credit line provided under the Travel Agent Agreements.

(v) Travel agents shall be invoiced by and make payments to each separate Melco Crown WA7 Party and Studio City WA7 Party selling products to or through the travel agency.

(vi) In the event the travel agency defaults on payments to any Melco Crown WA7 Party or any Studio City WA7 Party, Service Provider will release funds from the bank guarantee or deposit (if and as applicable) to that Melco Crown WA7 Party or Studio City WA7 Party to reimburse that Melco Crown WA7 Party or Studio City WA7 Party to the extent funds are available therefor.

**3. TERM**

3.1 Subject to Section 6.1, this Work Agreement shall be effective as of the Commencement Date and shall continue (unless earlier terminated by the provisions hereof or the Master Services Agreement) until June 26, 2022.

**4. COMPENSATION AND DISPUTES**

4.1 Each Party agrees that consideration being provided from the other, comprising that other Party's performance of its obligations hereunder, shall be sufficient consideration for the relevant Services being provided hereunder. There shall be no other charge for the Services provided hereunder.

4.2 Invoices shall be issued for the amounts payable hereunder on a monthly basis by the applicable Service Provider.

4.3 Within twenty (20) Business Days of each calendar month end, the Project Manager for the Melco Crown WA7 Parties shall provide to the Chief Financial Officer of SCIH a detailed description of the (x) charges and payments received setting forth the exact items purchased and related amounts charged, (y) amounts debited in connection with any refunds, chargebacks and defaults related to the charges and payments received, and (z) the dates in which the charges, payments, refunds, chargebacks or defaults were incurred (the "Intercompany Ledger").

4.4 In the event an item on the Intercompany Ledger is disputed, the dispute shall be settled through the dispute resolution procedures set forth in Section 7.10 of the Master Services Agreement.

4.5 Each Party shall be responsible for any refunds, chargebacks and defaults related to its properties, resorts and amenities.

**5. APPLICABILITY OF MASTER SERVICES AGREEMENT**

5.1 Article 3 and Section 6.1(a)(i) of the Master Services Agreement shall not apply to this Work Agreement.

## 6. TERMINATION

6.1 This Work Agreement shall terminate upon the first to occur of (i) mutual agreement of the Parties in writing, (ii) termination of the Master Services Agreement, (iii) termination of this Work Agreement by Melco Crown WA7 Parties upon the material breach by a Studio City WA7 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Melco Crown WA7 Parties of such breach, (iv) termination of this Work Agreement by Studio City WA7 Parties upon the material breach by a Melco Crown WA7 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Studio City WA7 Parties of such breach or (v) termination of this Work Agreement by Service Recipient subject to a 180 days prior written notice of termination delivered to Service Provider.

6.2 Upon termination, all Services under this Work Agreement shall cease and the Parties shall settle any outstanding balances under the intercompany accounts existing upon the date of termination.

## 7. ACCESSION

Any Studio City Party or Melco Crown Party may accede to this Work Agreement after the date hereof by executing a supplemental agreement in the form attached to the Master Services Agreement as Exhibit B, countersigned by Studio City Hotels Limited and MPEL Services Limited. Upon such accession, such acceding Party will be a Studio City WA7 Party or a Melco Crown WA7 Party, as the case may be, for the purposes of this Work Agreement.

[*Signature Page Follows*]

**Studio City Retail Services Limited**

By: /s/ Timothy Green NAUSS
Title: Property CFO
Date: December 21, 2015

**Studio City Hotels Limited**

By: /s/ Timothy Green NAUSS
Title: Property CFO
Date: December 21, 2015

**Studio City Ventures Limited**

By: /s/ Timothy Green NAUSS
Title: Property CFO
Date: December 21, 2015

**Studio City Entertainment Limited**

By: /s/ Timothy Green NAUSS
Title: Property CFO
Date: December 21, 2015

[Signature Page to Work Agreement #7 – Collection & Payment Services]

**Golden Future (Management Services) Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown (COD) Hotels Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**COD Theatre Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Altira Hotel Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown (COD) Developments Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown COD (GH) Hotel Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown (COD) Retail Services Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**MPEL Services Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

[Signature Page to Work Agreement #7 – Collection & Payment Services]

**Exhibit 10.18**

**EXECUTION VERSION**

# Work Agreement #8

PROJECT NAME: Limousine Transportation Services

WORK AGREEMENT ("Work Agreement") #: 8

This Work Agreement is entered into by and between Melco Crown (COD) Hotels Limited, Melco Crown COD (GH) Hotel Limited, Altira Hotel Limited, Melco Crown COD (HR) Hotel Limited, Melco Crown COD (CT) Hotel Limited, Melco Crown (Macau) Limited and MCE Travel Limited (each a "Melco Crown WA8 Party" and collectively, the "Melco Crown WA8 Parties"), on the one hand, and Studio City Hotels Limited ("Studio City WA8 Parties"), on the other hand. All of the terms and conditions of the Master Services Agreement, dated December 21, 2015, as amended from time to time (the "Master Services Agreement"), by and between Studio City Parties (as defined therein) and Melco Crown Parties (as defined therein) are deemed to be incorporated in this Work Agreement.

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## 1. DEFINITIONS

For the purposes of this Work Agreement, the following terms shall have the meanings specified in this Section 1:

"Aggregate Theoretical Revenue" is equal to the Theoretical Revenue of both Service Provider Group's gaming areas at MCE Resorts and Studio City's gaming areas from customers utilizing such ground transportation services.

"Commencement Date" shall mean the date of execution of this Work Agreement.

"Monthly Capital Cost" of the limousine fleet shall be determined by amortizing the cost of the vehicles over the assessed useful life based on the planned replacement date of each vehicle.

"Parties" or "Party" means Melco Crown WA8 Parties, any Melco Crown WA8 Party or Studio City WA8 Party, as applicable.

"Service Provider Group" shall mean Service Provider and those entities which are its Affiliates.

"Services" shall mean the services described in Section 2.1 of this Work Agreement.

"Theoretical Revenue" is an amount tracked for a customer calculated by multiplying their bets by the win rate of the games they play.

"Total Monthly Vehicle Cost" is the sum of (i) the Monthly Capital Cost and (ii) the total monthly running costs (including labor, fuel, maintenance, insurance and relevant license fees) of the limousine fleet.

"Trip" shall mean a trip by an eligible customer from or to a Service Recipient or Service Provider hotel resort in a vehicle provided by Service Provider.

Capitalized terms not defined herein shall have the meaning set forth in the Master Services Agreement.

## 2. DESCRIPTION OF SERVICES

2.1 Service Provider shall provide to Service Recipient's customers limousine transportation services. Melco Crown WA8 Parties may only be a Service Recipient of the Services under this Section 2.1.

## 3. TERM

3.1 Subject to Section 5.1, this Work Agreement shall be effective as of the Commencement Date and shall continue (unless earlier terminated by the provisions hereof or the Master Services Agreement) until June 26, 2022.

## 4. COMPENSATION

4.1 All Services provided by the Service Provider to the Service Recipient hereunder shall be determined and charged on a monthly basis in accordance with the following fee schedule:

| Services | Fees |
|---|---|
| Limousine Transportation Services | Service Recipient shall pay an amount equal to (a) the percentage of customers' Trips attributable to MCE Resorts, multiplied by (b) the Total Monthly Vehicle Cost. The percentage of customers' Trips attributable to the Melco Crown WA8 Parties will equal the MCE Resorts percentage share of Aggregate Theoretical Revenue from customers using Service Provider limousine transportation services. |

4.2 Service Recipient shall pay, or cause to be paid, within ten (10) days of receipt, any bills and invoices that it receives from the Service Provider for Services provided under or pursuant to this Work Agreement, subject to receiving any appropriate support documentation for such bills and invoices and, more particularly, the provisions under Section 3.2 of the Master Services Agreement.

## 5. TERMINATION OF WORK AGREEMENT

5.1 This Work Agreement shall terminate upon the first to occur of (i) mutual agreement of the Parties in writing, (ii) termination of the Master Services Agreement, (iii) termination of this Work Agreement by Melco Crown WA8 Parties upon the material breach by a Studio City WA8 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Melco Crown WA8 Parties of such breach, (iv) termination of this Work Agreement by Studio City WA8 Parties upon the material breach by a Melco Crown WA8 Party of this Work Agreement which remains uncured after thirty (30) days of written notice provided by Studio City WA8 Parties of such breach or (v) termination of this Work Agreement by Service Recipient subject to a 180 days prior written notice of termination delivered to Service Provider.

5.2 Upon termination, all Services under this Work Agreement shall cease and the Parties shall pay to each other all amounts owing hereunder for Services provided through the date of termination.

**6. ACCESSION**

Any Studio City Party or Melco Crown Party may accede to this Work Agreement after the date hereof by executing a supplemental agreement in the form attached to the Master Services Agreement as Exhibit B, countersigned by Studio City Hotels Limited and Melco Crown (COD) Hotels Limited. Upon such accession, such acceding Party will be a Studio City WA8 Party or a Melco Crown WA8 Party, as the case may be, for the purposes of this Work Agreement.

[*Signature Page Follows*]

**Studio City Hotels Limited**

By: /s/ Timothy Green NAUSS

Title: Property CFO

Date: December 21, 2015

[Signature Page to Work Agreement #8 – Shared Limo Services (SC to MC)]

**Melco Crown (COD) Hotels Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**MCE Travel Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown COD (GH) Hotel Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown (Macau) Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Altira Hotel Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown COD (HR) Hotel Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

**Melco Crown COD (CT) Hotel Limited**

By: /s/ CHUNG, Yuk Man
Title: Director
Date: December 21, 2015

[Signature Page to Work Agreement #8 – Shared Limo Services (SC to MC)]

**SC Land Concession (2001)**
[ENGLISH TRANSLATION FOR REFERENCE ONLY]

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**MACAU SPECIAL ADMINISTRATIVE REGION**

**BUREAU OF THE SECRETARY FOR TRANSPORT AND PUBLIC WORKS**

**OFFICIAL GAZETTE – SERIES II**
Diploma: **Dispatch of the Secretary for Transport and Public Works no. 100/2001**
OG N.º: **42/2001**
Published on: **2001.10.17**
Page: **5725**
**Official Chinese version:** http://bo.io.gov.mo/bo/ii/2001/42/despstop_cn.asp#100
**Official Portuguese version:** http://bo.io.gov.mo/bo/ii/2001/42/despstop.asp#100

- Grants, by leasehold and with waiver of public tender, a plot of land located in the Embankment Area between the islands of Taipa and Coloane.

**Dispatch of the Secretary for Transport and Public Works no. 100/2001**

Using the faculty granted by article 64 of the Basic Law of the Macau Special Administrative Region, and in accordance with paragraph c) of no. 1 of article 29, with articles 37, 49 and ff., with paragraph a) of no. 1 and of no. 2 of article 57, all of Law no. 6/80/M, dated July 5, the Secretary for Transport and Public Works hereby orders:

**1.** In accordance with the terms and conditions of the annexed contract, which forms an integral part of this dispatch, the plot of land with the global area of 140,789 sq.m., consisting of Lots G300, G310 and G400 of the COTAI Plan, located in the Embankment Area between the islands of Taipa and Coloane, is hereby granted, by leasehold and with waiver of public tender.

**2.** This dispatch enters into force immediately.

October 9, 2001.

The Secretary for Transport and Public Works, Ao Man Long.

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## ANNEX

**(File no. 6,396.1 of the Land, Public Works, and Transport Bureau and File no. 20/2001 of the Land Committee)**

Contract agreed between:

The Macau Special Administrative Region, as first party; and

East Asia – Satellite Television Limited, as second party.

Whereas:

**1.** By submission dated September 25, 2000, addressed to the Infrastructure Development Office (GDI), the company "Lai Sun Development Limited", with head office in Hong Kong and therein listed on the Stock Exchange, requested a concession, by leasehold and with waiver of public tender, of a plot of land with an area of around 100,000 sq.m., consisting of Lots G300, G400 and part of G310 of the COTAI Plan, located in the Embankment Area between the islands of Taipa and Coloane, to be developed with the construction of a movie production center and supporting facilities for tourism and entertainment.

**2.** On October 4, 2000, a company of the same group (Lai Sun), "eSun Holdings Limited", equally with head office and listed on the Stock Exchange in Hong Kong, submitted a new development plan for the land, according to which the venture would be developed in two phases, the first on the land initially requested and, the second, on an area of around 40,900 sq.m., for a future expansion of the movie production center and construction of facilities for housing of the respective personnel.

**3.** Considering the innovative character of the venture, as well as its high economic and touristic interest, its materialization representing an important investment, susceptible of directly and indirectly generating a significant number of jobs, the GDI issued a favorable opinion to the request, including the conditions under which the concession could be made effective, which merited the approval of H.E. the Chief Executive, after which the procedure was sent to the Land, Public Works, and Transport Bureau (DSSOPT) for the promotion of subsequent proceedings.

**4.** In the context of the instruction of the procedure, the applicant, through its attorney, Carlos Duque Simões, lawyer with office in Macau, at Avenida da Praia Grande, no. 759, 3.º andar, requested that a substitution of the party in the concession procedure be considered, being the concession granted in favor of the local company, incorporated for that purpose, and belonging to the Lai Sun Group, named East Asia – Satellite Television Limited, registered with the Commercial and Movable Assets Registry under no. 14,311 (SO).

**5.** Commenting on the preliminary draft of the contract that, for that purpose, was sent to them by the DSSOPT through a letter of March 3, 2001, the applicant requested the introduction of some amendments, namely in what regards the purpose of the land, towards the introduction of the purpose of tourism and entertainment, the annual rent, and the interest over the premium.

**6.** Pursuant to the analysis of the request, a new draft was sent, contemplating some of the proposed amendments, which obtained the general agreement of the company East Asia – Satellite Television Limited, with exception of the clause relating to the rent, in relation to which the applicant proposed that, considering the characteristics of the venture, the various existing purposes, and its phased execution, a unitary rent amount be stipulated, during and after the development, calculated on the basis of the granted land, or, alternatively, that no rent be charged for the free circulation and parking areas, as they considered they could not be the object of any construction. The first solution was accepted.

**7.** The procedure followed its regular course, and was sent to the Land Committee that, convening on August 2, 2001, issued a favorable opinion to the acceptance of the request.

**8.** The opinion of the Land Committee was homologated by dispatch of H.E. the Chief Executive, recorded over the favorable opinion of the Secretary for Transport and Public Works, dated August 14, 2001.

**9.** The land in question, with an area of 140,789 sq.m. is not described in the Land Registry (LR) and is marked with the letter “A” on the cadaster plan no. 5,899/2000, issued by the Cartography and Cadaster Bureau (DSCC), on January 22, 2001.

**10.** In accordance with and for the purposes provided by article 125 of Law 6/80/M, dated July 5, the conditions of the contract titled by this dispatch were notified to the concessionaire and expressly accepted by it, as per the statement submitted on September 10, 2001, signed by Lam Kin Kgok Peter, divorced, of Hong Kong birth, of British nationality, resident in Hong Kong, May Road, Tower II, May Tower, 19th floor, in the capacity of Director, capacity and powers that were verified by the Private Notary Carlos Duque Simões, in accordance with the certification affixed to the said statement.

**11.** The installment of the premium provided for in no. 1 of the ninth clause of the contract was paid at the receivables of the Macau Tax Office on September 14, 2001 (income no. 46,103) through the invoice no. 73/2001, issued by the Land Committee on September 4, 2001, which duplicate is archived in the respective procedure.

**12.** The security deposit provided for in no. 1 of the tenth clause of the contract was paid by deposit in cash, through the invoice no. 021/ARR/2001, issued on September 17, 2001, by the Financial Services Bureau.

***<u>First Clause – Object of the contract</u>***

The first party grants to the second party, by leasehold and with waiver of public tender, a plot of land not described in the LR, located in the Embankment Area between the islands of Taipa and Coloane, COTAI Plan, lots G300, G310 and G400, with the area of 140,789 sq.m. (one hundred and forty thousand seven hundred and eighty-nine square meters), with the attributed value of MOP$23,320,000.00 (twenty-three million and three hundred and twenty thousand patacas), marked with the letter “A” on plan no. 5,899/2000, issued by the DSCC on January 22, 2001, that is an integral part of the present contract, hereinafter simply designated by land.

***Second Clause – Lease Term***

**1.** The leasehold is valid for a term of 25 (twenty-five) years, counted from the date of the publication in the Official Gazette of the Macau Special Administrative Region of the dispatch that titles the present contract.

**2.** The term of the lease, stipulated in the preceding number, may, in accordance with the applicable legislation, be successively renewed until 19 December 2049.

***Third Clause – Development and Purpose of the Land***

**1.** The land is destined for the second party's own use for the construction of a movie production center and supporting facilities for tourism and entertainment, with an aggregate gross construction area of 144,650 sq.m., allocated to the following purposes:

**1.1.** First Phase:

**1.1.1.** Movie industry (studios, with indoor and outdoor areas and supporting facilities) and supporting facilities for tourism and entertainment, with a gross construction area of 71,010 sq.m.;

**1.1.2.** Offices, with a gross construction area of 5,925 sq.m.;

**1.1.3.** Restaurant, with a gross construction area of 1,500 sq.m.;

**1.1.4.** Parking, with a gross construction area of 4,800 sq.m.;

**1.1.5.** Free circulation area, with a gross construction area of 20,515 sq.m..

**1.2.** Second Phase:

**1.2.1.** Movie industry (studios, with indoor and outdoor areas and supporting facilities) and supporting facilities for tourism and entertainment, with a gross construction area of 30,900 sq.m.;

**1.2.2.** Housing, with a gross construction area of 10,000 sq.m..

**2.** The development of the land must obey the conditions stipulated in the development plan, to be prepared and submitted by the second party and to be approved by the first party.

***Fourth Clause – Rent***

**1.** In accordance with Ordinance no. 50/81/M, dated March 21, the second party pays an annual rent of MOP$844,734.00 (eight hundred and forty-four thousand seven hundred and thirty-four patacas), corresponding to MOP$6.00 (six patacas) per square meter of the granted land.

**2.** The rents are reviewed every five years, counted from the date of the publication in the Official Gazette of the Macau Special Administrative Region of the dispatch that titles the present contract, notwithstanding the immediate application of new rent amounts established in legislation that, during the validity of this contract, may be published.

***Fifth Clause – Development Deadline***

**1.** The development of the land should occur within the global deadline of 66 (sixty-six) months, counted from the date of the publication in the Official Gazette of the Macau Special Administrative Region of the dispatch that titles the present contract, subdivided into two phases, the first phase being within 36 (thirty-six) months, and the second phase within 30 (thirty) months.

**2.** The deadline provided in the preceding number includes the deadlines necessary for the submission of the projects by the second party and respective consideration by the first party.

***Sixth Clause – Special Charges***

**1.** The following constitute special charges to be exclusively borne by the second party:

> **1.1.** The execution of the new embankment and the infrastructures necessary for the development of the land marked with the letter “A” on plan no. 5,899/2000, issued by the DSCC on January 22, 2001;
>
> **1.2.** The construction and paving of the COTAI Plan roadways, designated by VL2(1), marked with the letter “B” on the abovementioned plan.

**2.** The second party guarantees the good execution and quality of the materials and equipment to be applied in the construction works mentioned in paragraph 1.1., for the duration of the term of the concession of the land, and in paragraph 1.2., for a period of two years, counted from the provisional receipt of such works, undertaking to repair and correct all deficiencies that may be manifested during that period.

***Seventh Clause – Materials for the embankment***

The materials that may be necessary to apply for the embankment of the land, in addition to those resulting from the eventual removal of soil from the site, must be appropriate and obtained outside the Macau Special Administrative Region or from sites previously indicated by the first party.

***Eight Clause – Fines***

**1.** For the non-compliance of the deadlines provided for in the fifth clause, relating to the conclusion of the first and second phase, the second party is subject to a fine that may be up to MOP$5,000.00 (five thousand patacas) for each day of delay, up to 60 (sixty) days; in excess of such period and up to the global maximum of 120 (one hundred and twenty) days, it is subject to a fine up to twice the said amount, except when there are duly justified special reasons, accepted by the first party.

**2.** The second party is exonerated from the responsibility mentioned in the preceding number in cases of *force majeure* or other relevant facts that are proven to be beyond its control.

**3.** Cases of *force majeure* are considered as those that result exclusively from unforeseeable and unavoidable events.

**4.** For the purpose of no. 2, the second party undertakes to notify, in writing, the first party, as quickly as possible, of the occurrence of the abovementioned facts.

***Ninth Clause – Premium of the contract***

The second party pays to the first party, as premium of the contract, the amount of MOP$23,230,000.00 (twenty-three million and two hundred and thirty thousand patacas), as follows:

**1.** MOP$5,830,000.00 (five million and eight hundred and thirty thousand patacas) that the first party has already received and of which it gives due quittance;

**2.** The remainder, in the amount of MOP$17,490,000.00 (seventeen million and four hundred and ninety thousand patacas), which shall accrue interest at the annual rate of 7%, shall be paid in 4 (four) annual installments, equal in capital and interest, in the amount of MOP$5,163,540.00 (five million one hundred and sixty-three thousand and five hundred and forty patacas) each, the first being due 1 (one) year after the date of the publication in the Official Gazette of the Macau Special Administrative Region of the dispatch that titles this contract.

***Tenth Clause – Security Deposit***

**1.** In accordance with article 126 of Law no. 6/80/M, dated July, 5, the second party pays a security deposit in the amount of MOP$844,734.00 (eight hundred and forty-four thousand and seven hundred and thirty-four patacas), by way of a deposit or bank guarantee accepted by the first party.

**2.** The amount of the security deposit, mentioned in the previous number, must always follow the amount of the respective annual rent.

***Eleventh Clause – Transfer***

**1.** The transfer of situations arising from this concession, due to its nature, is subject to prior authorization of the first party, and subjects the transferee to the revision of the conditions of the present contract.

**2.** As guarantee for the financing necessary for the undertaking, the second party may constitute a voluntary mortgage over the leasehold right of the hereby granted land, in favor of credit institutions with head office or with branches in the Macau Special Administrative Region, in accordance with article 2 of Decree-Law no. 51/83/M, dated December 26.

***Twelfth Clause – Inspection***

During the development period of the granted land, the second party undertakes to allow access thereto and to the works, to the representatives of Government Services that present themselves carrying out their inspections, giving them all assistance and means for the good performance of their function.

***Thirteenth Clause – Lapse***

**1.** The concession shall lapse in the following cases:

**1.1.** Upon the expiration of the period provided for in no. 1 of the eighth clause during which the fine is aggravated;

**1.2.** Unauthorized alteration to the purpose of the concession while the development of the land has not been completed;

**1.3.** Interruption of the development of the land for a period of more than 90 (ninety) days, except when there are duly justified special reasons, accepted by the first party.

**2.** The lapse of the concession is declared by dispatch of H.E. the Chief Executive, to be published in the Official Gazette of the Macau Special Administrative Region.

**3.** The lapse of the concession determines the reversion of the land to the possession of the first party, with all improvements made thereon, without the right to any indemnification for the second party.

***Fourteenth Clause – Termination***

**1.** The present contract may be terminated upon verification of any of the following events:

**1.1.** Lack of timely payment of the rent;

**1.2.** Unauthorized alteration to the development of the land and/or the purpose of the concession, in case the development of the land has already been completed;

**1.3.** Transfer of situations arising from the concession, with violation of the provisions of the eleventh clause;

**1.4.** Non-fulfillment of the undertakings provided for in the fifth, sixth and ninth clauses.

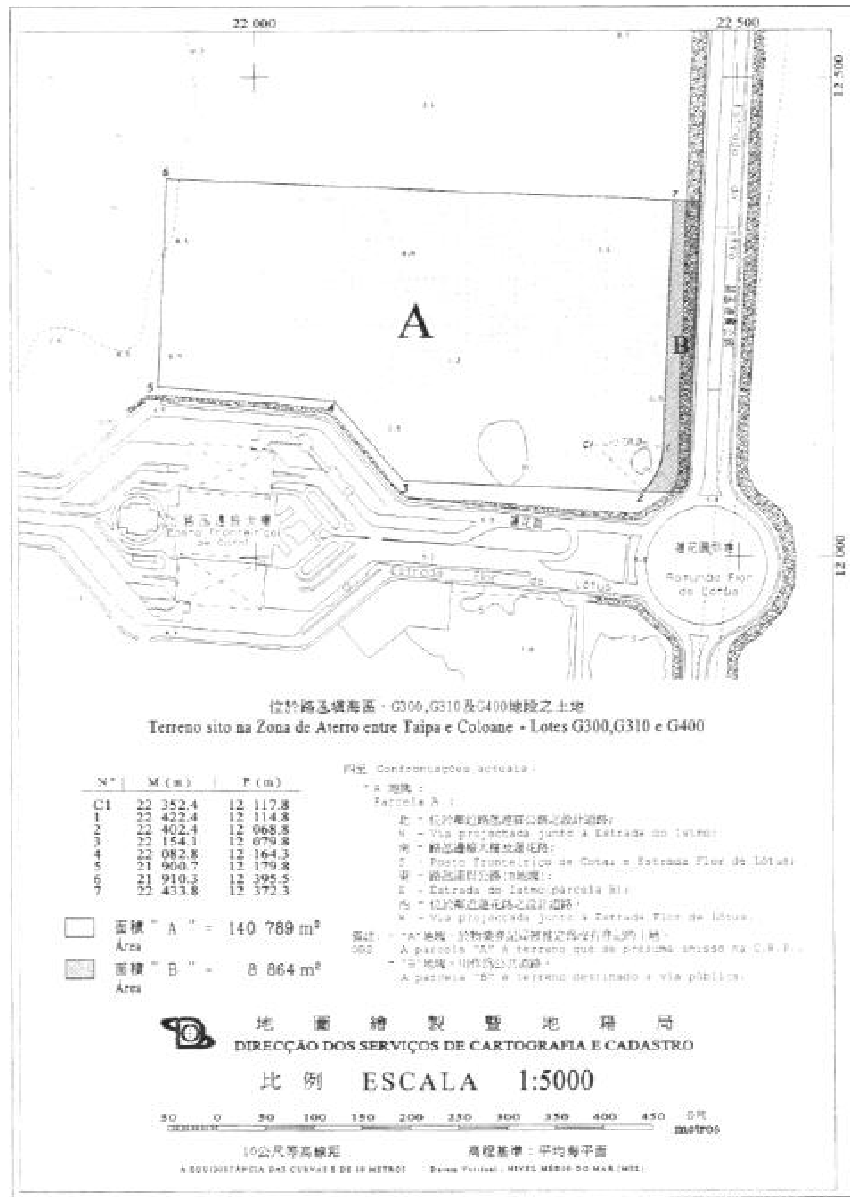
**2.** The termination of the contract is declared by dispatch of H.E. the Chief Executive, to be published in the Official Gazette of the Macau Special Administrative Region.

***Fifteenth Clause – Jurisdiction***

For the purposes of resolving any dispute arising from the present contract, the competent jurisdiction is the Macau Special Administrative Region.

***Sixteenth Clause – Applicable Law***

The present contract is governed, in matters not herein provided for, by Law no. 6/80/M, dated July 5, and further applicable legislation.




| N° | M (m) | P (m) |
|---|---|---|
| C1 | 22 352.4 | 12 117.8 |
| 1 | 22 422.4 | 12 114.8 |
| 2 | 22 402.4 | 12 068.8 |
| 3 | 22 154.1 | 12 079.8 |
| 4 | 22 082.8 | 12 164.3 |
| 5 | 21 900.7 | 12 179.8 |
| 6 | 21 910.3 | 12 395.5 |
| 7 | 22 433.8 | 12 372.3 |

**First Amendment to SC Land Concession (2012)**
[ENGLISH TRANSLATION FOR REFERENCE ONLY]

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**MACAU SPECIAL ADMINISTRATIVE REGION**

**BUREAU OF THE SECRETARY FOR TRANSPORT AND PUBLIC WORKS**

**OFFICIAL GAZETTE – SERIES II**
Diploma: **Dispatch of the Secretary for Transport and Public Works no. 31/2012**
OG N.º: **30/2012**
Published on: **2012.7.25**
Page: **8634-8643**

- Revises the leasehold concession for a plot of land located in the embankment area between the islands of Taipa and Coloane, Lots G300, G310 and G400, to be developed with the construction of a five star hotel complex and a movie production center with supporting facilities for tourism and entertainment.

**Official Chinese version:** http://bo.io.gov.mo/bo/ii/2012/30/despstop_cn.asp#31
**Official Portuguese version:** http://bo.io.gov.mo/bo/ii/2012/30/despstop.asp#31

**Dispatch of the Secretary for Transport and Public Works no. 31/2012**

Using the faculty granted by article 64 of the Basic Law of the Macau Special Administrative Region, and in accordance with articles 107 and 129 both of Law no. 6/80/M, dated July 5, the Secretary for Transport and Public Works hereby orders:

**1.** In accordance with the terms and conditions of the annexed contract, which forms an integral part of this dispatch, the leasehold concession for the plot of land with 140,789 sq.m., located in the embankment area between the islands of Taipa and Coloane, Lots G300, G310 and G400, registered with the Land Registry under no. 23,059, to be developed with the construction of a five star hotel complex and a movie production center with supporting facilities for tourism and entertainment, is hereby revised.

**2.** In the context of the abovementioned revision, and due to the new alignments defined for the site, a plot to be detached of the land identified in the preceding number, with an area of 10,000 sq.m. shall revert, free of any charges and encumbrances, to the possession of the Macau Special Administrative Region, to form part of its private domain, being the granted land reduced to an area of 130,789 sq.m..

**3.** This dispatch enters into force immediately.

July 19, 2012.

The Secretary for Transport and Public Works, Lau Si Io.

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## ANNEX

**(File no. 6,396.02 of the Land, Public Works, and Transport Bureau and File no. 12/2012 of the Land Committee)**

Contract agreed between:

The Macau Special Administrative Region, as first party; and

The company Studio City Developments Limited, as second party.

Whereas:

**1.** The company named "Studio City Developments Limited" (formerly known as East Asia – Satellite Television Limited), with registered office in Macau, at Avenida Dr. Mário Soares, no. 25, Edifício Montepio, 1.º andar, Sala 13, registered with the Commercial and Movable Assets Registry under no. 14,311 (SO), is the holder of the rights arising from the leasehold concession of the plot of land with 140,789 sq.m., located in the embankment area between the islands of Taipa and Coloane, hereinafter referred to as COTAI, lots G300, G310 and G400, described in the Land Registry, hereinafter referred to as LR, under no. 23,059, as per the registration in favor of the concessionaire under no. 26,642F.

**2.** The above mentioned concession is governed by the contract titled by the Dispatch of the Secretary for Transport and Public Works no. 100/2001, published in the Official Gazette of the Macau Special Administrative Region no. 42, Series II, dated October 17, 2001.

**3.** Under the terms of the third and fifth clauses of the leasehold concession contract, the land is intended for the concessionaire's own use for the construction of a movie production center with supporting facilities for tourism and entertainment.

**4.** In 2005, due to the submission of a new development plan which, further to the movie production center, contemplates the construction of a 5 star hotel complex, a procedure for the revision of the leasehold concession contract was commenced.

**5.** This new plan intends to adjust the project to the development of the Macau Special Administrative Region, hereinafter referred to as MSAR, especially with the materialization of investments made and projected for COTAI.

**6.** The revision procedure followed its course; however it was not concluded for reasons attributable to the concessionaire, namely, first, the submission of an amendment to the development plan submitted in 2005 and, subsequently, the failure to submit an economic and financial feasibility study for the proposed development, requested by the Land, Public Works, and Transport Bureau, hereinafter referred to as DSSOPT, in accordance with the proposal made by the Land Committee.

**7.** The said study was submitted on August 8, 2011, and on later dates the concessionaire submitted additional information requested by the DSSOPT.

**8.** In the meantime, meetings were held with representatives of the concessionaire in order to clarify the phasing of the project and the adjustment of the conditions of the draft contract, which would be accepted by the concessionaire through the statement submitted on February 8, 2012.

**9.** The land in question, with a total area of 140,789 sq.m. is noted and demarcated with letters “A” and “B”, with an area of 130,789 sq.m. and 10,000 sq.m., on plan no. 5,899/2000, issued by the Cartography and Cadaster Bureau, hereinafter referred to as DSCC, on January 3, 2012.

**10.** Due to the new alignments defined for the site, the plot of land marked with letter “B” on the abovementioned plan, to be detached from the plot of land mentioned in the preceding recital, shall be incorporated in the private domain of the MSAR.

**11.** The procedure followed its regular course, and the file was sent to the Land Committee which, convening on March 29 and May 10, 2012, issued a favorable opinion to the acceptance of the request, which was confirmed by dispatch of the Chief Executive dated May 21, 2012.

**12.** In accordance with and for the purposes provided by article 125 of Law 6/80/M, dated July 5, the conditions of the contract titled by this dispatch were notified to the concessionaire and expressly accepted by it, as per the statement submitted on June 13, 2012, signed by Ho, Lawrence Yau Lung, with professional domicile in Macau, at Avenida Xian Xing Hai, Edifício Golden Dragon Centre, 22.º andar, in his capacity as Group A Director and on behalf of the company named “Studio City Developments Limited”, capacity and powers verified by the Private Notary Hugo Ribeiro Couto, in accordance with the certification affixed to the said declaration.

**13.** The concessionaire paid the premium stipulated in paragraph 2) of Article Four of the contract titled by this dispatch.

***Article One – Object of the contract***

**1.** The object of the present contract is:

> **1)** The revision of the leasehold concession contract, in light of the alteration of the purpose and the modification of the development of the land, with the area of 140,789 sq.m. (one hundred and forty thousand seven hundred and eighty-nine square meters), located in the embankment area between the islands of Taipa and Coloane, lots G300, G310 and G400, described in the LR under no. 23,059, and which rights arising from the leasehold concession are registered in favor of the second party under no. 26,642F, titled by the Dispatch of the Secretary for Transport and Public Works no. 100/2001, published in the Official Gazette of the Macau Special Administrative Region no. 42, Series II, dated October 17, 2001.

**2)** The reversion, free from any charges and encumbrances, in favor of the first party, to be integrated in the private domain of the MSAR, of a portion of the land identified in the preceding paragraph, with an area of 10,000 sq.m. (ten thousand square meters), marked with the letter "B" on plan no. 5,899/2000, issued by the DSCC, on January 3, 2012, that is an integral part of the present contract, and to which a value of MOP$10,000,000.00 (ten million patacas) is attributed.

**2.** In consequence of what is mentioned in the preceding number, the land will now have the area of 130,789 sq.m. (one hundred and thirty thousand seven hundred and eighty-nine square meters), noted and marked with the letter "A" in the abovementioned cadastral plan, which concession is governed by the clauses of the contract titled by the Dispatch of the Secretary for Transport and Public Works no. 100/2001; published in the Official Gazette of the Macau Special Administrative Region no. 42, Series II, dated October 17, 2001, with the amendments now introduced to the second, third, fourth, tenth and eleventh clauses, which will have the following wording:

***"Second Clause – Lease Term***

**1.** .....……

**2.** The term of the lease, stipulated in the preceding number, may, in accordance with the applicable legislation, be successively renewed.

***Third Clause – Development and Purpose of the Land***

**1.** The land is developed with the construction of a complex of five star hotels and one movie production center and supporting facilities for tourism and entertainment, with the following gross construction areas:

| | |
|---|---|
| **1)** Five star hotel | 480,000 sq.m.; |
| **2)** Movie Industry | 80,000 sq.m.; |
| (including supporting facilities for tourism and entertainment) | |
| **3)** Parking (five star hotel) | 85,567 sq.m.; |
| **4)** Parking (movie industry) | 13,568 sq.m.; |
| **5)** Free area (five star hotel) | 39,962 sq.m.; |
| **6)** Free area (movie industry) | 7,981 sq.m. |

**2.** The areas mentioned in the preceding number may be subject to eventual rectifications, to be made when the inspection takes place, for the purpose of the issuance of the respective occupancy license.

***Fourth Clause – Rent***

**1.** During the period of the development of the land, the second party shall pay the annual rent of MOP$3,923,670.00 (three million nine hundred and twenty-three thousand six hundred and seventy patacas), corresponding to MOP$30.00 (thirty patacas) per square meter of the granted land.

**2.** After the completion of the works for the development of the land, the annual rent to be paid is updated to MOP$9,064,584.00 (nine million and sixty-four thousand five hundred and eighty-four patacas), calculated as follows:

| | |
|---|---|
| **1)** Five star hotel: | |
| 480,000 sq.m. x MOP$15.00/sq.m. | MOP$7,200,000.00; |
| **2)** Movie industry: | |
| 80,000 sq.m. x MOP$6.00/sq.m. | MOP$480,000.00; |
| **3)** Car parking (five star hotel): | |
| 85,567 sq.m. x MOP$10.00/sq.m. | MOP$855,670.00; |
| **4)** Car parking (movie industry): | |
| 13,568 sq.m. x MOP$6.00/sq.m. | MOP$81,408.00; |
| **5)** Free area (five star hotel): | |
| 39,962 sq.m. x MOP$10.00/sq.m. | MOP$399,620.00; |
| **6)** Free area (movie industry): | |
| 7,981 sq.m. x MOP$6.00/sq.m. | MOP$47,886.00. |

**3.** The rents are reviewed every five years, counted from the date of the publication in the Official Gazette of the Macau Special Administrative Region of the dispatch that titles the present contract, notwithstanding the immediate application of new rent amounts established in legislation that, during the validity of this contract, may be published.

***Tenth Clause – Security Deposit***

**1.** In accordance with article 126 of Law no. 6/80/M, dated July, 5, the second party shall pay a security deposit in the amount of MOP$3,923,670.00 (three million nine hundred and twenty-three thousand six hundred and seventy patacas), by way of a deposit or bank guarantee accepted by the first party.

**2.** ………

**3.** The security deposit mentioned in no. 1 shall be returned to the second party by the Financial Services Bureau, at the first’s request, upon submission of the occupancy licenses issued by the DSSOPT.

***Eleventh Clause – Transfer***

**1.** The transfer of situations arising from this concession, due to its nature, is subject to prior authorization of the first party, and subjects the transferee to the revision of the conditions of the present contract, namely the one relating to the premium.

**2.** As guarantee for the financing necessary for the undertaking, the second party may constitute a voluntary mortgage over the leasehold right of the hereby granted land, in favor of any credit institution with head office or branch in the MSAR, in accordance with article 2 of Decree-Law no. 51/83/M, dated December 26."

***<u>Article Two – Development Period</u>***

**1.** The development of the land should be completed within the global deadline of 72 (seventy-two) months, counted from the date of the publication in the Official Gazette of the Macau Special Administrative Region of the dispatch that titles the present contract.

**2.** The deadline provided in the preceding number includes the deadlines for the submission, by the second party, and consideration, by the first party, of the construction project and the issuance of the respective permits.

**3.** Regarding the submission of the projects and the commencement of the works, the second party should comply with the following timeline:

> **1)** 60 (sixty) days, counted from the date of the publication of the dispatch mentioned in no. 1, to prepare and submit the preliminary construction project (architectural project);
>
> **2)** 90 (ninety) days, counted from the date of the notice of the approval of the architectural project, to prepare and submit the construction project (foundations, structure, water, waste, electricity and further specific projects);
>
> **3)** 90 (ninety) days, counted from the date of the notice of the approval of the construction project, to submit the request for the construction permit;
>
> **4)** 15 (fifteen) days, counted from the date of the issuance of the construction permit, to commence the works.

**4.** For the purposes of compliance with the deadlines mentioned in the preceding number, the projects are only deemed to be effectively submitted when they are fully and properly supported with all relevant elements.

***<u>Article Three - Fine</u>***

**1.** For the non-compliance of any of the deadlines provided for in the preceding article, the second party is subject to a fine, which may be of up to MOP$1,000,000.00 (one million patacas) for each day of delay, up to 60 (sixty) days; in excess of such period and up to the global maximum of 120 (one hundred and twenty) days, it is subject to a fine of up to twice the said amount, except when there are duly justified special reasons, accepted by the first party.

**2.** The second party is exonerated from the responsibility mentioned in the preceding number in cases of *force majeure* or other relevant facts that are proven to be beyond its control.

**3.** Cases of *force majeure* are considered as those that result exclusively from unforeseeable and unavoidable events.

**4.** For the purpose of no. 2, the second party undertakes to notify, in writing, the first party, as quickly as possible, of the occurrence of the abovementioned facts.

***Article Four – Premium***

Notwithstanding the payment by the second party of the premium under the conditions established in the ninth clause of the concession contract titled by the Dispatch of the Secretary for Transport and Public Works no. 100/2001, published in the Official Gazette of the Macau Special Region no.42, Series II, of October 17, 2001, the second party shall also pay to the first party, pursuant to the present revision, as premium of the contract, the global amount of MOP$1,401,971,114.00 (one billion four hundred and one million nine hundred and seventy-one thousand and one hundred and fourteen patacas), in the following manner:

**1)** MOP$188,800,000.00 (one hundred and eighty-eight million and eight hundred thousand patacas), already paid at the Financial Services Bureau (Non-Recurrent Income Invoice no. 90/2006);

**2)** MOP$283,000,000.00 (two hundred and eighty-three million patacas) at the time of acceptance of the conditions of the present contract, referred to in article 125 of Law no. 6/80/M, dated July 5;

**3)** The remainder, in the amount of MOP$930,171,114.00 (nine hundred and thirty million one hundred and seventy-one thousand and one hundred and fourteen patacas), which shall accrue interest at the annual rate of 5%, shall be paid in 5 (five) bi-annual installments, equal in capital and interest, in the amount of MOP$200,216,412.00 (two hundred million two hundred and sixteen thousand and four hundred and twelve patacas) each, the first being due 6 (six) months after the date of the publication in the Official Gazette of the Macau Special Administrative Region of the dispatch that titles this contract.

***Article Five – Occupancy License***

The occupancy license will only be issued after the submission of proof that the premium determined in Article Four has been fully paid, and provided that the obligations contained in the sixth clause of the contract mentioned in paragraph 1 of no. 1 of Article One are shown to be fulfilled.

***Article Six – Lapse***

**1.** The concession shall lapse in the following cases:

**1)** upon the expiration of the period provided for in no. 1 of Article Three during which the fine is aggravated;

**2)** unauthorized alteration to the purpose of the concession while the development of the land has not been completed;

**3)** interruption of the development of the land for a period of more than 90 (ninety) days, except when there are duly justified special reasons, accepted by the first party.

**2.** The lapse of the concession is declared by dispatch of the Chief Executive, to be published in the Official Gazette of the Macau Special Administrative Region.

**3.** The lapse of the concession determines the reversion of the land to the possession of the first party, with all improvements made thereon, without the right of any compensation for the second party.

***Article Seven - Termination***

**1.** The concession may be terminated in any of the following events:

**1)** Lack of timely payment of the rent;

**2)** unauthorized alteration to the development of the land and/or the purpose of the concession, when the development of the land has been completed;

**3)** non-fulfilment of the obligations contained in the sixth clause of the contract mentioned in paragraph 1 of no. 1 of Article One and in Article Four;

**4)** a transfer of the rights resulting from this concession in breach of the eleventh clause of the contract mentioned in paragraph 1 of no. 1 of Article One.

**2.** The termination of this contract is declared by dispatch of the Chief Executive, to be published in the Official Gazette of the Macau Special Administrative Region.

***Article Eight – Reference***

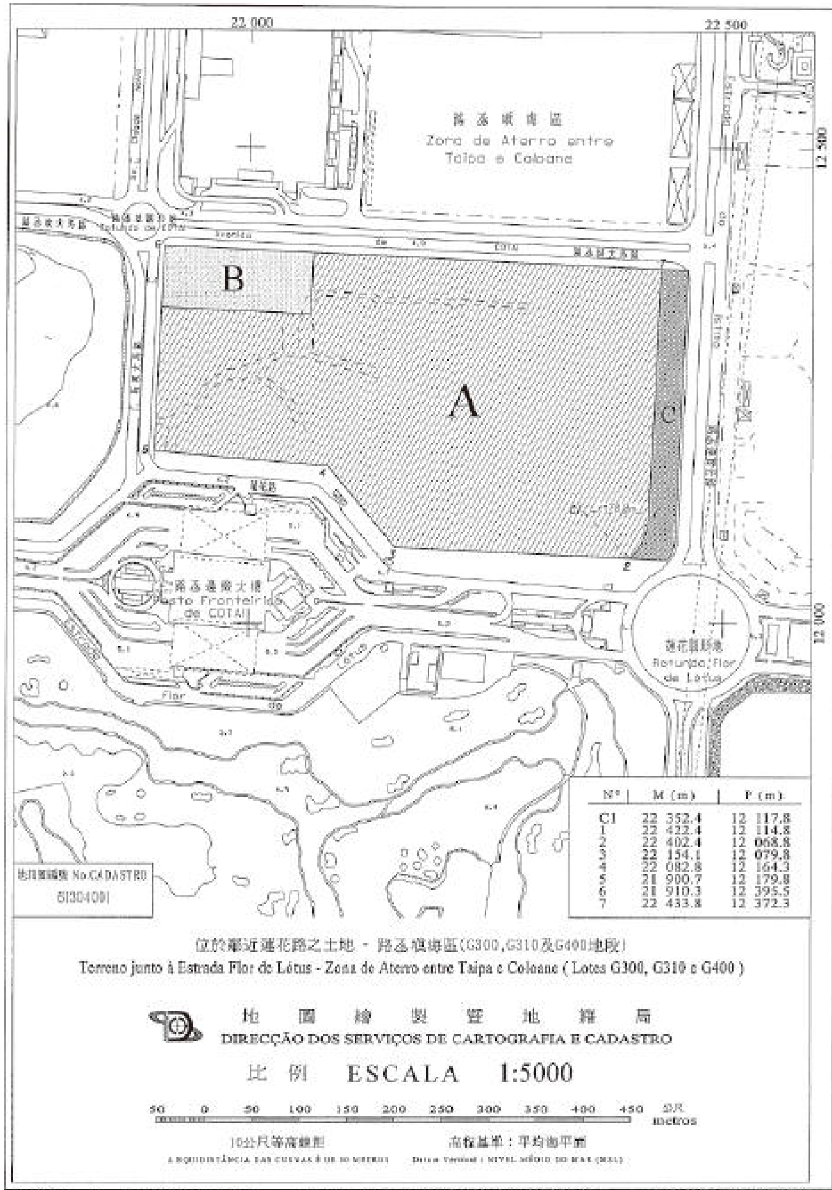
The initial contract, titled by the Dispatch of the Secretary for Transportation and Public Works no. 100/2001, published in the Official Gazette of the Macau Special Administrative Region no.42, Series II, dated October 17, 2001, shall remain in effect in all that has not been expressly superseded by the present revision.

**Article Nine - Jurisdiction**

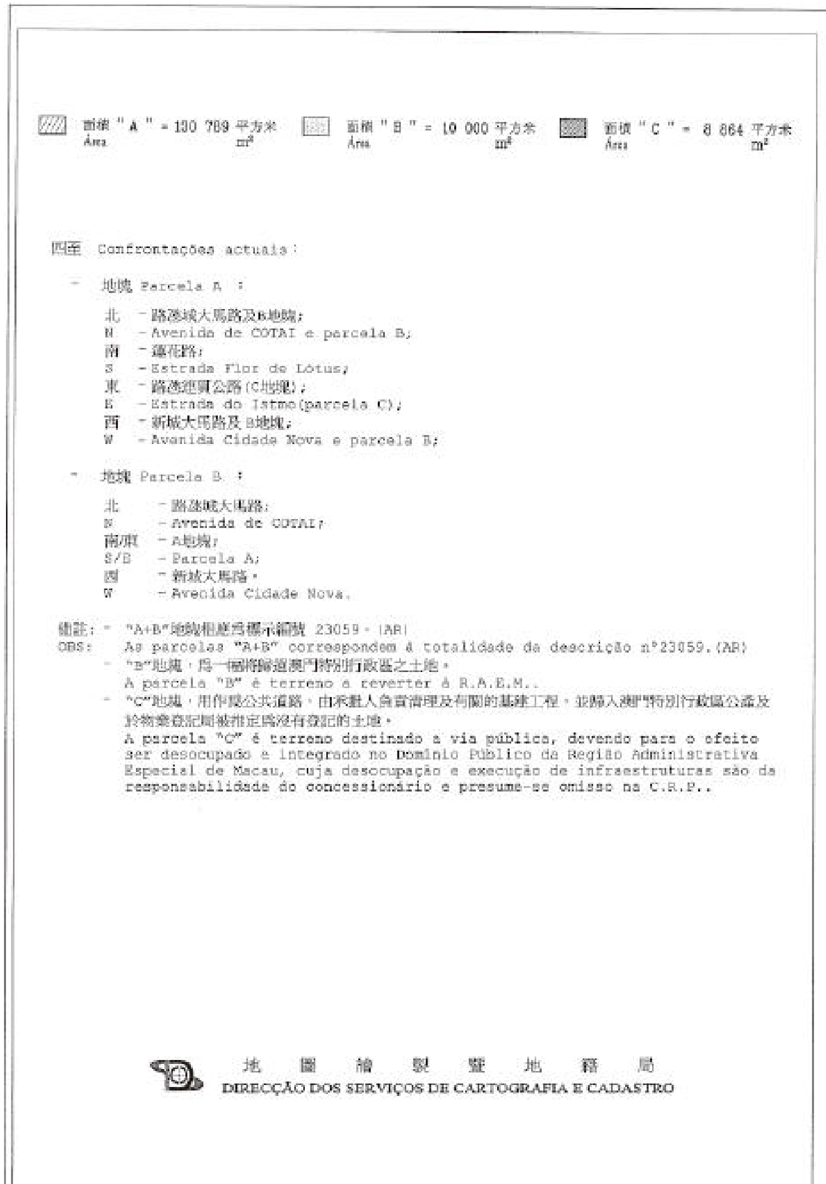
For the purposes of resolving any disputes arising from the present contract, the competent jurisdiction is the Macau Special Administrative Region.

**Article Ten – Applicable Law**

The present contract is governed, in matters not herein provided for, by Law no. 6/80/M, dated July 5, and further applicable legislation.




批示編號 31 / 運輸工務司 /2012 土地委員會意見書編號 64/2012 於 10/05/2012 6899/2000 於 0 /01/2012
Despacho no. SOPT Parecer da C.T. no. de de



面積 "A" = 130 789 平方米
Área m²

面積 "B" = 10 000 平方米
Área m²

面積 "C" = 8 864 平方米
Área m²

四至 Confrontações actuais：

- 地塊 Parcela A ：

北 －路氹城大馬路及B地塊；
N －Avenida de COTAI e parcela B;
南 －蓮花路；
S －Estrada Flor de Lótus;
東 －路氹連貫公路(C地塊)；
E －Estrada do Istmo(parcela C);
西 －新城大馬路及B地塊；
W －Avenida Cidade Nova e parcela B;

- 地塊 Parcela B ：

北 －路氹城大馬路；
N －Avenida de COTAI;
南/東 －A地塊；
S/E －Parcela A;
西 －新城大馬路。
W －Avenida Cidade Nova.

備註： - "A+B"地塊相應為標示編號 23059。(AR)
OBS： As parcelas "A+B" correspondem à totalidade da descrição nº23059.(AR)
- "B"地塊，為一幅將歸還澳門特別行政區之土地。
A parcela "B" é terreno a reverter à R.A.E.M..
- "C"地塊，用作撥公共道路，由承批人負責清理及有關的基建工程，並歸入澳門特別行政區公產及於物業登記局被推定為沒有登記的土地。
A parcela "C" é terreno destinado a via pública, devendo para o efeito ser desocupado e integrado no Domínio Público da Região Administrativa Especial de Macau, cuja desocupação e execução de infraestruturas são da responsabilidade do concessionário e presume-se omisso na C.R.P..

地圖繪製暨地籍局
DIRECÇÃO DOS SERVIÇOS DE CARTOGRAFIA E CADASTRO

基本圖附件 5899/2006 於 03/01/2012
Anexo à Planta de

**Second Amendment to SC Land Concession (2015)**
[ENGLISH TRANSLATION FOR REFERENCE ONLY]

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**MACAU SPECIAL ADMINISTRATIVE REGION**

**BUREAU OF THE SECRETARY FOR TRANSPORT AND PUBLIC WORKS**

**OFFICIAL GAZETTE – SERIES II**
Diploma: **Dispatch of the Secretary for Transport and Public Work no. 92/2015**
OG N.º: **38/2015**
Published on: **2015.9.23**
Page: **19,541-19,5548**

- Revises the leasehold concession of a plot of land located in the embankment area between the islands of Taipa and Coloane (COTAI), designated by Lots G300, G310 and G400, near the Estrada Flor de Lótus.

**Official Chinese version:** http://bo.io.gov.mo/bo/ii/2015/38/despstop_cn.asp#92
**Official Portuguese version:** http://bo.io.gov.mo/bo/ii/2015/38/despstop.asp#92

**Dispatch of the Secretary for Transport and Public Works no. 92/2015**

Using the faculty granted by article 64 of the Basic Law of the Macau Special Administrative Region, and in accordance with article 139 of Law no. 10/2013 (Land Law), the Secretary for Transport and Public Works hereby orders:

**1.** In accordance with the terms and conditions of the annexed contract, which forms an integral part of this dispatch, the leasehold concession for the plot of land with an area of 130,789 sq.m., located in the embankment area between the islands of Taipa and Coloane (COTAI), designated by Lots G300, G310 and G400, near the Estrada Flor de Lótus, registered with the Land Registry under no. 23,059, destined to the construction of a five star hotel complex and a movie production center with supporting facilities for tourism and entertainment, is hereby revised.

**2.** This dispatch enters into force immediately.

September 10, 2015.

The Secretary for Transport and Public Works, Raimundo Arrais do Rosário.

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## ANNEX

**(File no. 6,396.04 of the Land, Public Works, and Transport Bureau and File no. 33/2015 of the Land Committee)**

Contract agreed between:

The Macau Special Administrative Region, as first party; and

The company Studio City Developments Limited, as second party.

Whereas:

**1.** The company named "Studio City Developments Limited", formerly known as "East Asia – Satellite Television Limited", with registered office in Macau, at Alameda Dr. Carlos D'Assumpção, nos. 411-417, Edifício Dinasty Plaza, 15.º andar, O, P, registered with the Commercial and Movable Assets Registry under no. 14,311 (SO), is the holder of the rights arising from the leasehold concession of the land with the area of 130,789 sq.m., located in COTAI, near the Estrada Flor de Lótus, designated by lots G300, G310 and G400, described in the Land Registry, hereinafter referred to as LR, under no. 23,059, as per the registration in its favor under no. 26,642F.

**2.** The above mentioned concession is governed by the contract titled by the Dispatch of the Secretary for Transport and Public Works no. 100/2001, revised by the Dispatch of the Secretary for Transport and Public Works no. 31/2012, published, respectively, in the Official Gazette of the Macau Special Administrative Region no. 42, Series II, and no. 30, Series II, dated October 17, 2001 and July 25, 2012.

**3.** In accordance with the provisions of the third clause of the contract for the revision of the leasehold concession, the land is developed with the construction of a complex of five star hotels and a movie production center with supporting facilities for tourism and entertainment.

**4.** On May 11, 2015, the concessionaire submitted to the Land, Public Works, and Transport Bureau, hereinafter referred to as DSSOPT, a request for the alteration of the classification of the use of five star hotel to four star hotel, the rest of the use and the gross building areas remaining unchanged, on the grounds that, at the moment, this typology is more adequate for the policies of diversification of accommodations and tourism product, and because, from the technical point of view, the project submitted to the Macau Government Tourism Office, hereinafter referred to as MGTO, is better suited for this type of equipment.

**5.** Having received the favorable opinion of the MGTO and collected the necessary documents for the instruction of the procedure, the DSSOPT proceeded to the calculation of the due considerations and prepared the draft of contract for the revision of the concession that was accepted by the concessionaire through a statement submitted on July 10, 2015.

**6.** The land object of the contract, with an area of 130,789 sq.m., is demarcated and noted with the letter "A" on plan no. 5,899/2002, issued by the Cartography and Cadaster Bureau, hereinafter referred to as DSCC, on January 3, 2012.

**7.** The procedure followed its normal course, and the file was sent to the Land Committee which, having convened on July 16, 2015, issued a favorable opinion to the acceptance of the request.

**8.** By Dispatch of the Chief Executive, dated July 24, 2015, recorded on the opinion of the Secretary for Transport and Public Works, dated July 17, 2015, the request for the revision of the concession was authorized, in accordance with the opinion of the Land Committee.

**9.** The conditions of the contract titled by this dispatch were notified to the concessionaire and by them expressly accepted, as per the declaration submitted on August 20, 2015, signed by Ho Lawrence Yau Lung, married, with professional domicile in Macau, at Avenida Xian Xing Hai, Edifício Golden Dragon Centre, 22.º andar, O, P, in his capacity as Director and on behalf of the company named "Studio City Developments Limited", capacity and powers verified by the Private Notary Hugo Ribeiro Couto, in accordance with the certification recorded on the said declaration.

**10.** There is no need to apply any additional premium as the unitary premium price relating to a category four star hotel is less than that for a category five star hotel, and there is no change in the gross building areas.

***Article One – Object of the contract***

**1.** The object of the present contract is the revision, in light of the alteration of the classification of five star hotel to four star hotel, of the leasehold concession contract of the land with 130,789 sq.m. (one hundred and thirty thousand seven hundred and eighty-nine square meters), located in COTAI, near the Estrada Flor de Lótus, titled by the Dispatch of the Secretary for Transport and Public Works no. 100/2001, published in the Official Gazette of the Macau Special Administrative Region no. 42, Series II, dated October 17, 2001, and revised by the Dispatch of the Secretary for Transport and Public Works no. 31/2012, published in the Official Gazette of the Macau Special Administrative Region no. 30, Series II, dated July 25, 2012, described in the LR under no. 23,059, and which right arising from the leasehold concession is registered in favor of the second party under no. 26,642F.

**2.** In consequence of what is mentioned in the preceding number, the third and fourth clauses of the concession contract titled by the Dispatch of the Secretary for Transport and Public Works no. 100/2001, revised by the Dispatch of the Secretary for Transport and Public Works no. 31/2012 will have the following wording:

**"*Third Clause – Development and Purpose of the Land***

**1.** The land is developed with the construction of a complex of four star hotels and one movie production center and supporting facilities for tourism and entertainment, with the following gross construction areas per use:

| | |
|---|---|
| **1)** Four star hotel | 480,000 sq.m.; |
| **2)** Movie Industry | 80,000 sq.m.; |
| (including supporting facilities for tourism and entertainment) | |
| **3)** Parking (four star hotel) | 85,567 sq.m.; |
| **4)** Parking (movie industry) | 13,568 sq.m.; |
| **5)** Free area (four star hotel) | 39,962 sq.m.; |
| **6)** Free area (movie industry) | 7,981 sq.m. |

**2.** The areas mentioned in no. 1 may be subject to eventual rectifications, to be made when the inspection takes place, for the purpose of the issuance of the respective occupancy license.

**3.** The second party is obliged to submit to the requirements of the urban plan in force where the land is located.

***Fourth Clause – Rent***

**1.** The second party pays the following annual rent:

**1)** During the period of development of the land, MOP$30.00 (thirty patacas) per square meter of the land, in the aggregate amount of MOP$3,923,670.00 (three million nine hundred and twenty-three thousand six hundred and seventy patacas);

**2)** After the development of the land, it will pay:

**(1)** Four star hotel: MOP$15.00 (fifteen patacas) per square meter of gross construction area;

**(2)** Movie industry: MOP$6.00 (six patacas) per square meter of gross construction area;

**(3)** Parking (four star hotel): MOP$10.00 (ten patacas) per square meter of gross construction area;

**(4)** Parking (movie industry): MOP$6.00 (six patacas) per square meter of gross construction area;

**(5)** Free area (four star hotel): MOP$10.00 (ten patacas) per square meter;

**(6)** Free area (movie industry): MOP$6.00 (six patacas) per square meter;

**2.** The rents may be updated every five years, counted from the date of the publication in the Official Gazette of the Macau Special Administrative Region of the dispatch that titles the present contract, notwithstanding the immediate application of new rent amounts established in legislation that, during the validity of this contract, may be published."

***Article Two - Fine***

**1.** For the non-compliance of any of the deadlines provided for in Article Two of the contract titled by the Dispatch of the Secretary for Transport and Public Works no. 31/2012, the second party is subject to a fine in the amount corresponding to 0.1% (point one percent) of the premiums established in the Ninth Clause of the contract titled by the Dispatch of the Secretary for Transport and Public Works no. 100/2001 and Article Four of the contract titled by the Dispatch of the Secretary for Transport and Public Works no. 31/2012, in the global amount of MOP$1,425,291,114.00 (one billion four hundred and twenty-five million two hundred and ninety-one thousand and one hundred and fourteen patacas), for every day of delay, up to 150 (one hundred and fifty) days.

**2.** The second party is exonerated from the responsibility mentioned in the preceding number in case the first party has authorized the suspension or the extension of the development deadline, due to a reason not attributable to the second party and considered justifiable by the first party.

***Article Three – Transfer***

**1.** The transfer of situations arising from this concession, due to its nature, is subject to prior authorization of the first party, and subjects the transferee to the revision of the conditions of the present contract, namely the one relating to the premium.

**2.** For the purposes of the preceding number, the following are also considered equivalent to the transfer of situations arising from this concession:

**1)** The transfer, once or several times in accrual, of over 50% (fifty percent) of the share capital of the second party or of the share capital of its dominant shareholder;

**2)** The granting of a power of attorney or delegation that confers to the attorney powers for the carrying out of all acts in the procedure or disposal of the situations arising from the concession, and that is irrevocable without the consent of the interested party, in accordance with no. 3 of article 258 of the Civil Code.

**3.** Notwithstanding the provisions of the preceding number, when there is a transfer of over 10% (ten percent) of the share capital of the second party or of the share capital of its dominant shareholder, the first must communicate the fact to the DSSOPT within 30 (thirty) days counted from its occurrence, under penalty of a fine in the amount corresponding to 1% (one percent) of the global premium of MOP$1,425,291,114.00 (one billion four hundred and twenty-five million two hundred and ninety-one thousand and one hundred and fourteen patacas), on the first infraction, and termination of the concession on the second infraction.

**4.** The transfer subjects the transferee to the revision of the conditions of the present contract, specifically those relating to the development deadline and the payment of the additional premium.

**5.** Before the conclusion of the development, the second party may only constitute a voluntary mortgage over the leasehold right resulting from the concession in favor of credit institutions legally authorized to develop their activity in the Macau Special Administrative Region, in accordance with no. 5 of article 42 of Law no. 10/2013.

**6.** A mortgage constituted in violation of the provisions of the preceding number is null and void.

***Article Four – Lapse***

**1.** The present concession shall lapse in the following cases:

**1)** Non conclusion of the development after the 150 (one hundred and fifty) days deadline provided for in no. 1 of Article Two of the contract titled by the Dispatch of the Secretary for Transport and Public Works no. 31/2012, regardless of whether the fine was or was not applied;

**2)** Suspension, consecutive or interspersed, of the development of the land for 90 (ninety) days, except for reasons not attributable to the second party and that the first party considers justifiable.

**2.** The lapse of the concession is declared by dispatch of the Chief Executive, to be published in the Official Gazette of the Macau Special Administrative Region.

**3.** The lapse of the concession determines the reversion to the first party of the premiums paid and of all the improvements by any form incorporated in the land, without the right of any indemnification or compensation for the second party, notwithstanding the right of the first party to claim overdue rents and eventual unpaid fines.

***Article Five - Termination***

**1.** The present concession may be terminated upon verification of any of the following facts:

**1)** Unauthorized alteration to the purpose of the concession or modification of the development of the land;

**2)** Transfer, without prior authorization, of the situations arising from the concession, with violation of the provisions of no. 1 of Article Three;

**3)** Second infraction to the provisions of no. 3 of Article Three;

**4)** When the use of the land deviates from the purposes for which it was granted or the purposes are not, at any moment, being pursued;

**5)** When, following an alteration of the urban planning that entails the impossibility to start or continue the development of the land, any of the situations mentioned in no. 2 of art. 140 of Law no. 10/2013 occurs;

**6)** Sublease.

**2.** The termination of the concession is declared by dispatch of the Chief Executive, to be published in the Official Gazette of the Macau Special Administrative Region.

**3.** Once the concession is terminated, all premiums paid and all the improvements by any form incorporated in the

land revert to the first party, without the second party having the right to be indemnified or compensated, save for the situations provided for in nos. 5 and 6 of art. 140 of Law no. 10/2013, resulting from a change to urban planning.

***Article Six – Reference***

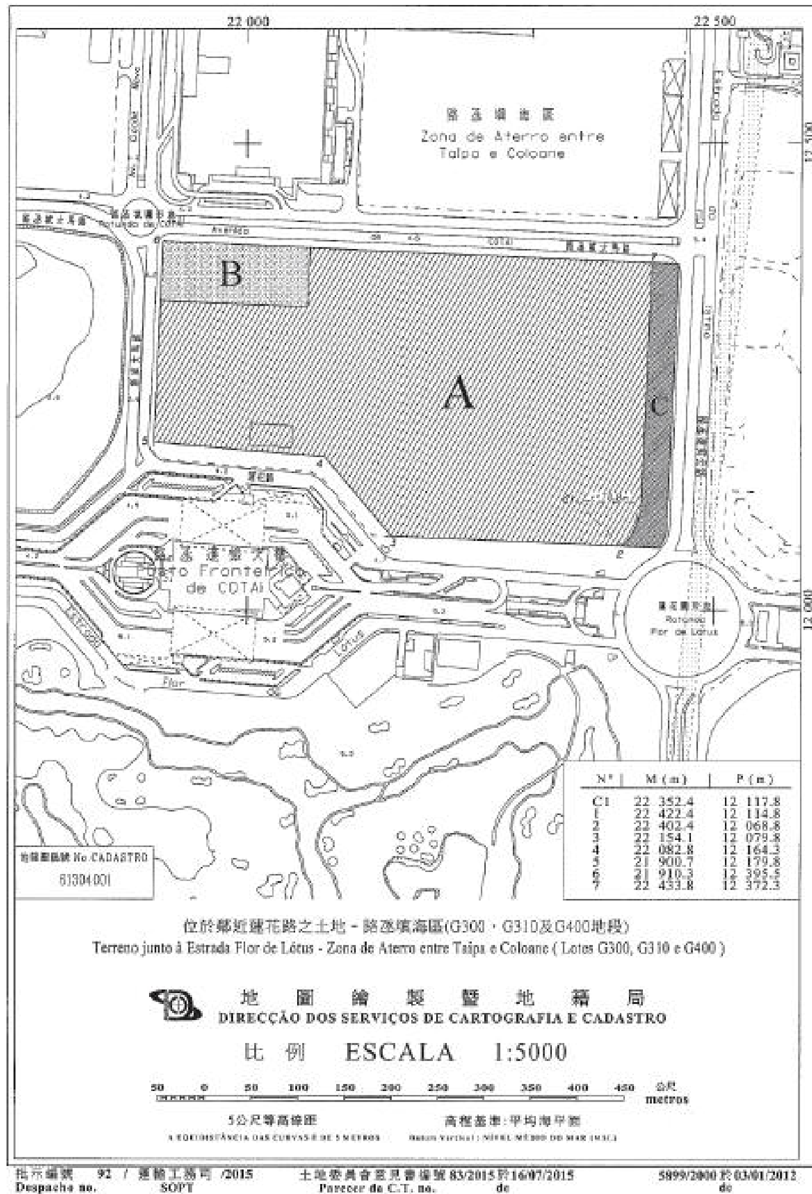
The contract titled by the Dispatch of the Secretary for Transport and Public Works no. 100/2001 and revised by the Dispatch of the Secretary for Transport and Public Works no. 31/2012 shall remain in effect in all that has not been expressly superseded by the present revision.

**Article Seven - Jurisdiction**

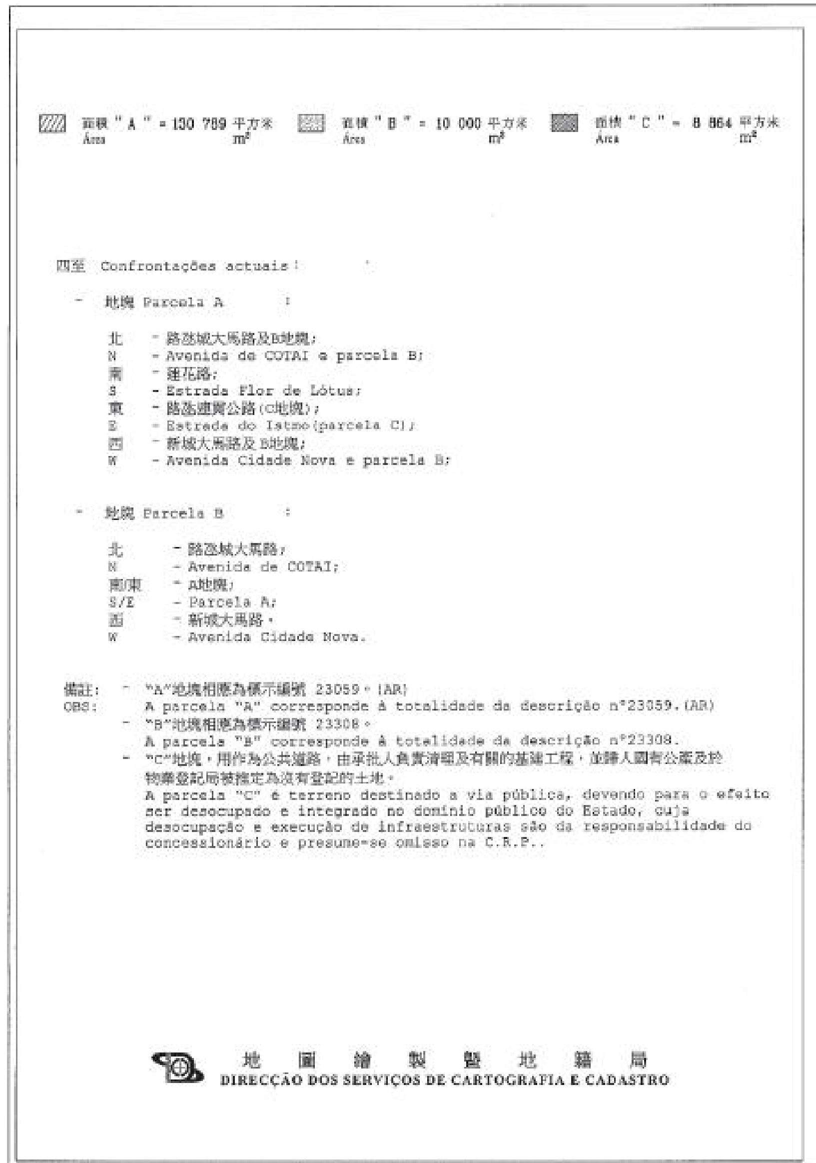
For the purposes of resolving any disputes arising from the present contract, the competent jurisdiction is the Macau Special Administrative Region.

**Article Eight – Applicable Law**

The present contract is governed, in matters not herein provided for, by Law no. 10/2013, and further applicable legislation.




| Nº | M (m) | P (m) |
|---|---|---|
| C1 | 22 352.4 | 12 117.8 |
| 1 | 22 422.4 | 12 114.8 |
| 2 | 22 402.4 | 12 068.8 |
| 3 | 22 154.1 | 12 079.8 |
| 4 | 22 082.8 | 12 164.3 |
| 5 | 21 900.7 | 12 179.8 |
| 6 | 21 910.3 | 12 395.5 |
| 7 | 22 433.8 | 12 372.3 |



面積 "A" = 130 789 平方米 Área m²    面積 "B" = 10 000 平方米 Área m²    面積 "C" = 8 864 平方米 Área m²

四至 Confrontações actuais :

- 地塊 Parcela A :

北 - 路氹城大馬路及B地塊;
N - Avenida de COTAI e parcela B;
南 - 蓮花路;
S - Estrada Flor de Lótus;
東 - 路氹連貫公路(C地塊);
E - Estrada do Istmo(parcela C);
西 - 新城大馬路及B地塊;
W - Avenida Cidade Nova e parcela B;

- 地塊 Parcela B :

北 - 路氹城大馬路;
N - Avenida de COTAI;
南/東 - A地塊;
S/E - Parcela A;
西 - 新城大馬路。
W - Avenida Cidade Nova.

備註: - "A"地塊相應為標示編號 23059。(AR)
OBS: A parcela "A" corresponde à totalidade da descrição n°23059.(AR)
- "B"地塊相應為標示編號 23308。
A parcela "B" corresponde à totalidade da descrição n°23308.
- "C"地塊，用作為公共道路，由承批人負責清理及有關的基建工程，並歸入國有公產及於物業登記局被推定為沒有登記的土地。
A parcela "C" é terreno destinado a via pública, devendo para o efeito ser desocupado e integrado no domínio público do Estado, cuja desocupação e execução de infraestruturas são da responsabilidade do concessionário e presume-se omisso na C.R.P..

地圖繪製暨地籍局
DIRECÇÃO DOS SERVIÇOS DE CARTOGRAFIA E CADASTRO

屬本圖附件 5899/2000於03/01/2012
Anexo à Planta de

**Exhibit 10.22**

# PARTICIPATION AGREEMENT

This PARTICIPATION AGREEMENT (as it may be amended from time to time in accordance with the terms hereof, this "Agreement"), dated [●], 2018, is made by and among Studio City International Holdings Limited (formerly known as CYBER ONE AGENTS LIMITED), a business company limited by shares incorporated in the British Virgin Islands (the "Pre-Migration Company" and, following the proposed transfer by way of continuation (redomiciling) of the Pre-Migration Company as an exempted company with limited liability under the laws of the Cayman Islands, the "Company"), MSC Cotai Limited, a business company limited by shares incorporated in the British Virgin Islands ("Newco"), and New Cotai, LLC, a Delaware limited liability company ("New Cotai"). Any capitalized term used and not otherwise defined herein shall have the meaning given to it in Article I.

WHEREAS, New Cotai owns 72,511,760 Class A ordinary shares of the Pre-Migration Company, representing a 40% equity interest in the Pre-Migration Company (the "New Cotai Shares"), and MCE Cotai Investments Limited ("MCE Cotai"), a wholly-owned subsidiary of Melco Resorts & Entertainment Limited ("Melco"), owns 108,767,640 Class A ordinary shares of the Pre-Migration Company, representing a 60% equity interest in the Pre-Migration Company (the "MCE Cotai Shares");

WHEREAS, the Pre-Migration Company, Newco, MCE Cotai, Melco, and New Cotai have entered into that certain Implementation Agreement, dated as of [●], 2018 pursuant to which, and subject to the premises thereof, Newco has agreed to enter into this Participation Agreement pursuant to which the Participant accedes to certain rights, interests, entitlements, and obligations as set forth in this Agreement (all of such rights, interests, entitlements, and obligations, together with those under the Tax Side Letter, the "Participation");

WHEREAS, as set forth in the Implementation Agreement and subject to the premises thereof, the parties hereto have, among other things, agreed to take certain other actions in anticipation of the Continuation and the contemplated initial public offering (the "IPO") by the Company of American Depositary Shares ("ADS"), each ADS representing a certain number of Class A Ordinary Shares; and

WHEREAS, the Boards of Directors of the Pre-Migration Company, Newco, and New Cotai have each approved this Agreement and determined that the transactions contemplated herein are in the best interests of the Pre-Migration Company, Newco, and New Cotai, as the case may be.

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

## ARTICLE I
## DEFINITIONS

Section 1.1 Definitions.

The following definitions shall be for all purposes, unless otherwise clearly indicated to the contrary, applied to the terms used in this Agreement.

"Adjusted Class A Ordinary Shares Amount" means, with respect to an Exchanged Participation Interest, a number of Class A Ordinary Shares equal to the product of (i) the Participation Percentage corresponding to such Exchanged Participation Interest and (ii) the number of Class A Ordinary Shares issued and outstanding immediately prior to the effectiveness of the Exchange of such Exchanged Participation Interest; provided that, for purposes of calculating the number of Class A Ordinary Shares issued and outstanding immediately prior to the effectiveness of the Exchange, any Adjustment Event the record date of which was prior to the effectiveness of such Exchange but which was effective after the effectiveness of such Exchange shall be deemed to have occurred immediately prior to the effectiveness of such Exchange with respect to such Exchanged Participation Interest for purposes of the above calculation.

"Adjustment Change" has the meaning set forth in Section 2.5(a) to this Agreement.

"Adjustment Change Calculations" has the meaning set forth in Section 2.5(a) to this Agreement.

"Adjustment Change Notice" has the meaning set forth in Section 2.5(a) to this Agreement.

An "Adjustment Event" shall be deemed to have occurred upon either of the following:

(i) the Company (a) paying (whether or not declared) a dividend on its outstanding Class A Ordinary Shares wholly or partly in Class A Ordinary Shares or making a distribution to all holders of its outstanding Class A Ordinary Shares wholly or partly in Class A Ordinary Shares, (b) splitting or subdividing its outstanding Class A Ordinary Shares, or (c) effecting a reverse share split, consolidation, or otherwise combining its outstanding Class A Ordinary Shares into a smaller number of Class A Ordinary Shares; or

(ii) the Company completing a Recapitalization.

"ADS" has the meaning set forth in the recitals to this Agreement.

"Affiliate" means, with respect to any Person, a Person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, such Person.

"Agreement" has the meaning set forth in the preamble to this Agreement.

"Average Class A Ordinary Share Price" means the volume-weighted average trading price of an ADS for the five (5)-trading day period immediately preceding (a) the date on which an Exchange Notice is delivered pursuant to Section 3.1(b), (b) the effective date of the applicable Mandatory Exchange pursuant to Section 3.1(e), or (c) the applicable date of determination pursuant to Section 2.7, Section 2.8, Section 3.1(a), or the definition of "Termination Event", as the case may be, based on quotations as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if such ADSs are not listed or admitted to trading on the New York Stock Exchange, as reported on the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which such ADSs are listed or admitted to trading, in each case, divided by the number of Class A Ordinary Shares that one ADS represents; provided that, for purposes of the definition of "Termination Event", "five (5)-trading day period" shall be replaced with "twenty (20)-trading day period".

"business days" means any day other than a Saturday, a Sunday or a day on which banking institutions in the United States, Hong Kong, Cayman Islands or British Virgin Islands are authorized by law, regulation or executive order to remain closed and, in the case of Hong Kong, other than a day on which a tropical cyclone warning No. 8 or above or a "black rainstorm warning signal" is hoisted or remains hoisted at any time between 9:00am and 5:00pm. If a date on which an event is to occur is a non-business day at a place at which the event is to occur, the event may be made at that place on the next succeeding day that is a business day, and no interest shall accrue on such payment for the intervening period.

"Cash Change of Control" means any Change of Control; provided that holders of the Class A Ordinary Shares or ADSs do not (i) receive (or have the right to receive) securities of a class that is registered under the Exchange Act in such Change of Control or (ii) retain (or have the right to retain) Class A Ordinary Shares or ADSs following such Change of Control.

"Cash Settlement" means immediately available funds in U.S. dollars in an amount equal to the product of (i) the number of shares of Class A Ordinary Shares that would otherwise be delivered to a Participant in an Exchange pursuant to clauses (i) or (iv) of Section 3.1(e), and (x) in the case of a Cash Change of Control, the amount of cash consideration (and the fair market value, as determined by members of the Company's board of directors that are disinterested in the transaction, of any non-cash consideration) per share each holder of Class A Ordinary Shares is to receive in the applicable Cash Change of Control, or (y) in the case of an Unsuitability Determination, the Average Class A Ordinary Share Price.

A "Change in Control" shall be deemed to have occurred upon:

(i) the sale, lease, or transfer, in one or a series of related transactions, of all or substantially all of the Company's assets (determined on a consolidated basis) to a Third Party; provided, that, for clarity and notwithstanding anything to the contrary, neither the approval of nor consummation of (A) a transaction treated for U.S. federal income tax purposes as a liquidation of Newco into the Company or a wholly-owned Subsidiary of the Company or (B) a merger or consolidation of Newco into the Company or a wholly-owned Subsidiary of the Company will constitute a Change in Control; or

(ii) a merger or consolidation (including by way of scheme of arrangement or plan of arrangement) of the Company with another Person in which the holders of Class A Ordinary Shares receive solely cash in exchange for their Class A Ordinary Shares; or

(iii) a merger or consolidation of the Company or any Subsidiary of the Company with any other person, other than a merger or consolidation which would result in the Voting Securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Securities of the surviving entity) at least 50.1% of the total voting power represented by the Voting Securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; or

(iv) the acquisition, directly, or indirectly, by any Third Party (other than (a) a trustee or other fiduciary holding securities under an employee benefit plan of the Company, or (b) a corporation or other entity owned, directly or indirectly, by all of the shareholders of the Company in substantially the same proportions as their ownership of shares in the Company) of beneficial ownership (as defined in Rule 13d-3 under the Exchange Act) of at least 50.01% of the aggregate voting power of the Voting Securities of the Company pursuant to a Tender Offer; provided, that the Company's board of directors determines that such Tender Offer is in the best interests of the Company and its shareholders, approves such transaction and recommends to the shareholders of the Company that they tender their Equity Securities of the Company in such Tender Offer.

"Class A Ordinary Shares" means the Class A ordinary shares, par value US$0.0001 per share, of the Company.

"Class A Ordinary Shares Amount" means, with respect to an Exchanged Participation Interest, a number of Class A Ordinary Shares equal to the product of (i) the Participation Percentage corresponding to such Exchanged Participation Interest and (ii) the number of Class A Ordinary Shares issued and outstanding immediately prior to the effectiveness of the Exchange of such Exchanged Participation Interest.

"Class B Adjustment" has the meaning set forth in Section 2.4(g) to this Agreement.

"Class B Ordinary Shares" means the Class B ordinary shares, par value US$0.0001 per share, of the Company.

"Class B Ordinary Shares Amount" means, with respect to a Participant's Participation Interest at any given time, the number of Class B Ordinary Shares equal to the product of (i) the Participation Percentage corresponding to such Participation Interest and (ii) the number of Class A Ordinary Shares issued and outstanding at such time.

"Company" has the meaning set forth in the preamble to this Agreement.

"Company Material Adverse Effect" means a material adverse effect on the Gaming License.

“Company Shareholders Agreement” means the Amended and Restated Shareholders’ Agreement by and among MCE Cotai, Melco, New Cotai, and the Company, to be entered into after the consummation of the Continuation pursuant to the Implementation Agreement.

“Commencement of Enforcement” means the commencement by any Person of any declaration, action, procedure or proceeding to enforce the rights of any representative or agent (including a trustee, collateral agent or security agent) or any lender(s) with respect to any Excluded Lien.

“Continuation” means the transfer by way of continuation of the Pre-Migration Company from the British Virgin Islands to the Cayman Islands as described in Section [1.1(f)] of the Implementation Agreement.

“Corresponding Class B Ordinary Shares Amount” means, (a) with respect to an Exchanged Participation Interest, a number of Class B Ordinary Shares equal to the product of (i) the number of aggregate Class B Ordinary Shares outstanding immediately prior to the effectiveness of the Exchange with respect to such Exchanged Participation Interest and (ii) the quotient of (x) such Exchanged Participation Interest divided by (y) the Total Participation Percentage, and (b) with respect to any Transfer of Participation Interest, a number of Class B Ordinary Shares equal to the product of (i) the number of aggregate Class B Ordinary Shares outstanding at the time of such Transfer of Participation Interest and (ii) the quotient of (x) such Participation Interest being transferred divided by (y) the Total Participation Percentage; provided that, to the extent that the Corresponding Class B Ordinary Shares Amount would include a fractional Class B Ordinary Share, such fractional amount shall be rounded up to one (1).

“Corresponding Payment” has the meaning set forth in Section 2.5(a) to this Agreement.

“Corresponding Securities” has the meaning set forth in Section 6.2(a) to this Agreement.

“Deemed Distributed Rights” has the meaning set forth in Section 2.8(a).

“Discount” has the meaning set forth in Section 6.4 to this Agreement.

“Dispute” has the meaning set forth in Section 7.10(a) of this Agreement.

“Dispute Notice” has the meaning set forth in Section 7.10(b) of this Agreement.

“Distributed Right” means any right, option, or warrant granted by the Company to all holders of its Class A Ordinary Shares to subscribe for, purchase, or otherwise acquire Class A Ordinary Shares, or other securities or rights convertible into, or exchangeable or exercisable for, Class A Ordinary Shares.

“Disputing Parties” has the meaning set forth in Section 7.10(c) of this Agreement.

“Enforcement of Excluded Lien” means any representative or agent (including a trustee, collateral agent or security agent) or any lender(s) (x) taking possession of, or (y) following a judgment, order, decree or similar judicial or governmental action to such effect that remains unstayed and in effect for 60 consecutive days or is final and non-appealable, becoming entitled to take possession of, the Participation Interest or Class B Ordinary Shares subject to an Excluded Lien or the Class A Ordinary Shares Amount related thereto.

"Equity Plan" means any compensation plan, agreement, or other arrangement that provides for the grant or issuance of equity or equity-based awards (including share options) and that is approved by the Company for the benefit of any of the employees of the Company, Newco, or any Subsidiaries or Affiliates of Newco or other service providers (including directors, advisers, and consultants), or the employees or other services providers (including directors, advisers, and consultants) of any of their respective Affiliates or Subsidiaries.

"Equity Securities" means, with respect to any Person, equity securities or any securities convertible into or exchangeable or exercisable for any equity securities of such Person. For the purposes of Article IV of this Agreement, any Distributed Rights are not included in the definition of Equity Securities.

"Exchange" has the meaning set forth in Section 3.1(a) of this Agreement.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Exchange Date" has the meaning set forth in Section 3.1(b) of this Agreement.

"Exchange Notice" has the meaning set forth in Section 3.1(b) of this Agreement.

"Exchange Notice Withdrawal Date" has the meaning set forth in Section 3.1(b) of this Agreement.

"Exchange Right" has the meaning set forth in Section 3.1(a) of this Agreement.

"Exchanged Participation Interest" has the meaning set forth in Section 3.1(a) of this Agreement.

"Exchanging Participant" has the meaning set forth in Section 3.1(b) of this Agreement.

"Excluded Lien" means, solely with respect to New Cotai, a charge, pledge, encumbrance or security interest over New Cotai's Participation Interest (and, if applicable, the Corresponding Class B Ordinary Shares Amount) granted by New Cotai to a Person in connection with the incurrence of New Cotai Debt, provided that (i) such charge, pledge, encumbrance or security interest shall be an Excluded Lien only for so long as New Cotai's obligations and voting rights arising under or relating to this Agreement and the Class B Ordinary Shares are not impaired or limited by such charge, pledge, encumbrance or security interest and (ii) New Cotai satisfies all conditions under Section 7.1(b) of this Agreement at the time of the grant of such charge, pledge, encumbrance or security interest.

"GAAP" means United States generally accepted accounting principles, consistently applied.

"Gaming License" means the license, concession, subconcession, or other authorization from any Governmental Authority which authorizes, permits, concedes, or allows any Affiliate of the Company, the Company or any of its Subsidiaries, at the relevant time, to own or manage casino or gaming areas or operate casino games of fortune and chance, in each case, on the Company's or any of its Subsidiaries' premises.

"Governmental Authority" means (i) any court or tribunal in any jurisdiction (domestic or foreign) or any governmental or regulatory body (whether domestic, national, federal, state, provincial, municipal, local, foreign, or multinational), agency, department, commission, central bank, board, bureau, or other authority or instrumentality, (ii) any subdivision or authority of any of the foregoing, or (iii) any quasi-governmental body exercising, or entitled to exercise, any regulatory, administrative, executive, judicial, legislative, police, expropriation, or Tax authority under or for the account of any of the above.

"ICC Rules" has the meaning set forth in Section 7.10(d) of this Agreement.

"Impermissible Transfer" has the meaning set forth in Section 3.1(e) to this Agreement.

"Implementation Agreement" means the Implementation Agreement, dated as of [●], 2018, by and among the Pre-Migration Company, MCE Cotai, Melco, and New Cotai.

"Initial Calculations" has the meaning set forth in Section 2.5(a) to this Agreement.

"IPO" has the meaning set forth in the recitals to this Agreement.

"Joinder Agreement" shall have the meaning set forth in Section 7.1(a) of this Agreement.

"Lock-Out Period" means the period that ends on the date that is 180 days after the date of the prospectus relating to the IPO or, if earlier, another date that marks the end of the "Lock-Up Period" contained in the lock-up agreement that the applicable Participant entered into in connection with the IPO (such lock-up agreement, the "Lock-up Agreement"), including as a result of a full or partial waiver or termination of the lock-up restrictions contained in the Lock-up Agreement.

"Mandatory Contribution" has the meaning set forth in Section 6.1(a) of this Agreement.

"Mandatory Exchange" has the meaning set forth in Section 3.1(e) of this Agreement.

"MCE Cotai" has the meaning set forth in the recitals to this Agreement.

"MCE Cotai Shares" has the meaning set forth in the recitals to this Agreement.

"Melco" has the meaning set forth in the recitals to this Agreement.

"Minimum Exchange Participation Interest" means, with respect to a Participant, the portion of a Participation Interest such that, if such Participant exercised its Exchange Right for such portion, such Participant would receive the number of Class A Ordinary Shares representing 0.05% of the voting rights of the Voting Securities of the Company.

"Negotiation Period" has the meaning set forth in Section 2.5(c) of this Agreement.

"New Cotai" has the meaning set forth in the preamble to this Agreement.

"New Cotai Debt" means, solely with respect to New Cotai, any indebtedness of New Cotai used to amend, modify, restructure, extend or refinance all or any portion of the 10.625% Senior Pay-In-Kind Notes due 2019 issued by New Cotai and New Cotai Capital Corp., as may from time to time be amended, modified, restructured, extended or refinanced.

"New Cotai Shares" has the meaning set forth in the recitals to this Agreement.

"Newco" has the meaning set forth in the preamble to this Agreement.

"Newco Cash Distribution" has the meaning set forth in Section 2.2(a) of this Agreement.

"Newco Charter" has the meaning set forth in Section 6.3(a)(i) of this Agreement.

"Newco Employee" means an employee or director of (or any other service provider to) Newco or any of its Subsidiaries, including any employee of an Affiliate of Newco that provides services for the business and operations of Newco and its Subsidiaries, or the Company acting in such capacity; provided that any such employee of the Company is an executive officer of the Company and such employment is directly related to the Company's status as the holder of the Newco Shares or the Company's listing on the New York Stock Exchange.

"Newco In-Kind Distribution" has the meaning set forth in Section 2.2(b) of this Agreement.

"Newco Liquidation Date" has the meaning set forth in Section 2.2(c) of this Agreement.

"Newco Repurchase" has the meaning set forth in Section 6.2(c) of this Agreement.

"Newco Shares" means the ordinary shares, par value US$0.0001 per share, of Newco.

"Newco Share Issuance" means an issuance of shares by Newco to the Company in exchange for the contribution (or any deemed contribution) by the Company in accordance with this Agreement of all of the cash proceeds and/or property received by the Company (net of any underwriting fees, discounts, and selling commissions, or similar fees or related expenses, and costs) from (a) a public offering or a Person that is a Third Party, (b) a Person that is an Affiliate of the Company in a transaction between the Company and such Person that has been approved by members of the Company's board of directors that are disinterested in the transaction, (c) the issuance of Class A Ordinary Shares or ADSs to a Person with respect to "assured entitlement" arrangements pursuant to Practice Note 15 of the Listing Rules of The Stock Exchange of Hong Kong Limited (as it may be amended from time to time), (d) the issuance of Class A Ordinary Shares or ADSs pursuant to an Equity Plan in accordance with Section 2.7, or (e) the issuance of Class A Ordinary Shares or ADSs in connection with the exercise of any Distributed Right.

"Notional Equity Securities" has the meaning set forth in Section 4.2(b) of this Agreement.

"Notified Party" means the Company, Newco, or any Affiliate of either or both.

"Objection Calculations" has the meaning set forth in Section 2.5(b) of this Agreement.

"Objection Period" has the meaning set forth in Section 2.5(b) of this Agreement.

"Offer" has the meaning set forth in Section 4.1 of this Agreement.

"Offer Notice" has the meaning set forth in Section 4.2 of this Agreement.

"Participant" means New Cotai in its capacity as the recipient of the Participation Interest under this Agreement and each other Person that becomes a party to this Agreement pursuant to Section 7.1(a).

"Participants Representative" means, at any given time (a) a member of the board of directors of the Company at such time that has been appointed by New Cotai pursuant to the Company Shareholders Agreement or (b) if there is no such member of the board of directors at the relevant time, the Participant that holds the greatest Participation Percentage at such time.

"Participation" has the meaning set forth in the recitals to this Agreement.

"Participation Interest" means, with respect to any Participant, such Participant's interest in the Participation.

"Participation Percentage" means, with respect to each Participant, the number of percentage points represented by such Participant's Participation Interest, subject to adjustment from time to time as set forth in this Agreement (it being understood that, after each such adjustment, the Participation Percentage, as so adjusted, shall be the Participation Percentage with respect to such Participant for purposes of this Agreement for any periods thereafter until the next adjustment as provided by this Agreement). As of the date of this Agreement and immediately prior to the IPO, the Participation Percentage of New Cotai is 66-2/3%.

"Participation Rights" has the meaning set forth in Section 2.8(a).

"Payment Notice" has the meaning set forth in Section 2.5(a) to this Agreement.

"Permitted Transferee" means any one or more investment funds or other entities directly or indirectly owned, managed or advised by Oaktree Capital Management, L.P. or Silver Point Capital, L.P. (for so long as the transferee continues to be directly or indirectly owned, managed, or advised by Oaktree Capital Management, L.P. or Silver Point Capital, L.P.).

"Person" means an individual, a partnership (including a limited partnership), a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, association, or other entity or a Governmental Authority.

"Pre-Migration Company" has the meaning set forth in the preamble to this Agreement.

"Pro Rata Share" has the meaning set forth in Section 4.1 of this Agreement.

"Recapitalization" means, with respect to any Person, a merger, consolidation, business combination, scheme of arrangement, or plan of arrangement by a Person or with or into another Person or the transfer of all or substantially all of the Person's assets to another Person, other than a Change in Control. For the avoidance of doubt, the Transfer Agreement and the transactions undertaken thereunder are not included in the definition of "Recapitalization".

"Registration Rights Agreement" means the amended and restated registration rights agreement by and among the Company and the shareholders party thereto, to be entered into after the consummation of the Continuation pursuant to the Implementation Agreement.

"Registration Statement" means the Company's registration statement on Form F-1 related to the IPO, initially filed with the Securities and Exchange Commission on [●], 2018 (File No. [●]).

"Relevant Review Event Date" has the meaning set forth in Section 3.1(e) of this Agreement.

"Reviewable Materials" has the meaning set forth in Section 2.5(c) of this Agreement.

"Review Event" means the requirement after the date hereof by a Governmental Authority having jurisdiction over the Company or any of its Subsidiaries (or any of their Affiliates holding a Gaming License) that the Participants exchange all Participation Interests for the Class A Ordinary Shares Amount or any notice by such Governmental Authority determining that the continued performance of this Agreement in accordance with its terms is not permitted (or, as permitted, is not viable) or that such continued performance could have a Company Material Adverse Effect.

"Rights Purchase Price" has the meaning set forth in Section 2.8(b).

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

"Settlement Notice" has the meaning set forth in Section 3.1(c).

"Subsidiary" means, with respect to any Person:

(i) any corporation, association, or other business entity of which (i) more than 50% of the total voting power of shares of capital stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or shareholders' agreement that effectively transfers voting power) to vote in the election of directors, managers, or trustees of the corporation, association, or other business entity that is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person (or a combination thereof) or (ii) the composition of its board of directors is directly or indirectly controlled by such Person; and

(ii) any partnership or limited liability company of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests, or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof, whether in the form of membership, general, special, or limited partnership interests or otherwise and (b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"Tax" shall mean tax, levy, duty, or other charge or withholding of a similar nature imposed by a Governmental Authority (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"Tax Side Letter" has the meaning set forth in Section 7.9 to this Agreement.

"Tender Offer" means a tender offer under Rule 14e-1 of the Exchange Act.

"Termination Event" means the earlier of the time at which (a) the combined value of the Class A Ordinary Shares issuable if all Participants exercised their Exchange Rights with respect to the entirety of the remaining Participation Interests would no longer equal at least US$40,000,000 based on the Average Class A Ordinary Share Price or (b) the number of Class A Ordinary Shares issuable if all Participants exercised their Exchange Rights with respect to the entirety of the remaining Participation Interests would be less than 1.00% of the outstanding Class A Ordinary Shares.

"Third Party" means, with respect to a Person, any Person that is not an Affiliate of such Person. Unless the context otherwise requires, "Third Party" refers to a Third Party with respect to the Company.

"Third Party Expert" has the meaning set forth in Section 2.5(c) of this Agreement.

"Total Participation Percentage" means, at any time, the aggregate Participation Percentage represented by the Participation Interests held by the Participants at such time (it being understood that, after each adjustment to the Participation Percentage of a Participant pursuant to this Agreement, the Total Participation Percentage, determined after giving effect to such adjustment, shall be the Total Participation Percentage for purposes of this Agreement for any periods thereafter until the next adjustment as provided by this Agreement). As of the date of this Agreement and immediately prior to the IPO, the Total Participation Percentage is 66-2/3%.

"Transfer" means to transfer, sell, exchange, hypothecate, assign, charge, pledge, encumber, gift, convey (including in trust) or otherwise dispose of.

"Transfer Agreement" means the Transfer Agreement, dated as of [●], 2018, by and between the Pre-Migration Company and Newco.

"Unsuitable Person Determination" shall mean the receipt by Newco or any of its Subsidiaries or Affiliates of a written notice (an "Unsuitable Person Notice") from a Governmental Authority to whose jurisdiction Newco, such Subsidiary or such Affiliate is subject, setting forth the name of a Person who is considered to be an Unsuitable Person; provided that a Review Event shall not constitute an Unsuitable Person Determination.

"Unsuitable Person" means a Person who (i) is determined by a Governmental Authority to be unsuitable to have any Participation Interest in Newco, whether directly or indirectly, (ii) causes Newco, the Company, or any of their respective Subsidiaries or Affiliates to lose or to be threatened by a Governmental Authority with the loss of any Gaming License, or (iii) in the sole discretion of the board of directors of the Company, is deemed likely to jeopardize Newco's or any of its Subsidiaries' or Affiliates' application for, receipt of approval for, right to the use of, or entitlement to, any Gaming License, and "Unsuitability" and "Unsuitable" shall be construed accordingly.

"US$" and "U.S. dollars" mean the lawful currency of the United States of America.

"Voting Securities" mean any securities of the Company which are entitled to vote generally in matters submitted for a vote of the Company's shareholders or generally in the election of the Company's board of directors.

Section 1.2 Interpretation. In this Agreement, unless otherwise provided:

(a) A reference to an Article, Section, Schedule or Exhibit is a reference to an Article or Section of, or Schedule or Exhibit to, this Agreement, and references to this Agreement include any recital in or Schedule or Exhibit to this Agreement. The Exhibits form an integral part of and are hereby incorporated by reference into this Agreement.

(b) Headings are inserted for convenience only and shall not affect the construction or interpretation of this Agreement.

(c) The word "shall" shall be obligatory and the word "may" shall be permissive.

(d) Unless the context otherwise requires, words importing the singular include the plural and vice versa, words importing the masculine include the feminine and vice versa, and words importing persons include corporations, associations, partnerships, joint ventures, and limited liability companies and vice versa.

(e) The words "hereof" and "herein", and words of similar meaning shall refer to this Agreement as a whole and not to any particular Article, Section, or clause, and the words "include", "includes," and "including" shall be deemed to be followed by the words "without limitation."

(f) Except as otherwise specified herein, a reference to any legislation or to any provision of any legislation shall include any amendment to, and any modification or re-enactment thereof, any legislative provision substituted therefor and all rules, regulations, and statutory instruments issued thereunder or pursuant thereto.

(g) Except as otherwise specified herein, a reference herein to any other agreement or document shall be to such agreement or document as it may have been or may hereafter be amended, modified, supplemented, waived, or restated from time to time in accordance with its terms and, to the extent applicable, the terms of this Agreement, and shall include all annexes, exhibits, schedules, and other documents or agreements attached thereto.

Section 1.3 Calculations. Any calculations undertaken pursuant to this Agreement shall be carried out to the fourth decimal place.

## ARTICLE II
## PARTICIPATION RIGHTS

Section 2.1 Participation. Each of Newco and the Company acknowledges and agrees that, with respect to a Participant's Participation Interest, such Participant shall participate in the profits and losses and business and assets and properties of Newco to the extent set forth in this Agreement (it being understood that this Agreement shall not confer upon any Participant any right (a) to participate in the management of, or any management rights with respect to, Newco or (b) to be a shareholder of, or any voting rights with respect to, or other rights as a shareholder of, Newco).

Section 2.2 Payments on the Participation.

(a) Newco shall not pay (whether or not declared) any dividend or other distribution in cash in respect of or on account of Newco Shares (a "Newco Cash Distribution") unless, contemporaneously with any such payment, Newco pays to each Participant as of the record date for such Newco Cash Distribution, and each such Participant shall be entitled to receive in respect of its Participation Interest as of such record date, an amount in cash (in U.S. dollars) equal to the product of (x) such Participant's Participation Percentage as of such record date and (y) the aggregate amount of the Newco Cash Distribution. At any time Newco declares and sets aside any funds for the payment of any dividend or other distribution (whether or not declared) in cash in respect of or on account of Newco Shares, Newco shall set aside the corresponding amount that would be required to be paid to all Participants, as of the record date for such Newco Cash Distribution, with respect to, and at the time that, the Newco Cash Distribution is paid. Notwithstanding the first sentence of this Section 2.2(a), at the time the amount set aside for distribution to Participants pursuant to the immediately preceding sentence is otherwise to be paid pursuant to the first sentence of this Section 2.2(a), such amount may be paid pursuant to Section 3.3 to the extent the effectiveness of an applicable Exchange occurs after such amount is set aside and prior to the applicable Newco Cash Distribution.

(b) Newco shall not pay (whether or not declared) any dividend or other distribution of assets other than cash in respect of or on account of Newco Shares (a "Newco In-Kind Distribution") unless, contemporaneously with any such payment, dividend, or distribution, Newco pays or transfers to each Participant as of the record date for such Newco In-Kind Distribution, and each such Participant shall be entitled to receive in respect of its Participation Interest as of such record date, the portion of such distributed assets equal to the difference of (i) the aggregate amount of such Newco In-Kind Distribution, minus (ii) the quotient of (x) the aggregate amount of such Newco In-Kind Distribution divided by (y) the sum of 100% and such Participant's Participation Percentage as of such record date.

(c) Immediately prior to the earlier of (i) the date of commencement (as prescribed in this context under the laws of the British Virgin Islands or other applicable law) of any voluntary or involuntary liquidation, dissolution, or winding up of Newco and (ii) any record date for any payment of any distributions in respect of or on account of the Newco Shares in connection with such liquidation, dissolution, or winding up (such earlier date of (i) and (ii), the "Newco Liquidation Date"), the Exchange of all Participation Interests held by all Participants for the Class A Ordinary Shares Amount shall be effected, and all Class B Ordinary Shares shall be deemed to have been surrendered for cancellation and cancelled. An Exchange pursuant to this Section 2.2(c) shall be effected in accordance with the provisions of Section 3.1(e).

Section 2.3 Contributions to Newco. A Participant shall have no obligation under any circumstances to make any contribution to Newco.

Section 2.4 Adjustments to Participation Percentage. The Participation Percentage of a Participant shall be adjusted as follows:

(a) At such time as any Participant exercises the Exchange Right under Section 3.1(a) of this Agreement with respect to all or part of such Participant's Participation Interest, the Participation Percentage of each Participant (as in effect immediately prior to such exercise) shall be adjusted to equal the quotient (expressed as a percentage) of (x) the number of Class A Ordinary Shares that such Participant would be entitled to receive pursuant to the terms of this Agreement if, immediately after the exercise of such Exchange Right, such Participant were to exercise its Exchange Rights in accordance with the terms of this Agreement with respect to the entirety of its Participation Interest (as determined immediately after the exercise of such Exchange Right and, for the avoidance of doubt, excluding the number of Class A Ordinary Shares delivered in connection with the exercise of such Exchange Right) divided by (y) the number of Class A Ordinary Shares issued and outstanding immediately after the exercise of such Exchange Right, which, for the avoidance of doubt, shall include any Class A Ordinary Shares delivered upon the exercise of such Exchange Right but shall not include any Class A Ordinary Shares described in clause (x) of this Section 2.4(a). For the purposes of this Section 2.4(a), the time of any exercise of the Exchange Right by any Participant shall be deemed to be the time of the relevant Exchange is effective, as determined pursuant to Section 3.1(a).

(b) Immediately after a Newco Share Issuance, the Participation Percentage of each Participant (as in effect immediately prior to such Newco Share Issuance) shall be adjusted to equal the quotient (expressed as a percentage) of (x) the number of Class A Ordinary Shares that such Participant would have been entitled to receive pursuant to the terms of this Agreement if, immediately prior to such Newco Share Issuance, such Participant had exercised its Exchange Rights in accordance with the terms of this Agreement with respect to the entirety of its Participation Interest divided by (y) the number of Class A Ordinary Shares issued and outstanding immediately after such Newco Share Issuance, which, for the avoidance of doubt, shall not include any Class A Ordinary Shares described in clause (x) of this Section 2.4(b).

(c) The Participation Percentage of any Participant shall not be adjusted as a result of Newco effecting (A) a split, subdivision, reverse split, or consolidation of a class of shares issued by Newco or (B) a dividend or distribution in respect of the Newco Shares payable in the form of Newco Shares.

(d) Subject to Section 2.4(b) and so long as the Company is in compliance with Section 6.3(b), no adjustment shall be made to the Participation Percentage of any Participant if there is any capital reorganization of Newco or any reclassification or recapitalization of the Newco Shares.

(e) At such time as Newco engages in a Newco Repurchase that is permitted by Section 6.2(c), the Participation Percentage of each Participant (as in effect immediately prior to such Newco Repurchase) shall be adjusted to equal the quotient (expressed as a percentage) of (x) the number of Class A Ordinary Shares that such Participant would have been entitled to receive pursuant to the terms of this Agreement if, immediately prior to such Newco Repurchase, such Participant had exercised its Exchange Rights in accordance with the terms of this Agreement with respect to the entirety of its Participation Interest divided by (y) the number of Class A Ordinary Shares issued and outstanding immediately after such Newco Repurchase, which, for the avoidance of doubt, shall not include any Class A Ordinary Shares described in clause (x) of this Section 2.4(e).

(f) Without duplication for any adjustment effected pursuant to Section 2.4(b), the Participation Percentage of each Participant shall be adjusted as required by Section 2.8 or Section 4.6 and as required by the transactions that occur or are deemed to have occurred pursuant to Section 2.7.

(g) The number of Class B Ordinary Shares held by each Participant shall be adjusted by the Company (the "Class B Adjustment") from time to time so that, at all times, such number of Class B Ordinary Shares shall equal such Participant's Class B Ordinary Shares Amount at such time.

Section 2.5 Adjustment and Payment Notices; Disputed Calculations.

(a) Newco shall deliver to the Participants, (i) promptly (but in no event later than five (5) business days) following the occurrence of an event resulting in an adjustment to the Participation Percentage of the Participants pursuant to Section 2.4(a), (b) or (e), Section 2.7, Section 2.8, or Section 4.6 of this Agreement or a Class B Adjustment (in each case, an "Adjustment Change"), a notice (an "Adjustment Change Notice") which shall set forth Newco's good faith determination of the Adjustment Change and include reasonable supporting details and good faith calculations of such Adjustment Change (the "Adjustment Change Calculations") and (ii) at least five (5) business days prior to Newco making any Newco Cash Distribution or Newco In-Kind Distribution, a notice (a "Payment Notice") which shall set forth Newco's good faith determination of the corresponding payment (the "Corresponding Payment") to be made hereunder in respect of the Participation Interest, if any, and include reasonable supporting details and good faith calculations of such payment (together with Adjustment Change Calculations, the "Initial Calculations").

(b) If, within twenty (20) days following the receipt of an Adjustment Change Notice described in Section 2.5(a)(i) or within ten (10) days following the receipt of a Payment Notice described in Section 2.5(a)(ii) (the "Objection Period"), the Participants do not provide a written objection to such determination (which must be provided through the Participants Representative), together with reasonable supporting calculations, that the Initial Calculations were not in accordance with this Agreement (the "Objection Calculations") then the determination of Newco with respect to such Adjustment Change or Corresponding Payment, as the case may be, and the Initial Calculations shall be deemed final and binding on the Participants; provided, however, that the time limitations set forth in this sentence shall not apply in the event Newco has engaged in fraud or intentional misconduct in connection with its determination of whether a proper Adjustment Change or Corresponding Payment, as the case may be, has occurred.

(c) If the Participants Representative delivers a written objection to the Adjustment Change Notice or Payment Notice under Section 2.5(b) within the applicable Objection Period, the Participants Representative and Newco shall promptly endeavor in good faith to resolve such dispute. In the event that a written agreement has not been reached within thirty (30) days after the date of receipt by Newco of the objection, or such later date as Newco and the Participants Representative may mutually agree to (the "Negotiation Period"), then the Participants Representative and Newco shall promptly submit for review to an internationally recognized independent valuation or accounting firm agreed between Newco and the Participants Representative or, failing agreement, to KPMG International Cooperative and if KPMG International Cooperative is unwilling or is unavailable to serve in such capacity to BDO International Limited (the "Third Party Expert") the Adjustment Change Notice or Payment Notice, as applicable, the Initial Calculations and the Objection Calculations (*i.e.*, no independent review) (the "Reviewable Materials"), and the Third Party Expert shall consider solely the provisions of this Agreement and the Reviewable Materials and shall select either the Initial Calculations or the Objection Calculations (in its totality and without modification). Each of the Participants Representative and Newco shall use commercially reasonable efforts to cause the Third Party Expert to render a decision in accordance with this Section 2.5, along with a statement of reasons therefor, within thirty (30) days of the submission of the Reviewable Materials, or a reasonable time thereafter, to the Third Party Expert. The decision of the Third Party Expert shall be final and binding upon the Participants and Newco (absent fraud or manifest error), and the decision of the Third Party Expert shall constitute an arbitral award that is final, binding, and non-appealable and upon which a judgment may be entered by a court having jurisdiction thereover.

(d) In the event the Participants Representative and Newco submit any Reviewable Materials to the Third Party Expert for resolution pursuant to this Section 2.5, each of the Participants and Newco shall pay its costs and expenses incurred under this Section 2.5; and the fees and costs of the Third Party Expert shall be borne by Newco, on the one hand, if the Third Party Expert selects the Objection Calculations, and the Participants, on the other hand, if the Third Party Expert selects the Initial Calculations.

Section 2.6 Transfer of Participation Interest. If a Participant Transfers all or any portion of its Participation Interest to a Permitted Transferee in accordance with the terms and conditions of this Agreement (including the satisfaction of the conditions set out in Section 7.1(a) and the limitations set out in Section 6.5), such Participant's Participation Percentage shall be reduced by the number of percentage points equal to the Participation Percentage represented by the transferred Participation Interest (as set out in the Joinder Agreement) and the Corresponding Class B Ordinary Shares Amount shall be accordingly transferred on the business day immediately following the date on which the fully completed and executed Joinder Agreement is delivered and received by Newco and the Company in accordance with Section 7.2. In the agreement governing the transfer of a Participation Interest and the Joinder Agreement, the Participant shall indicate the number of percentage points equal to the Participation Percentage represented by the Participation Interest to be transferred and the applicable Corresponding Class B Ordinary Shares Amount.

Section 2.7 Equity Plans.

(a) Share Options Granted to Persons other than Newco Employee. If, at any time or from time to time, in connection with any Equity Plan, an option to purchase Class A Ordinary Shares granted to a Person other than a Newco Employee is duly exercised, then:

(i) the Company shall, as soon as practicable after such exercise, make a contribution to the capital of Newco in an amount equal to the exercise price paid, if any, to the Company by such exercising party in connection with the exercise of such share option and, in exchange for such contribution to the capital of Newco, Newco shall issue to the Company a number of Newco Shares equal to the number of Class A Ordinary Shares issued by the Company in connection with the exercise of such share option; and

(ii) the Company shall be deemed to have contributed to Newco as a contribution an amount equal to the product of the Average Class A Ordinary Share Price as of the date of exercise and the number of Class A Ordinary Shares then being issued in connection with the exercise of such share option.

(b) Share Options Granted to Newco Employees. If, at any time or from time to time, in connection with any Equity Plan, an option to purchase Class A Ordinary Shares granted to a Newco Employee is duly exercised, then:

(i) the Company shall issue to the Newco Employee exercising such option the number of Class A Ordinary Shares required to be issued as a result of such exercise and Newco shall issue to the Company in exchange for the exercise price paid, if any, by the Newco Employee to Newco (reduced by any payment in respect of payroll taxes or other withholdings made by the Company) a number of Newco Shares equal to the number of Class A Ordinary Shares issued by the Company to such Newco Employee as a result of such exercise; and

(ii) the following events will be deemed to have occurred:

(1) the Company shall be deemed to have sold to Newco, and Newco shall be deemed to have purchased from the Company, the number of Class A Ordinary Shares as to which such stock option is being exercised in exchange for a purchase price per Class A Ordinary Share equal to the Average Class A Ordinary Share Price as of the date of exercise;

(2) Newco shall be deemed to have sold to the Newco Employee for a cash price per share equal to the Average Class A Ordinary Share Price as of the date of exercise the number of Class A Ordinary Shares equal to the quotient of (a) the exercise price paid to the Company by the exercising party in connection with the exercise of such share option divided by (b) the Average Class A Ordinary Share Price as of the date of exercise; and

(3) Newco shall be deemed to have transferred to the Newco Employee the number of Class A Ordinary Shares equal to the number of Class A Ordinary Shares described in Section 2.7(b)(ii)(1) less the number of Class A Ordinary Shares described in Section 2.7(b)(ii)(2).

(c) Class A Ordinary Shares Issued to Newco Employees Under Equity Plans. If, at any time or from time to time, in connection with any Equity Plan (other than in respect of the exercise of a share option), any Class A Ordinary Shares are issued to a Newco Employee (including any Class A Ordinary Shares that are subject to surrender or forfeiture in the event specified vesting conditions are not achieved and any Class A Ordinary Shares issued in settlement of a restricted share unit or similar award) in consideration for services performed for Newco or any of its Subsidiaries, then:

(i) the Company shall issue such number of Class A Ordinary Shares as are to be issued to the Newco Employee in accordance with the Equity Plan and Newco shall issue to the Company in exchange for any amounts paid by the Newco Employee (reduced by any payment in respect of payroll taxes or other withholdings made by the Company) a number of Newco Shares equal to the number of Class A Ordinary Shares issued by the Company to such Newco Employee at such time pursuant to the Equity Plan; and

(ii) the following events will be deemed to have occurred:

(1) the Company shall be deemed to have sold such Class A Ordinary Shares to Newco for a purchase price per share equal to the Average Class A Ordinary Share Price on such date,

(2) Newco shall be deemed to have delivered the Class A Ordinary Shares to the Newco Employee, and

(3) the Company shall be deemed to have contributed the purchase price to Newco as a contribution to the capital of Newco.

(d) Class A Ordinary Shares Issued to Persons other than Newco Employees Under Equity Plans. If, at any time or from time to time, in connection with any Equity Plan (other than in respect of the exercise of a share option), any Class A Ordinary Shares are issued to a Person other than a Newco Employee (including any Class A Ordinary Shares that are subject to surrender or forfeiture in the event specified vesting conditions are not achieved and any Class A Ordinary Shares issued in settlement of a restricted share unit or similar award) in consideration for services performed for the Company, Newco, or any Subsidiary of Newco, then:

(i) the Company shall issue such number of Class A Ordinary Shares as are to be issued to such Person in accordance with the Equity Plan and Newco shall issue to the Company in exchange for any amounts paid by such Person (reduced by any payment in respect of withholdings made by the Company) a number of Newco Shares equal to the number of Class A Ordinary Shares issued by the Company to such Person at such time pursuant to the Equity Plan; and

(ii) the Company shall be deemed to have contributed the product of the Average Class A Ordinary Share Price as of such date and the number of Class Ordinary Shares issued by the Company to such Person to Newco as a contribution to the capital of Newco.

(e) If any holder of Class A Ordinary Shares under any Equity Plan surrenders or forfeits all or a portion of such Class A Ordinary Shares for no payment, an equivalent number of Newco Shares held by the Company shall be surrendered or forfeited and the Participation Percentage of each Participant shall be adjusted to equal the quotient (expressed as a percentage) of (x) the number of Class A Ordinary Shares that such Participant would have been entitled to receive pursuant to the terms of this Agreement if, immediately prior to such surrender or forfeiture, such Participant had exercised its Exchange Rights with respect to the entirety of its Participation Interest divided by (y) the number of Class A Ordinary Shares issued and outstanding immediately after such surrender or forfeiture, which, for the avoidance of doubt, shall not include any surrendered or forfeited Class A Ordinary Shares and shall not include Class A Ordinary Shares described in clause (x) of this Section 2.7(e).

Section 2.8 Grants of Distributed Rights

(a) If, at any time or from time to time, the Company grants a Distributed Right (other than in connection with any Equity Plan) (i) at a price per share less than the Average Class A Ordinary Share Price on the record date for such grant or (ii) that does not expire by the thirty (30) days after such grant, then Newco shall grant to each Participant similar rights, options, or warrants ("Participation Rights"), as applicable, with the same terms and conditions as such Distributed Rights mutatis mutandis, such that each Participant shall have the right to subscribe for, to purchase, or to otherwise acquire, as the case may be, an increase in its Participation Interest that would increase the Class A Ordinary Share Amount with respect to its Participation Interest (as determined immediately before such grant) by the same number of Class A Ordinary Shares as such Participant would have been entitled to subscribe for, to purchase, or to otherwise acquire on the exercise of the Distributed Rights that such Participant would have been granted if, immediately prior to the record date for such Distribution Right, such Participant, in accordance with the terms of this Agreement, had exercised its Exchange Rights with respect to the entirety of its Participation Interest (the "Deemed Distributed Rights"). For the avoidance of doubt, if the effectiveness of an Exchange occurs prior to or on the record date for such grant with respect to all or a portion of the Participation Interest of an Exchanging Participant, then notwithstanding anything in this Section 2.8, Newco shall not grant any Participation Rights to such Participant with respect to its Exchanged Participation Interest.

(b) Each Participant shall have the right (subject to any applicable exercise conditions contained in the Distributed Rights) to exercise all or a portion of its Participation Rights by paying to Newco an amount (the "Rights Purchase Price") equal to the product of (x) the total price that such Participant would have had to pay to exercise all of its Deemed Distributed Rights and (y) a fraction (1) the numerator of which shall be the Participation Rights being exercised by such Participant, and (2) the denominator of which shall be the Participation Rights received by such Participant; provided that, if the Distributed Rights included a "cashless exercise" or similar feature, such "cashless exercise" or similar feature shall also apply to the Participation Rights.

(c) Upon a Participant's exercise of any of its Participation Rights and payment of the Rights Purchase Price, such Participant's Participation Percentage shall be adjusted to equal the quotient (expressed as a percentage) of (x) the sum of (1) the number of Class A Ordinary Shares that such Participant would be entitled to receive pursuant to the terms of this Agreement if, immediately prior to such exercise of its Participation Rights, such Participant had exercised its Exchange Rights in accordance with the terms of this Agreement with respect to the entirety of its Participation Interest and (2) the number of Class A Ordinary Shares that such Participant would have been entitled to purchase for the Rights Purchase Price payable by such Participant upon such exercise of its Participation Rights if such Participant held Distribution Rights divided by (y) the number of Class A Ordinary Shares issued and outstanding immediately prior to such exercise of Participation Rights, which, for the avoidance of doubt, shall not include any Class A Ordinary Shares described in clause (x) of this Section 2.8(c).

(d) If such Participation Rights are not exercisable prior to the time a Participant exchanges all of its Participation Interests, the Participant shall continue to hold such Participation Rights. Notwithstanding anything to the contrary in this Section 2.8, with respect to any Participation Rights held by a Participant that would not otherwise have been exercisable prior to a Termination Event, upon such Termination Event, Newco shall procure a Distribution Right of the Company with the same terms and conditions as such Participation Rights mutatis mutandis, and deliver such Distribution Rights to such Participant in exchange for such Participation Rights.

## ARTICLE III
## EXCHANGE RIGHTS

Section 3.1 Exchange of Participation Interest.

(a) Subject to Section 3.1(i), each Participant shall be entitled at any time and from time to time, upon the terms and subject to the conditions hereof, to exchange all or part of its Participation Interest subject to the surrender to the Company for cancellation of the Corresponding Class B Ordinary Shares Amount (such right to exchange, the "Exchange Right", and such portion of the Participation Interest proposed to be exchanged, expressed as a number of percentage points equal to the Participation Percentage represented by such portion, the "Exchanged Participation Interest") for the Class A Ordinary Shares Amount, provided that, to the extent that a Participant would receive a fractional Class A Ordinary Share in respect of the Exchanged Participation Interest, Newco shall pay to such Participant an amount in cash (in U.S. dollars) equal to the product of (i) such fractional share and (ii) the Average Class A Ordinary Share Price as of the date of the applicable Exchange Notice (such an exchange of Participation Interests and the surrender to the Company for cancellation of the Corresponding Class B Ordinary Shares Amount for Class A Ordinary Shares, an "Exchange"). Upon the effectiveness of such Exchange, the Company shall update the register of members and books and records of the Company to indicate that the Corresponding Class B Shares Amount set out in the Exchange Notice has been cancelled, effective at the time such Exchange is effective. For purposes of this Agreement, the effectiveness of an Exchange shall be deemed to be the time the Class A Ordinary Shares Amount are delivered by Newco to an Exchanging Participant, and delivery of the Class A Ordinary Shares shall be deemed to occur at the time when the register of members of the Company has been duly updated in accordance with Section 3.1(b)(iv).

(b) A Participant (an "Exchanging Participant") shall exercise its right to effect an Exchange as set forth in Section 3.1(a) above by delivering to Newco (i) a written election of exchange in respect of the Exchanged Participation Interest substantially in the form of Exhibit A hereto (the "Exchange Notice"), duly executed by the Exchanging Participant, delivered to Newco to its electronic mail address and confirmed by mail at its address set forth in Section 7.2, (ii) any share certificates representing the Corresponding Class B Ordinary Shares Amount, and (iii) if applicable, Internal Revenue Service Form W-9. Upon the effectiveness of an Exchange, all rights of the exchanging Participant in the Exchanged Participation Interest and the Corresponding Class B Ordinary Shares Amount that are being surrendered to the Company shall be free and clear of any pledges, liens, security interests, encumbrances, rights of first refusal, equities, claims and the like, and cancelled pursuant to the Exchange shall cease.

(i) An Exchange Notice from an Exchanging Participant shall specify the future date on which the Exchange is to be effected; provided that such Exchange Notice may be contingent (including as to the timing or date of the Exchange) upon the consummation of a purchase by another Person of Class A Ordinary Shares into which the Exchanged Participation Interest is exchangeable (whether in a tender or exchange offer, an underwritten offering or otherwise); provided that an Exchange may not be effective, under any circumstances, on a date that is earlier than the fifth business day, or later than a date that is ninety (90) days, following delivery of the Exchange Notice to Newco (such date upon which the Exchange is to be effective, whether by specification of a date or the satisfaction of certain contingencies, the "Exchange Date"); provided further that any contingency is required to be satisfied within ninety (90) days of the date of the Exchange Notice. In the event any contingency set out in an Exchange Notice remains unsatisfied on the ninetieth day after the Exchange Notice (the "Exchange Notice Withdrawal Date"), such Exchange Notice shall be deemed to have been withdrawn by the Exchanging Participant pursuant to Section 3.1(b)(iii) on the Exchange Notice Withdrawal Date.

(ii) Upon the delivery by Newco of the Class A Ordinary Shares Amount to an Exchanging Participant pursuant to an Exchange Notice and the surrender of the Corresponding Class B Ordinary Shares Amount by such Exchanging Participant to the Company for cancellation, a Corresponding Class B Ordinary Shares Amount of such Exchanging Participant shall be cancelled and the Exchanging Participant shall be automatically deemed to no longer be the holder of such Class B Ordinary Shares, without any further action on the part of the Exchanging Participant or Newco; provided that the register of members of the Company shall forthwith be updated accordingly. Notwithstanding anything in this Agreement to the contrary, the Participants hereby agree that, upon the effectiveness of an Exchange, pursuant to the applicable Exchange Notice, each Exchanging Participant shall be deemed to have surrendered its Corresponding Class B Ordinary Shares for cancellation, and the Company hereby agrees that such surrender shall be effective upon the effectiveness of the Exchange without any action on part of the Participant.

(iii) An Exchanging Participant may amend an Exchange Notice at any time prior to the Exchange Date by delivery of a written notice of amendment to Newco; provided that the Exchange Date may not be earlier than on the fifth business day following delivery of such notice of amendment to Newco; provided further that such amendment notice may not change, as the case may be, the future date or the period for satisfaction of the contingency referred to in Section 3.1(b)(i) beyond ninety (90) days of the date of the initial Exchange Notice. An Exchanging Participant may withdraw an Exchange Notice at any time prior to the Exchange Date by delivery of a written notice of withdrawal to Newco, in which event such Exchange Notice shall be null and void; provided that, upon request by Newco, such Exchanging Participant shall promptly reimburse Newco for all reasonable out-of-pocket expenses (including any expenses of the registrar for the Company and Newco) incurred by Newco and the Company in connection with such proposed Exchange prior to receipt of such withdrawal notice. Such obligation of the Exchanging Participant to reimburse Newco shall also apply to any deemed withdrawal of the Exchange Notice pursuant to Section 3.1(b)(i).

(iv) An Exchanging Participant shall be entered in the register of members of the Company as the holder of the Class A Ordinary Shares Amount deliverable to such Exchanging Participant in connection with an Exchange upon the effectiveness of such Exchange, and such Exchanging Participant shall be deemed to be the holder of such Class A Ordinary Shares from and after the effectiveness of such Exchange; upon the effectiveness of such Exchange, Newco shall deliver or procure the delivery of a copy of the register of members of the Company showing (or, if the Exchanging Participant so elects, as soon as reasonably practicable after any such election, share certificates representing) the Class A Ordinary Shares Amount deliverable upon the effectiveness of such Exchange to the Exchanging Participant, registered in the name of such Exchanging Participant.

(c) Within three (3) business days following the business day on which Newco has received the Exchange Notice or, (i) in the case of a Mandatory Exchange (other than as a result of a Termination Event pursuant to clause (v) of Section 3.1(e) or an Enforcement of Excluded Lien pursuant to clause (vi) of Section 3.1 (e)), at least five (5) business days prior to the date of such Mandatory Exchange, (ii) in the case of a Mandatory Exchange that is the result of a Termination Event pursuant to clause (v) of Section 3.1(e), no more than two (2) business days after the date of such Termination Event, or (iii) in the case of a Mandatory Exchange that is the result of an Enforcement of Excluded Lien pursuant to clause (vi) of Section 3.1(e), one (1) business day prior to such Mandatory Exchange, Newco shall give written notice (the "Settlement Notice") to each Exchanging Participant (with a copy to the Company) (or in the case of a Mandatory Exchange, all Participants) of a good faith estimate of the Class A Ordinary Shares Amount (or in the case of a Mandatory Exchange that is the result of either a Cash Change of Control pursuant to clause (i) of Section 3.1(e) or an Unsuitable Person Determination pursuant to clause (iv) of Section 3.1(e), the Cash Settlement, if applicable) such Participant will receive and the corresponding Class B Ordinary Shares Amount, which shall include reasonable supporting documentation and calculations to allow such Participants to determine compliance with this Agreement. If a record date for an Adjustment Event occurs prior to the effectiveness of any Exchange and a previously delivered Settlement Notice with respect to such Exchange did not reflect such Adjustment Event, the Company shall provide an updated Settlement Notice within five (5) business days of such record date.

(d) Notwithstanding anything herein to the contrary, with respect to any Exchange pursuant to this Section 3.1:

(i) Without the consent of Newco, a Participant may not effect an Exchange for less than the Minimum Exchange Participation Interest.

(ii) After delivery of the Exchange Notice in respect of an Exchanged Participation Interest, a Participant shall continue to hold such Exchanged Participation Interest subject to an Exchange and, for the avoidance of doubt, shall have no rights as a shareholder of the Company with respect to the Class A Ordinary Shares issuable in connection with the Exchange until the effectiveness of such Exchange.

(iii) In the case of a Mandatory Exchange pursuant to clause (iv) (Unsuitable Person Determination) of Section 3.1(e), the relevant Participant shall not be entitled to (aa) receive any payment of any kind (other than (A) to the extent permitted by law and the Unsuitable Person Notice, for any payment owed to such Participant pursuant to this Agreement on account of any Newco Cash Distribution or Newco In-Kind Distribution declared prior to the receipt of the related Unsuitable Person Notice but not yet paid to such Participant and (B) the Cash Settlement), with respect to its Participation Interest, (bb) receive any remuneration in any form from Newco, the Company or any of their Affiliates for services rendered after the date of the related Unsuitable Person Notice, or (cc) exercise, directly or indirectly or through any proxy, trustee, or nominee, any other right conferred by such Participation Interest.

(e) Notwithstanding any other provision of this Agreement, in the event of (i) a Change in Control, (ii) a Review Event, (iii) a Newco Liquidation Date, (iv) an Unsuitable Person Determination, (v) a Termination Event, or (vi) an Enforcement of Excluded Lien, the Participants (or, in case of an Unsuitable Person Determination, the relevant Participant and, in case of an Enforcement of Excluded Lien, New Cotai) shall be deemed to have delivered an Exchange Notice to exchange all of their Participation Interests (or in the case of clause (vi), New Cotai's Participation Interests that are subject to the applicable Enforcement of Excluded Lien) for the Class A Ordinary Shares Amount, free and clear of any pledges, liens, security interests, encumbrances, rights of first refusal, equities, claims and the like, and, upon such Mandatory Exchange, all Corresponding Class B Ordinary Shares shall be accordingly deemed surrendered and automatically cancelled; provided, such Mandatory Exchange shall occur, as applicable, on (aa) the closing of such Change in Control, (bb) the date indicated or required by the relevant Governmental Authority or regulation (the "Relevant Review Event Date"), (cc) the date required pursuant to Section 2.2(c) in the case of a Newco Liquidation Date, (dd) with respect to an Unsuitable Person Determination, the date determined by Newco as the date required by the relevant Governmental Authority, (ee) with respect to a Termination Event, the date specified by Newco as the settlement date in the Settlement Notice so long as such settlement date is no later than fifteen (15) business days after the Termination Date, or (ff) with respect to an Enforcement of Excluded Lien, the date specified by Newco as the settlement date in the Settlement Notice so long as such settlement date is no earlier than five (5) business days prior to the Enforcement of Excluded Lien and no later than five (5) business days after the Enforcement of Excluded Lien; provided that, in the event of a Review Event, promptly following the occurrence of the Review Event and until the Relevant Review Event Date, Newco and any relevant Affiliates will, to the extent practicable in consideration of the applicable legal and timing requirements, engage in good faith discussions with the Participants Representative and, if appropriate, the relevant Governmental Authority, to find an alternative arrangement that may address the Review Event and provide the Participants with similar corporate, U.S. tax and organizational consequences as this Agreement. To the extent practicable and permitted by law, Newco shall provide to the Participants at least thirty (30) days prior written notice of the date on which such Mandatory Exchange (other than in case of a Termination Event or Enforcement of Excluded Lien) shall occur; provided that if such notice is not practicable or permitted by law, Newco shall use its reasonable best efforts to provide Newco with as much advance notice of such Mandatory Exchange (other than in case of a Termination Event or Enforcement of Excluded Lien) as reasonably practicable and in no event less than five (5) business days or such shorter period if so required by law. Newco, at its option, may elect to settle a Mandatory Exchange that is the result of either a Cash Change of Control pursuant to clause (i) above or an Unsuitable Person Determination pursuant to clause (iv) above, by providing the Cash Settlement instead of the Class A Ordinary Shares Amount; provided that in the case of a Mandatory Exchange that is a result of a Cash Change of Control pursuant to clause (i) above, Newco must notify all applicable Participants that it has elected such Cash Settlement in the applicable Settlement Notice and that the Cash Settlement shall apply to all Participants; provided, further, that, in case of a Mandatory Exchange that is a result of an Unsuitable Person Determination pursuant to clause (iv) above, Newco must notify the relevant Participants that it has elected such Cash Settlement in the applicable Settlement Notice and, in the case of a Cash Change of Control, the Cash Settlement shall apply to all Participants. An Exchange pursuant to this Section 3.1(e) is referred to herein as a "Mandatory Exchange." A Mandatory Exchange shall be effected in accordance with the relevant provisions of this Article III. Additionally, immediately prior to any Transfer of Participation Interests (and the Corresponding Class B Ordinary Shares, as the case may be) to a Person that is not a Permitted Transferee (an "Impermissible Transfer") pursuant to a Chapter 11 plan of reorganization confirmed by order of a U.S. bankruptcy court, or as a result of any other bankruptcy or insolvency proceedings (including, without limitation, by way of a scheme of arrangement) in another court of competent jurisdiction, then, notwithstanding anything to the contrary in this Agreement, such Participation Interests shall immediately and automatically be exchanged (and, if not immediately and automatically exchanged, shall be deemed to have been immediately and automatically exchanged) for the Class A Ordinary Shares Amount (and the Corresponding Class B Ordinary Shares Amount shall be surrendered) as if a Mandatory Exchange with respect to such Participation Interests had occurred on the date such Impermissible Transfer would have otherwise occurred without further notice or action of the parties other than those actions required by Section 3.1(b)(iv) to evidence such Exchange, and such Person that is the non-Permitted Transferee will receive such Class A ordinary Shares Amount and not be a Participant under this Agreement nor have any rights under this Agreement.

(f) Subject to Section 3.2(c), if any Class A Ordinary Shares issued in an Exchange shall be issued in certificated form, the certificates evidencing such Class A Ordinary Shares shall bear a legend in substantially the following form:

> THE TRANSFER OF THESE SECURITIES HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND MAY NOT BE SOLD OR TRANSFERRED OTHER THAN IN ACCORDANCE WITH THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF 1933, AS AMENDED (OR OTHER APPLICABLE LAW), OR AN EXEMPTION THEREFROM. THESE SECURITIES REPRESENT "EXCHANGE SHARES" UNDER THAT CERTAIN AMENDED AND RESTATED SHAREHOLDERS' AGREEMENT BY AND AMONG STUDIO CITY INTERNATIONAL HOLDINGS LIMITED AND THE SHAREHOLDERS PARTY THERETO, DATED AS OF [●], AS AMENDED FROM TIME TO TIME.

(g) If (i) any Class A Ordinary Shares may be sold pursuant to a registration statement that has been declared effective by the Securities and Exchange Commission, (ii) all of the applicable conditions of Rule 144 are met, or (iii) if a Participant otherwise requests removal of the legend, the Company, upon the written request of the Participant and, in the case of clauses (ii) and (iii), receipt of an opinion of counsel addressed to such Participant (any cost related thereto to be borne by the Participant) and the Company reasonably acceptable to the Company, shall take all necessary action promptly to remove such legend and, if the Class A Ordinary Shares are certificated, issue to such Participant new certificates evidencing such Class A Ordinary Shares without the legend.

(h) Except as specifically provided herein, Newco and each Participant shall bear their own expenses related to any Exchange; provided that Newco shall bear all transfer taxes, stamp taxes or duties, or other similar taxes in connection with, or arising by reason of, any Exchange (which, for the avoidance of doubt, shall not include any income or similar taxes imposed on any Participant); provided, however, that, if any Class A Ordinary Shares are to be registered in a name other than that of the Participant that requested the Exchange, then such Participant and/or the person in whose name such shares are to be registered shall pay to the Company the amount of any transfer taxes, stamp taxes or duties, or other similar taxes in connection with, or arising by reason of, such Exchange or shall establish to the reasonable satisfaction of the Company that such tax has been paid or is not payable. In the event that an Exchange fails to be consummated due to the failure of one or more conditions set forth by this Agreement, the Exchanging Participant shall promptly reimburse Newco for all reasonable out-of-pocket expenses incurred by Newco and the Company in connection with such proposed Exchange prior to the failure of such conditions to be known to Newco.

(i) Notwithstanding anything to the contrary in this Article III, a Participant shall not be entitled to effect an Exchange (and, if attempted, any such Exchange shall be void *ab initio*), and Newco shall have the right to refuse to honor any request to effect an Exchange, at any time or during any period, if Newco shall reasonably determine that such Exchange would be prohibited by any applicable law (including the unavailability of any requisite registration statement filed under the Securities Act or any exemption from the registration requirements thereunder), provided this Section 3.1(i) shall not limit Newco's obligations under Section 3.2(c). Upon such determination, Newco shall promptly provide the Participant requesting the Exchange written notice of such determination, and such notice shall include an explanation in reasonable detail as to the reason that the Exchange has not been effected.

Section 3.2 Validity of Class A Ordinary Shares; Procurement of Class A Ordinary Shares.

(a) Each of Newco and the Company covenants that all Class A Ordinary Shares issued upon an Exchange will, upon delivery in accordance with this Agreement, be validly issued, fully paid, and non-assessable. Upon the receipt of an Exchange Notice, unless Newco has determined, at its option, to effect such a Mandatory Exchange that is the result of either a Cash Change of Control pursuant to clause (i) of Section 3.1(e) or an Unsuitable Person Determination pursuant to clause (iv) of Section 3.1(e), by means of a Cash Settlement, Newco covenants that it will procure the Class A Ordinary Shares to be delivered by Newco to the applicable Participant upon the effectiveness of such Exchange.

(b) In connection with an Exchange, Newco shall be permitted under this Agreement to acquire newly-issued Class A Ordinary Shares in exchange for the issuance to the Company of Newco Shares on a one-for-one basis.

(c) Upon the terms of and subject to the conditions of the Registration Rights Agreement, Newco covenants and agrees to deliver the Class A Ordinary Shares, if requested, in a transaction registered pursuant to an effective registration statement under the Securities Act with respect to any Exchange to the extent that a registration statement is effective and available for such shares.

Section 3.3 No Impairment of Payments; No Duplications. No Exchange shall impair the right of a Participant that delivers an Exchange Notice to receive any payment, dividend, or distribution payable with respect to such Participant's Exchanged Participation Interest pursuant to Section 2.2 of this Agreement. If a Participant delivers an Exchange Notice prior to the record date for a payment, dividend, or distribution in respect of Newco Shares and the Exchange is effective after such record date, then the Participant who delivered such an Exchange Notice shall be entitled to receive such payment, dividend, or distribution with respect to the Exchanged Participation Interest on the payment date from Newco notwithstanding the Exchange of the Exchanged Participation Interest on the Exchange Date; provided that such Participant shall not be entitled to receive such payment, dividend, or distribution if such Participant would otherwise receive such payment, dividend, or distribution in respect of any Class A Ordinary Shares received in exchange for the Exchanged Participation Interest. For the avoidance of doubt, to the extent that any payment, distribution, adjustment, or consideration has been applied to the Participant's entire Participation Percentage in connection with an event pursuant to this Agreement, such Participant shall not receive, nor be entitled to receive, any payment, distribution, adjustment, or consideration with respect to the same event under any circumstances, including in case of an Exchange. In the event that a Participant receives any payment, distribution, or adjustment with respect to the same event in breach of the provisions of this Section 3.3, Newco and the Company reserves its right to set-off against such Participant's payment, distribution, adjustment, or consideration.

Section 3.4 Adjusted Class A Ordinary Shares Amount. With respect to any Exchanging Participant in an Exchange, if the effectiveness of such Exchange occurs after the record date for an Adjustment Event and prior to such Adjustment Event, (A) if the Adjusted Class A Ordinary Shares Amount is greater than the Class A Ordinary Share Amount, the Company shall issue to such Exchanging Participants the excess of the Adjusted Class A Ordinary Share Amount over the Class A Ordinary Shares Amount, and (B) if the Class A Ordinary Shares Amount is greater than the Adjusted Class A Ordinary Share Amount, such Exchanging Participant shall surrender, for no consideration, the excess of the Class A Ordinary Share Amount over the Adjusted Class A Ordinary Shares Amount.

## ARTICLE IV
## RIGHTS RELATING TO CERTAIN ISSUANCES AFFECTING PARTICIPATION

Section 4.1 Rights Relating to Certain Issuances Affecting Participation. If the Company proposes to offer Equity Securities for subscription (other than issuances in connection with a public offering, under any Equity Plan or "assured entitlement" arrangements pursuant to Practice Note 15 of the Listing Rules of The Stock Exchange of Hong Kong Limited (as it may be amended from time to time)) solely or primarily to Melco or any of its Affiliates, Newco hereby grants to each Participant the right, subject to and in accordance with the provisions of this Article IV, to maintain its Participation Percentage based on such Participant's pro rata share of such Equity Securities that are offered to Melco and/or its Affiliates. A Participant's pro rata share shall be equal to the fraction, the numerator of which shall be the number of Class A Ordinary Shares that such Participant would be entitled to receive pursuant to the terms of this Agreement if such Participant exercised its Exchange Rights with respect to all of such Participant's Participation Interests pursuant to Section 3.1(a), and the denominator of which shall be the sum of (i) the number of issued and outstanding Class A Ordinary Shares held by Melco and its Affiliates (excluding the Company and its Subsidiaries), (ii) the number of Exchange Shares (as defined in the Company Shareholders Agreement) held by all Entitled Minority Shareholders (as defined in the Company Shareholders Agreement), and (iii) the number of Class A Ordinary Shares issuable if all Participants exercised their Exchange Rights with respect to the entirety of the remaining Participation Interests (such fraction, the "Pro Rata Share"). If the Company proposes to undertake an issuance of Equity Securities to which the rights under this Article IV apply, Newco shall give written notice to each Participant of the proposed issuance, describing the type of Equity Securities, the cash price per Equity Security, the number of Equity Securities, and the general terms upon which the Company proposes to issue the same (an "Offer").

Section 4.2 Offer Notice. Newco shall make the Offer to each Participant by giving a notice in writing (an "Offer Notice") to each Participant specifying:

(a) the total number of Equity Securities proposed to be issued to Melco and/or its Affiliates;

(b) the number of Equity Securities the Participant would have been entitled to subscribe for (up to its Pro Rata Share of the aggregate of all Equity Securities to be issued to Melco and its Affiliates) if such Participant had exercised its Exchange Rights with respect to all of its Participation Interests as if the Participant held pre-emptive rights from the Company that correspond to the pre-emptive rights set forth under this Article IV (the "Notional Equity Securities"); and

(c) the terms of issue of the Equity Securities (including the issue price which shall be the same price for all of the Equity Securities being offered) and Newco shall provide such Offer Notice as soon as reasonably practicable (but not less than fifteen (15) business days) prior to the date of the closing of the issue of the Equity Securities; provided that if Newco determines that such advance notice is not practical under the circumstances, Newco may provide notice as soon as practicable after such closing.

Section 4.3 Response to Offer. Within fifteen (15) business days after the date the Offer Notice is deemed given in accordance with Section 7.2, each Participant shall give notice to Newco stating that such Participant accepts all or any portion of the Notional Equity Securities offered to it in the Offer Notice or declines the Offer in full.

Section 4.4 Failure to Respond. If a Participant does not give notice to Newco within the period stated in Section 4.3, the Participant shall be deemed to have declined the Offer in full.

Section 4.5 Payment by Accepting Participants. If a Participant accepts all or any portion of the Notional Equity Securities offered to such Participant in the Offer, upon the closing of the issuance of the Equity Securities as specified in the Offer Notice, such Participant shall pay to Newco an amount in cash (in U.S. dollars) equal to the aggregate purchase price for the number of Notional Equity Securities specified in its notice of acceptance of its Offer on the terms specified in the Offer Notice. If a Participant fails to make a timely payment of such aggregate purchase price in full for the number of Notional Equity Securities specified in its notice of acceptance of its Offer in accordance with the terms specified in the Offer Notice, such Participant shall be deemed to have declined the Offer.

Section 4.6 Adjustments to Participation Percentage. Upon the issuance and sale of the Equity Securities that constitute Class A Ordinary Shares by the Company and the timely payment by a Participant of the amounts payable to Newco pursuant to Section 4.5 in full, such Participant's Participation Percentage shall be adjusted to equal the quotient (expressed as a percentage) of (x) the number of Class A Ordinary Shares that such Participant would be entitled to receive pursuant to the terms of this Agreement if, immediately after such issuance and sale of Equity Securities, such Participant were to exercise its Exchange Rights in accordance with the terms of this Agreement with respect to the entirety of its Participation Interest (determined after giving effect to this Article IV) divided by (y) the number of Class A Ordinary Shares issued and outstanding immediately after such issuance and sale of Equity Securities, which, for the avoidance of doubt, shall not include any Class A Ordinary Shares that Participants would be entitled to receive pursuant to the exercise of Exchange Rights described in clause (x) of this Section 4.6. Upon the issuance and sale of the Equity Securities that do not constitute Class A Ordinary Shares by the Company and the payment by a Participant of the amounts payable to Newco pursuant to Section 4.5, such Participant shall be granted a participation right corresponding thereto similar to that granted pursuant to this Agreement, mutatis mutandis.

## ARTICLE V
## REPRESENTATIONS AND WARRANTIES

Section 5.1 Representations and Warranties of Newco. Newco represents and warrants that (i) it is a business company duly incorporated and existing in good standing under the laws of its jurisdiction of organization; (ii) it has all requisite corporate power and authority to enter into and perform its respective obligations under this Agreement and to consummate the transactions contemplated hereby, including causing the delivery of the Class A Ordinary Shares in accordance with the terms hereof; (iii) the execution and delivery of this Agreement by it and the consummation by it of the transactions contemplated hereby, including causing the delivery of the Class A Ordinary Shares, have been duly authorized by all necessary corporate action on its part; and (iv) this Agreement constitutes a legal, valid, and binding obligation of Newco enforceable against Newco in accordance with its terms.

Section 5.2 Representations and Warranties of the Pre-Migration Company . The Pre-Migration Company represents and warrants that (i) it is an exempted company duly incorporated and is existing in good standing under the laws of its jurisdiction of organization; (ii) it has all requisite corporate power and authority to enter into and perform its respective obligations under this Agreement and to consummate the transactions contemplated hereby, including the issuance of the Class A Ordinary Shares in accordance with the terms hereof; (iii) the execution and delivery of this Agreement by it and the consummation by it of the transactions contemplated hereby, including the issuance of the Class A Ordinary Shares, have been duly authorized by all necessary corporate action on its part; and (iv) this Agreement constitutes a legal, valid, and binding obligation of the Pre-Migration Company enforceable against the Pre-Migration Company in accordance with its terms. The Pre-Migration Company represents and warrants that it has reserved for issuance, solely for the purpose of issuance upon an Exchange, the maximum number of Class A Ordinary Shares as may be deliverable from time to time by Newco to Participants upon exchange of all outstanding Participation Interests.

Section 5.3 Representations and Warranties of the Participants. Each Participant, severally and not jointly, represents and warrants that (i) it is duly organized, as applicable, and, to the extent such concept exists in its jurisdiction of organization, is in good standing under the laws of such jurisdiction; (ii) it has all requisite legal capacity and authority to enter into and perform this Agreement and to consummate the transactions contemplated hereby; (iii) the execution and delivery of this Agreement by it and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary corporate or other entity action on the part of such Participant; and (iv) this Agreement constitutes a legal, valid, and binding obligation of such Participant enforceable against such Participant in accordance with its terms.

## ARTICLE VI
## COVENANTS

Section 6.1 Covenants of the Company and the Pre-Migration Company.

(a) The Company irrevocably covenants to (i) contribute to Newco: (A) all proceeds (net of any underwriting fees, discounts, and selling commissions, or similar fees or related expenses and costs) received by the Company from the issuance or sale of Equity Securities of the Company, including the net proceeds from the issuance of Equity Securities upon the exercise of equity compensation or the deposit of Equity Securities with a depositary in connection with such equity compensation and (B) all assets acquired by the Company after the date of this Agreement, whether acquired for cash or Equity Securities of the Company (such contributions in clauses (A) and (B), a "Mandatory Contribution"); and (ii) transfer to Newco all proceeds received by the Company from any indebtedness for borrowed money (net of any underwriting fees, discounts, and selling commissions, or similar fees or related expenses and costs), in which event Newco shall issue to the Company an intercompany note equal in principal amount to such indebtedness and otherwise on the same terms as such indebtedness.

(b) The Company irrevocably covenants that the Company shall at all times own all of the issued and outstanding Newco Shares and that the Company shall not own the capital stock, shares, or equity interests of any other Person or any other assets not permitted hereby.

(c) The Pre-Migration Company covenants that, upon the Continuation taking effect, the Company (i) will be an exempted company duly incorporated and will be existing in good standing under the laws of the Cayman Islands; (ii) will have all requisite corporate power and authority to perform its respective obligations under this Agreement and to consummate the transactions contemplated hereby, including the issuance of the Class A Ordinary Shares in accordance with the terms hereof; (iii) the consummation by it of the transactions contemplated hereby, including the issuance of the Class A Ordinary Shares, will have been duly authorized by all necessary corporate action on its part; and (iv) this Agreement will constitute a legal, valid, and binding obligation of the Company enforceable against the Company in accordance with its terms.

(d) If there has been any change in the number of Class A Ordinary Shares or Class B Ordinary Shares issued and outstanding in any given calendar month, the Company shall deliver a certified copy of the register of members within ten (10) business days following the end of such month, showing such change.

(e) The Company irrevocably covenants not to cause or initiate a voluntary liquidation, dissolution, or winding up of Newco; provided that the Company may cause or initiate a voluntary liquidation, dissolution, or winding up of Newco if, substantially concurrently with such liquidation, dissolution, or winding up, the Company is also liquidated, dissolved, or wound-up.

Section 6.2 Covenants of Newco.

(a) Newco irrevocably covenants that Newco shall issue to the Company a number of Newco Shares corresponding to the number of Equity Securities issued by the Company in respect of a Mandatory Contribution; provided that, in the event that any of such Equity Securities issued by the Company are securities convertible into or exchangeable or exercisable for Equity Securities of the Company (including Distributed Rights but excluding any option issued in connection with any Equity Plan), Newco shall, with respect to such convertible, exchangeable, or exercisable securities, issue to the Company a like amount and type of convertible, exchangeable, or exercisable securities ("Corresponding Securities") that shall convert into or be exchanged or exercised for Equity Securities of Newco at the time(s) and in such number(s) as the applicable securities of the Company shall then convert or be exchanged into.

(b) Other than with respect to Corresponding Securities issued in accordance with Section 6.2(a), Newco irrevocably covenants that Newco shall not issue Equity Securities, share equivalents, or any other classes of shares other than the Newco Shares, and that Newco shall not issue any Newco Shares to any Person other than the Company.

(c) Newco irrevocably covenants not to effect any purchase, redemption, cancellation, surrender, or otherwise acquire for value any Newco Shares (a "Newco Repurchase") unless the Company uses the net proceeds of such Newco Repurchase solely to purchase, redeem, cancel, surrender, or otherwise acquire the same number of Class A Ordinary Shares (including by acquiring a corresponding number of ADSs) (i) from holders of the Class A Ordinary Shares or ADSs who are Third Parties, (ii) through open-market purchases of ADSs, or (iii) from Affiliates of the Company provided that the terms of such purchase, redemption, cancellation, surrender, or other acquisition from such Affiliates are approved by the members of the board of directors of the Company who are disinterested in such transaction.

(d) Newco irrevocably covenants that it and its subsidiaries shall not, directly or indirectly, lend, advance funds, issue debt securities, or otherwise extend credit to, or purchase any securities of, the Predecessor Company or the Company; provided that Newco may provide guarantees of indebtedness for borrowed money of the Company; provided, further, that this covenant shall not prohibit the Company from recording as an intercompany loan the amount of any fees or expenses of the Company paid by Newco.

(e) Newco irrevocably covenants that it shall pay all fees and expenses owed by the Company, including pursuant to Section 6.4, unless otherwise directed by the Company.

Section 6.3 Covenants of the Company and Newco.

(a) Each of Newco and the Company irrevocably covenants that, for as long as this Agreement is in effect, it shall not:

(i) amend the following provisions of the (x) Memorandum and Articles of Association of Newco and (y) Articles of Association of Newco, registered on [●], 2018 (together, the "Newco Charter"):

(1) [Paragraphs 15 and 21 of the Memorandum of Association of Newco; and

(2) Articles 9, 19, 116, and 156 of the Articles of Association of Newco,][1]

(ii) amend the Newco Charter in a manner that adversely affects the rights of a Participant to receive payments pursuant to this Agreement, a Participant's Exchange Rights, or the Class A Ordinary Shares Amount issuable upon exercise thereof or any related definitions; or

(iii) amend any provision in the Newco Charter otherwise protecting the rights set forth in subsections (i) and (ii) above.

(b) The Company and Newco irrevocably covenant not to cause or initiate any capital reorganization of Newco or any redesignation**,** reclassification, or recapitalization of the Newco Shares; provided that the Company or Newco may cause or initiate such a capital reorganization of Newco or reclassification or recapitalization of the Newco Shares if, substantially concurrently therewith, a corresponding capital reorganization of the Company or reclassification or recapitalization of the Company's Class A Ordinary Shares occurs, as applicable.

(c) Upon a capital reorganization of Newco or any reclassification or recapitalization of the Newco Shares; each of the Company and Newco irrevocably covenant that they shall cause a corresponding capital reorganization of the Company or reclassification or recapitalization of the Company's Class A Ordinary Shares, as applicable.

(d) If this Agreement is found to be inconsistent or in conflict with the Newco Charter, the Company and Newco irrevocably covenant that they shall procure an amendment to the Newco Charter such that the Newco Charter, as amended, is neither inconsistent nor in conflict with this Agreement.

Section 6.4 Covenants of Newco, the Company, and the Participants. In consideration of Newco receiving all of the assets of the Company (and assuming all of the Company's liabilities) (other than, in each case, as specifically provided for in the Transfer Agreement) as set forth in the Transfer Agreement and because Newco is and will continue to be a wholly owned Subsidiary of the Company, the ADSs of which will, upon the completion of the IPO, be publicly traded, the parties hereto acknowledge and agree, that Newco will pay all fees and expenses incurred by the Company and that it shall bear or, as necessary, reimburse the Company for any reasonable out-of-pocket expenses incurred by the Company, including all fees, expenses, and costs of the Company being a public company (including public reporting obligations, proxy statements, shareholder meetings, stock exchange fees, transfer agent fees, SEC and FINRA filing fees and offering expenses) and maintaining its corporate existence, and the share based compensation costs in relation to any Equity Plans. In the event that (i) shares of Class A Ordinary Shares were sold to underwriters in the IPO of the Company or are sold to underwriters in any public offering after the IPO, in each case, at a price per share that is lower than the price per share for which such shares of Class A Ordinary Shares are sold to the public in such public offering after taking into account underwriters' discounts or commissions and brokers' fees or commissions (such difference, the "Discount") and (ii) the net proceeds from such public offering are used to fund the cash contributed to Newco, Newco shall reimburse the Company for such Discount by treating such Discount as additional cash contributed by the Company to Newco, and increasing the Company's capital account by the amount of such Discount. To the extent practicable, expenses incurred by the Company that are the subject of this Section 6.4 shall be billed directly to and paid by Newco.

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1 NTD: Cross-references to be updated following filing of Newco Charter.

Section 6.5 Covenants of the Participants. Each Participant acknowledges and agrees that the sum of the number of (a) Participants under this Agreement and (b) Minority Shareholders (as defined in the Company Shareholders Agreement) that are not Participants under this Agreement shall not exceed twenty-five (25) at any time, and that any Transfer or request for Transfer in violation of this Section 6.5 or Section 7.1 shall be null and void.

**ARTICLE VII**
**MISCELLANEOUS**

Section 7.1 Additional Participants and Excluded Lien.

(a) Subject to Section 6.5, a Participant shall have the right to Transfer, at any time, all or any portion of the Participation Interest (and the related rights hereunder) and Corresponding Class B Ordinary Shares held by such Participant to such Participant's Permitted Transferees subject to the following conditions: (i) the Transfer will not violate registration requirements under any federal or state securities laws; (ii) such Participant has obtained all required authorizations, if any, from each relevant Governmental Authority (x) having jurisdiction over the Company or its Subsidiaries or (y) that regulates the Gaming License; (iii) the Transfer is not made to any Person who lacks the legal right, power, or capacity to own such Participation Interest in Newco; (iv) the Transfer will not cause any portion of the assets of Newco to become "plan assets" of any "benefit plan investor" within the meaning of regulations issued by the U.S. Department of Labor at Section 2510.3-101 of Part 2510 of Chapter XXV, Title 29 of the Code of Federal Regulations as modified by Section 3(42) of the Employee Retirement Income Security Act of 1974, as amended from time to time; (v) the Transfer will not result in Newco being subject to the Investment Company Act of 1940, as amended; (vi) except for any Transfer that would not be prohibited under the Lock-up Agreement, the Transfer is not made prior to the expiration of the Lock-Out Period; (vii) the transferor also Transfers to the same Permitted Transferee the Corresponding Class B Ordinary Shares Amount (in accordance with all required authorizations, if any, from each relevant Governmental Authority (x) having jurisdiction over the Company or its Subsidiaries or (y) that regulates the Gaming License); (viii) the Transferee shall have executed and delivered to Newco, and the transferring Participant shall have acknowledged and confirmed, a joinder to this Agreement substantially in the form of Exhibit B hereto (the "Joinder Agreement"); (ix) the Participation Interest being so Transferred must be no less than the Minimum Exchange Participation Interest; (x) the transferring Participant shall have promptly delivered notice to Newco, the Company, and the other Participants of such Permitted Transferee's execution of a Joinder Agreement; and (xi) such Transfer would not result in a violation of Section 6.5 and, upon the receipt by Newco and the Company of the copy of Joinder Agreement fully and validly executed by such Permitted Transferee (and acknowledged and confirmed by the transferring Participant), such Permitted Transferee shall become a Participant hereunder. Except as set forth in this Section 7.1, a Participant may not assign or Transfer any of its rights or obligations under this Agreement or any Class B Ordinary Shares and each Participant hereby acknowledges and agrees that any Transfer or request for Transfer in violation of this Section 7.1 shall be null and void.

(b) New Cotai shall have the right to grant Excluded Lien, at any time, with respect to all or any portion of the Participation Interest and Corresponding Class B Ordinary Shares held by New Cotai subject to the following conditions: (i) such grant of Excluded Lien will not violate registration requirements under any federal or state securities laws; (ii) New Cotai (and, if applicable, the representative or agent (including a trustee, collateral agent or security agent) or any lender of New Cotai Debt) has obtained all required authorizations, if any, from each relevant Governmental Authority (x) having jurisdiction over the Company or its Subsidiaries or (y) that regulates the Gaming License; (iii) such Excluded Lien is not made for the benefit of any Person who lacks the legal right, power, or capacity to have the rights granted to such Person under such Excluded Lien with respect to New Cotai's Participation Interest or, if applicable, Corresponding Class B Shares; (iv) such Excluded Lien will not cause any portion of the assets of Newco to become "plan assets" of any "benefit plan investor" within the meaning of regulations issued by the U.S. Department of Labor at Section 2510.3-101 of Part 2510 of Chapter XXV, Title 29 of the Code of Federal Regulations as modified by Section 3(42) of the Employee Retirement Income Security Act of 1974, as amended from time to time; (v) such Excluded Lien will not result in Newco being subject to the Investment Company Act of 1940, as amended; (vi) except for any Excluded Lien that would not be prohibited under the Lock-up Agreement, such Excluded Lien is not made prior to the expiration of the Lock-Out Period; (vii) in the event that such Excluded Lien also applies to the Corresponding Class B Ordinary Shares Amount, such Excluded Lien must be made in accordance with all required authorizations, if any, from each relevant Governmental Authority (x) having jurisdiction over the Company or its Subsidiaries or (y) that regulates the Gaming License); (viii) New Cotai shall have promptly delivered a notice to Newco and the Company of the creation of such Excluded Lien and a complete and full copy of the executed agreements and other documentation granting such Excluded Lien, which must include (A) an acknowledgement by the representative or agent (including a trustee, collateral agent or security agent) or the lenders of New Cotai Debt, as the case may be, (1) that, pursuant to the terms of this Agreement, such representative or agent (including a trustee, collateral agent or security agent) or lenders, as the case may be, is not entitled, at any time, to take possession of any Participation Interest or Corresponding Class B Ordinary Shares (except, if applicable, for the limited purpose of effecting the Mandatory Exchange following an Enforcement of Excluded Lien), and (2) of the Mandatory Exchange provisions relating to any Enforcement of Excluded Lien under Section 3.1(e) and Excluded Lien provisions under this Section 7.1(b) of this Agreement; (B) an undertaking by each of New Cotai and the representative or agent (including a trustee, collateral agent or security agent) or the lenders of New Cotai Debt, as the case may be, to provide a written notice to Newco and the Company (1) promptly upon any Commencement of Enforcement and (2) in case of any Enforcement of Excluded Lien, at least five (5) business days prior to such Enforcement of Excluded Lien and (C) an undertaking by the representative or agent (including a trustee, collateral agent or security agent) or the lenders of New Cotai Debt, as the case may be, to not proceed with an Enforcement of Excluded Lien until at least five (5) business days after the notice with respect to Enforcement of Excluded Lien provided in clause (B) is given; and (ix) in the event of any change or amendment to the Excluded Lien or the relevant executed document, New Cotai shall promptly deliver a copy of such change or amendment to Newco and the Company. In the event of any Commencement of Enforcement or Enforcement of Excluded Lien, New Cotai shall promptly, and in any event within three (3) business days of such Commencement of Enforcement and, to the extent practicable, at least five (5) business prior to such Enforcement of Excluded Lien (and if not practicable, as soon as practicable), as the case may be, provide a notice to Newco and the Company of the Commencement of Enforcement or Enforcement of Excluded Lien, as the case may be, and copies of all relevant documentation with respect to the Commencement of Enforcement or Enforcement of Excluded Lien, as the case may be. Except as set forth in this Section 7.1(b), New Cotai may not grant any Excluded Lien and no Excluded Lien may subsist, for the purposes of this Agreement, in violation of this Section 7.1(b). For the avoidance of doubt, none of the representative or agent (including a trustee, collateral agent or security agent) or any lender in connection with any Excluded Lien will, at any time, be a Participant under this Agreement nor have any rights under this Agreement, except for the right to receive the Class A Ordinary Shares Amount, if any, in case of a Mandatory Exchange following an Enforcement of Excluded Lien.

Section 7.2 Addresses and Notices. All notices, requests, claims, demands, and other communications hereunder shall be in writing and shall be given by delivery in person, by courier service, by fax (delivery receipt requested), by electronic mail, or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be as specified in a notice given in accordance with this Section 7.2):

(a) If to Newco, to:

MSC Cotai Limited
c/o Studio City International Holdings Limited at its address set out herein for delivery of notices
Fax: +852-2537-3618
E-mail: comsec@sc-macau.com
Attention: Company Secretary

With a copy to:

Latham & Watkins
18th Floor, One Exchange Square
8 Connaught Place, Central
Hong Kong
Fax: +852-2912-2600
E-mail: Helena.Kim@lw.com
Attention: Ji-Hyun Helena Kim

(b) If to the Company, to:

Studio City International Holdings Limited

36/F, The Centrium
60 Wyndham Street
Central
Hong Kong
Fax: +852-2537-3618
E-mail: comsec@sc-macau.com
Attention: Company Secretary

With a copy to:

Latham & Watkins
18th Floor, One Exchange Square
8 Connaught Place, Central
Hong Kong
Fax: +852-2912-2600
E-mail: Helena.Kim@lw.com
Attention: Ji-Hyun Helena Kim

(c) If to New Cotai, to:

New Cotai, LLC
c/o New Cotai Holdings, LLC
Two Greenwich Plaza
Greenwich, Connecticut 06830
United States of America
Fax: +1-203-542-4133
E-mail: tlavelle@silverpointcapital.com
Attention: Timothy Lavelle

With a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
300 South Grand Avenue, Suite 3400
Los Angeles, CA 90071-3144
Fax: +1 213 621 5288
E-mail: Jeffrey.Cohen@skadden.com
Attention: Jeffrey H. Cohen, Esq.

(d) If to any other Participant, to the address and other contact information set forth in the records of Newco or the Company from time to time.

(e) All notices, requests, claims, demands, and other communications hereunder is deemed given (i) if by delivery in person, by courier service, or by electronic mail, at such time as it is delivered to the addressee (with the delivery receipt or the affidavit of messenger) or at such time as delivery is refused by the addressee upon presentation, (ii) if by fax, when the sender’s fax machine produces a report that the fax was sent in full to the addressee, and (iii) if by registered or certified mail, five days after being sent; provided that if any communication is given (x) after 5:00 pm in the place of receipt or (b) on a day which is a Saturday, Sunday or bank or public holiday in the place of receipt, it shall be deemed as having been given at 9:00 am on the next day which is not a Saturday, Sunday or bank or public holiday or (in the case of Hong Kong) general holiday in such place.

Section 7.3 Further Action. The parties shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement.

Section 7.4 Binding Effect; Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their respective successors, executors, administrators, heirs, legal representatives, and permitted assigns; provided, however, neither this Agreement nor any rights or obligations hereunder may be assigned by the Company or Newco, and no rights or obligations of any Participant may be assigned and no Participation Interest of any Participant may be Transferred to any Person other than a Permitted Transferee in compliance and satisfaction of Section 7.1(a), in which event such transferring Participant shall promptly deliver notice of such proposed Transfer to Newco, the Company, and the other Participants.

Section 7.5 Severability. If any term or other provision of this Agreement is held to be invalid, illegal, or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal, or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 7.6 Amendment. The provisions of this Agreement may be amended, modified, altered, or supplemented only by a written instrument signed by the Company, Newco, and the Participants Representative.

Section 7.7 Termination of Agreement. This Agreement shall terminate and have no further force and effect upon the earlier of (a) the Mandatory Exchange related to a Termination Event being consummated and (b) no Participation Interest being outstanding (or Total Participation Percentage being zero); provided that (i) Sections 2.2(a), 2.2(b), 2.5(a)(i), 2.5(b), 2.5(c), and 2.5(d) shall survive the termination of this Agreement until (x) Newco has fulfilled all of its obligations thereunder with respect to payments and distributions, and providing notices, to the Participants and (y) the parties hereto have had an opportunity, to the extent provided under this Agreement, to object to, and resolve any disputes with respect to, any calculations pursuant to such sections, and (ii) Section 3.4 shall survive the termination of this Agreement until all Class A Ordinary Shares required to be delivered thereunder have been delivered in accordance therewith Section 3.4 or upon a determination by Newco that no such Class A Ordinary Shares are required to be so delivered; provided, further, that, for so long as any provision of this Agreement survives the termination of this Agreement pursuant to clause (i) or (ii) above, this Article VII (other than Section 7.1) shall also survive the termination of this Agreement.

Section 7.8 Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach of any other covenant, duty, agreement or condition.

Section 7.9 Tax Side Letter. Pursuant to Section 1.1(c) of the Implementation Agreement, the Pre-Migration Company, Newco, and New Cotai shall, contemporaneously with the execution and delivery of this Agreement, execute and deliver a side letter with respect to certain United States federal, state, and local Tax matters (the "Tax Side Letter"). Each and every provision of the Tax Side Letter is hereby incorporated into and made a part of this Agreement as if set forth in full herein, and this Agreement and the Tax Side Letter shall be taken together and read and construed as one and the same agreement.

Section 7.10 Dispute; Submission to Jurisdiction.

(a) Except for disputes pursuant to Section 2.5 for which the procedures to resolve disputes are set forth therein, if a dispute (a "Dispute") arises out of or relates to this Agreement (including any dispute as to the existence, breach, or termination of this Agreement or as to any claim in tort, in equity, or pursuant to any statute), a party to this Agreement may only commence arbitration proceedings relating to the Dispute if the procedures set out in Sections 7.10(b) to 7.10(h) have been fulfilled.

(b) A party to this Agreement claiming the Dispute has arisen under or in relation to this Agreement must give written notice (a "Dispute Notice") to the other parties to the Dispute specifying the nature of the Dispute.

(c) On receipt of the Dispute Notice by the other parties, all the parties to the Dispute (the "Disputing Parties") must endeavor in good faith to resolve the Dispute expeditiously using informal dispute resolution techniques, such as mediation, expert evaluation, or determination or similar techniques agreed by them.

(d) If the Disputing Parties do not resolve the Dispute within twenty (20) days of receipt of the Dispute Notice, the Dispute shall be determined by way of arbitration in accordance with the ICC Rules of Arbitration of the International Chamber of Commerce (the "ICC Rules") in force on the date when the request for arbitration is submitted in accordance with these rules.

(e) The number of arbitrators shall be three and the nationality, domicile, or residence of the chairman of the arbitral tribunal shall not be the United States, China, Hong Kong, or Macau. Each party shall nominate in the Request (as defined in the ICC Rules) and the Answer (as defined in the ICC Rules), respectively, one arbitrator for confirmation. If a party fails to nominate an arbitrator, the appointment shall be made by the ICC Court. The two arbitrators so appointed shall nominate a third arbitrator who shall act as the presiding arbitrator of the arbitral tribunal. Failing such designation within 30 days from the confirmation of the second arbitrator, ICC Court shall appoint the presiding arbitrator.

(f) The arbitral proceedings shall be conducted in the English language and the place of arbitration shall be Hong Kong.

(g) By agreeing to arbitration pursuant to Section 7.10(d), the parties do not intend to deprive any court of its jurisdiction to issue an interim injunction or other interim relief in aid of the arbitration proceedings or enforce such arbitration decision of an arbitral tribunal or any arbitral award (including any relief for specific performance or injunctive relief), provided that the parties agree that they may seek only such relief as is consistent with their agreement to resolve the Dispute by way of arbitration. Without prejudice to such relief that may be granted by a national court, the arbitral tribunal shall have full authority to grant interim or provisional remedies or to order a party to seek modification or vacation of the relief granted by a national court. For purposes of this Section 7.10(g), the parties irrevocably and unconditionally submit to the non-exclusive jurisdiction of Hong Kong and any courts which have jurisdiction to hear appeals from those courts and waive any right to object to any proceedings being brought in those courts.

(h) Any dispute that arises under this Agreement must be resolved in accordance with this Section 7.10.

Section 7.11 Counterparts. This Agreement may be executed and delivered (including by facsimile transmission or by e-mail delivery of a “.pdf” format data file) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy, by e-mail delivery of a “.pdf” format data file or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 7.11.

Section 7.12 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to specific performance of the terms and provisions hereof, in addition to any other remedy to which they are entitled at law or in equity.

Section 7.13 Independent Nature of Participants’ Rights and Obligations. The obligations of each Participant hereunder are several and not joint with the obligations of any other Participant, and no Participant shall be responsible in any way for the performance of the obligations of any other Participant hereunder. The decision of each Participant to enter into this Agreement has been made by such Participant independently of any other Participant. Nothing contained herein, and no action taken by any Participant pursuant hereto, shall be deemed to constitute the Participants as a partnership, an association, a joint venture, or any other kind of entity, or create a presumption that the Participants are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated hereby.

Section 7.14 Participants Representative. If, at any time, there is more than one Participant, the Participants, by executing a Joinder Agreement, hereby designate and appoint the Participants Representative on behalf of the Participants. If any provision of this Agreement requires the decision, action, or consent of the Participants or notice to be delivered to the Participants, the Participants Representative shall have the authority to make any such decision, take any such action, grant any consents, or receive such notices on behalf of the Participants under this Agreement; provided, however, that the Participants Representative shall not be entitled to act on behalf of the Participants with respect to the provisions of Article IV. Newco and the Company shall be entitled to deal exclusively with the Participants Representative, and the decision, action or consent or waiver of the Participants Representative shall be determinative. Newco and the Company shall be entitled to rely upon the Participants Representative's decision, action or consent or waiver on behalf of the Participants.

Section 7.15 Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to any choice or conflict of laws provision or rule that would cause the application of the laws of any other jurisdiction.

Section 7.16 Acknowledgement and Agreement. Each of the Company and Newco agrees and acknowledges that the Participation Agreement establishes Participation Interests, provides enforceable rights against each of the Company and Newco and is being entered into for due consideration and corporate benefit.

*[Signature Pages Follow]*

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first set forth above.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

By: ______________________________

Name:
Title:

MSC COTAI LIMITED

By: ______________________________

Name:
Title:

NEW COTAI, LLC

By: ______________________________

Name:
Title:

[*Signature Page to Participation Agreement*]

**EXHIBIT A**

[FORM OF]
EXCHANGE NOTICE

MSC Cotai Limited
c/o Studio City International Holdings Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong
Attention: Company Secretary

Reference is hereby made to the Participation Agreement, dated as of [●], 2018 (the "Agreement"), among Studio City International Holdings Limited, a business company limited by shares incorporated in the British Virgin Islands (the "Pre-Migration Company" and, following the proposed continuation (redomiciling) of the Pre-Migration Company as an exempted company with limited liability under the laws of the Cayman Islands, the "Company"), MSC Cotai Limited, a business company limited by shares incorporated in the British Virgin Islands with limited liability ("Newco"), and New Cotai, LLC, a Delaware limited liability company ("New Cotai"). Any capitalized term used but not defined herein shall have the meaning given to it in the Agreement.

The undersigned Participant hereby transfers to Newco the Exchanged Participation Interest set forth below in Exchange and hereby surrenders for cancellation the Corresponding Class B Shares Amount for Class A Ordinary Shares to be issued in its name as set forth below, in accordance with the terms of the Agreement.

Legal name of Participant: ______________________

Address: ______________________

E-mail: ______________________

Pre-Exchange Participation Interest owned: ______________________

**Please fill in either A or B but not both.** Please fill in both blanks of whichever A or B you select.

**A. Exchanged Participation Interest (If you choose to complete A, please fill in both blanks below and DO NOT complete B.)**

____________________ Exchanged Participation Interest

____________________ Participation Interest owned post-exchange (Amount should equal the difference of subtracting the Exchanged Participation Interest from pre-Exchange Participation Interest owned)

**B. Percentage of Pre-Exchange Participation Interest Being Exchanged (If you choose to complete B (instead of A), please fill in both blanks below and DO NOT complete A.)**

____________________ Percentage of Pre-Exchange Participation Interest being exchanged (i.e., X % of your Pre-Exchange Participation Interest)

____________________ Percentage of Pre-Exchange Participation Interest not being exchanged (i.e., 100% less the percentage of your Pre-Exchange Participation Interest being exchanged )

Account number: ________________________________________

Legal name of account holder: ________________________________________

The undersigned hereby represents and warrants that (i) the undersigned has full legal capacity to execute and deliver this Exchange Notice and to perform the undersigned’s obligations hereunder; (ii) this Exchange Notice has been duly executed and delivered by the undersigned and is the legal, valid, and binding obligation of the undersigned enforceable against it in accordance with the terms thereof or hereof, as the case may be; (iii) the Exchanged Participation Interest and the Corresponding Class B Shares Amount subject to this Exchange Notice are being transferred to Newco free and clear of any pledges, liens, security interests, encumbrances, rights of first refusal, equities, claims and the like; and (iv) no consent, approval, authorization, order, registration or qualification of any third party or with any court or governmental agency or body having jurisdiction over the undersigned or the Exchanged Participation Interest subject to this Exchange Notice is required to be obtained by the undersigned for the transfer of the Exchanged Participation Interest to Newco.

The undersigned hereby further represents and warrants that (i) the undersigned is an “accredited investor” as that term is defined in Rule 501(a)(3) of Regulation D (“Regulation D”) to the Securities Act of 1933, as amended (the “Securities Act”), and the undersigned has not experienced a disqualifying event as enumerated pursuant to Rule 506(d) of Regulation D; (ii) the undersigned is acquiring the Class A Ordinary Shares for the undersigned’s own account, for investment purposes only and not with a view towards, or for resale in connection with, any public sale or distribution thereof; (iii) the undersigned understands that the Class A Ordinary Shares are being conveyed to the undersigned in reliance on specific exemptions from the registration requirements of the United States federal and state securities laws and that Newco and the Company are relying upon the truth and accuracy of, and the undersigned’s compliance with, the representations and warranties of the undersigned set forth herein in order to determine the availability of such exemptions and the eligibility of the undersigned to receive such Class A Ordinary Shares; (iv) the undersigned understands that its investment in the Class A Ordinary Shares involves a high degree of risk and it has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision with respect to the acquisition of the Class A Ordinary Shares; (v) the undersigned understands that no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Class A Ordinary Shares or the fairness or suitability of the investment in the Class A Ordinary Shares by the undersigned nor have such authorities passed upon or endorsed the merits of the offering of the Class A Ordinary Shares; (vi) the undersigned understands that: (a) the Class A Ordinary Shares have not been and are not being registered under the Securities Act or any state securities laws, and may not be offered for sale, sold, assigned or transferred unless (1) subsequently registered thereunder or (2) sold in reliance on an exemption therefrom; and (b) except as specifically set forth in the Registration Rights Agreement, neither the Company nor any other person is under any obligation to register the Class A Ordinary Shares under the Securities Act or any state securities laws or to comply with the terms and conditions of any exemption thereunder; (vii) the undersigned has such knowledge and experience in financial and business matters, is capable of evaluating the merits and risks of an investment in the Class A Ordinary Shares and is able to bear the economic risk of an investment in the Class A Ordinary Shares in the amount contemplated hereunder for an indefinite period of time; (viii) the undersigned has adequate means of providing for its current financial needs and contingencies and will have no current or anticipated future needs for liquidity which would be jeopardized by the investment in the Class A Ordinary Shares; and (ix) the undersigned can afford a complete loss of its investment in the Class A Ordinary Shares.

CC: Studio City International Holdings Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong
Attention: Company Secretary

IN WITNESS WHEREOF the undersigned, by authority duly given, has caused this Exchange Notice to be executed and delivered by the undersigned or by its duly authorized attorney.

________________________________
Name

Dated: ____________________________

**EXHIBIT B**

[FORM OF]
JOINDER AGREEMENT

This Joinder Agreement ("Joinder Agreement") is a joinder to (i) the Participation Agreement, dated as of [●], 2018 (the "Agreement"), among Studio City International Holdings Limited, a business company limited by shares incorporated in the British Virgin Islands (the "Pre-Migration Company" and, following the proposed continuation (redomiciling) of the Pre-Migration Company as an exempted company with limited liability under the laws of the Cayman Islands, the "Company"), MSC Cotai Limited, a business company limited by shares incorporated in the British Virgin Islands ("Newco"), and New Cotai, LLC, a Delaware limited liability company ("New Cotai") and (ii) the Tax Side Letter, dated as of [●], 2018 (the "Tax Side Letter"), among the Pre-Migration Company, Newco, and New Cotai. Any capitalized term used but not defined in this Joinder Agreement shall have the meaning given to it in the Agreement. This Joinder Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to any choice or conflict of laws provision or rule that would cause the application of the laws of any other jurisdiction. In the event of any conflict between this Joinder Agreement and the Agreement or the Tax Side Letter, the terms of this Joinder Agreement shall control.

The undersigned, having acquired the Participation Interest and the Corresponding Class B Ordinary Shares, as set out below, represents that it has obtained all required authorizations, if any, from each relevant Governmental Authority (x) having jurisdiction over the Company or its Subsidiaries or (y) that regulates the Gaming License, for such acquisition, and hereby joins and enters into the Agreement and the Tax Side Letter. By signing and returning this Joinder Agreement to Newco and the Company, the undersigned (i) accepts and agrees to be bound by and subject to all of the terms and conditions of and agreements of a Participant contained in the Agreement and the Tax Side Letter, with all attendant rights, duties and obligations of a Participant thereunder, (ii) makes each of the representations and warranties of a Participant set forth in Section 5.3 of the Agreement as fully as if such representations and warranties were set forth herein and (iii) represents and warrants that it is a Permitted Transferee as defined in the Agreement. The parties to the Agreement and the Tax Side Letter shall treat the execution and delivery hereof by the undersigned as the execution and delivery of the Agreement and the Tax Side Letter by the undersigned and, upon receipt of this Joinder Agreement by Newco and the Company, the signature of the undersigned set forth below shall constitute a counterpart signature to the signature page of the Agreement and the Tax Side Letter.

Transferor: ______________________________

Transferee: ______________________________

Participation Interest Transferred by Transferor to Transferee: ______________________________

Participation Interest owned by Transferor post-Transfer (Amount should equal the difference of subtracting the transferred Participation Interest from pre-transfer Participation Interest owned by Transferee): ______________________________

Participation Interest owned by Transferee post-Transfer: ______________________________

Corresponding Class B Ordinary Shares Amount (as defined in the Agreement): ______________________________

Legal Name of Transferee: ______________________________

| Transferee's Address for Notices: | With copies to: |
|---|---|
| ______________________________ | ______________________________ |
| Transferee's E-mail for Notices | E-mail for Notices |
| ______________________________ | ______________________________ |

IN WITNESS WHEREOF, the undersigned has caused this Joinder Agreement to be duly executed as of the date first set forth above.

TRANSFEREE
NAME:

By: ______________________________
Name:
Title:

Acknowledged and confirmed by:

TRANSFEROR
NAME:

By: ______________________________
Name:
Title:

**Exhibit 10.23**

**EXECUTION VERSION**

# IMPLEMENTATION AGREEMENT

This IMPLEMENTATION AGREEMENT executed as a deed (as it may be amended from time to time in accordance with the terms hereof, this "**Agreement**"), dated as of is made by and among Studio City International Holdings Limited (formerly known as CYBER ONE AGENTS LIMITED), a business company incorporated in the British Virgin Islands with limited liability (the "**Pre-Migration Company**" and, following the proposed transfer by way of continuation (redomiciling) of the Pre-Migration Company as an exempted company with limited liability in the Cayman Islands, the "**Company**"), MCE Cotai Investments Limited, an exempted company incorporated in the Cayman Islands with limited liability ("**MCE Cotai**"), Melco Resorts & Entertainment Limited, an exempted company incorporated in the Cayman Islands with limited liability ("**Melco**"), and New Cotai, LLC, a Delaware limited liability company ("**New Cotai**").

WHEREAS, New Cotai owns 7,251.176 ordinary shares of the Pre-Migration Company, representing a 40% equity interest in the Pre-Migration Company, and MCE Cotai owns 10,876.764 ordinary shares of the Pre-Migration Company, representing a 60% equity interest in the Pre-Migration Company;

WHEREAS, it is contemplated that the Company will effect an underwritten public offering (the "**IPO**") of American Depositary Shares ("**ADS**"), each ADS representing a certain number of Company Class A Ordinary Shares (as defined below);

WHEREAS, in anticipation of the IPO, the Pre-Migration Company intends to transfer by way of continuation from the British Virgin Islands to the Cayman Islands whereupon the Pre-Migration Company shall become the Company for all purposes under this Agreement (the "**Continuation**");

WHEREAS, in anticipation of the Continuation and the IPO, the parties to this Agreement (collectively, the "**Parties**") (i) have agreed to undertake various transactions in order to permit the Company to effect the Continuation and the IPO and (ii) desire to enter into this Agreement to govern their arrangements with respect to such transactions, including the order in which such transactions are to occur; and

WHEREAS, in anticipation of the Continuation and the IPO, the Boards of Directors of the Pre-Migration Company, Melco, MCE Cotai, and New Cotai have each approved this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

## ARTICLE I
## IMPLEMENTATION TRANSACTIONS

Section 1.1 Agreement as to Implementation. The Parties hereby agree to implement the transactions in this Section 1.1 in accordance with, and upon the terms and subject to the conditions of this Agreement, as follows:

(a) Following the execution of this Agreement but, in the case of each of clause (vii) and (viii) below, no earlier than the Commencement Date:

(i) the Pre-Migration Company shall (x) form, as a wholly-owned subsidiary, a business company incorporated in the British Virgin Islands with limited liability ("**Newco**") and (y) procure the execution and delivery by Newco of a joinder to this Agreement substantially in the form attached as Exhibit A hereto, pursuant to which Newco shall agree to become a party to, to be bound by and to comply with, the provisions of this Agreement as if Newco were an original signatory to this Agreement;

(ii) Newco shall adopt the Newco Memorandum and Articles of Association substantially in the form attached as Exhibit B hereto (the "**Newco Memorandum and Articles of Association**") and shall make all necessary filings with the Registrar of Corporate Affairs in the British Virgin Islands to bring the Newco Memorandum and Articles of Association into force; and

(iii) (if such assignment has not been effected prior to the date of this Agreement) Studio City (HK) Limited ("**SCHK**") shall assign to the Pre-Migration Company one loan owed to SCHK by a subsidiary of the Pre-Migration Company in partial satisfaction of the debt owed by SCHK to the Pre-Migration Company (the "**SCHK Shareholder Loan**");

(iv) the Pre-Migration Company and Newco shall enter into the Hong Kong Share Purchase Agreement substantially in the form attached as Exhibit C hereto;

(v) the Pre-Migration Company shall sign a share transfer to transfer the outstanding SCHK share and assign the SCHK Shareholder Loan remaining after consummation of the transaction as set out in (iii) above to Newco in consideration of a debt due from Newco to the Pre-Migration Company (the "**Newco Shareholder Loan**");

(vi) the Pre-Migration Company and Newco shall, promptly after the consummation of the transaction as set forth in (iii) above, submit such documents as required to the Stamp Duty Office of the Hong Kong Inland Revenue Department to be submitted for stamp duty adjudication;

(vii) the Pre-Migration Company and Newco shall enter into the Transfer Agreement substantially in the form attached as Exhibit D hereto (the "**Transfer Agreement**," and the transfer by the Pre-Migration Company of such assets and liabilities as set forth in the Transfer Agreement and the assumption by Newco of such obligations and liabilities of the Pre-Migration Company as set forth in the Transfer Agreement, in each case, in accordance with the Transfer Agreement, the "**Contribution**"; for the avoidance of doubt, (A) such assets shall include (1) the Newco Shareholder Loan, (2) any amounts owed to the Pre-Migration Company by any of the subsidiaries (direct or indirect) of the Pre-Migration Company, and (3) any cash on hand under the name of the Pre-Migration Company and (B) such liabilities shall include all amounts owed by the Pre-Migration Company to Melco and its subsidiaries, other than any subsidiaries (direct or indirect) of the Pre-Migration Company; and

(viii) Register of members of SCHK shall be updated by SCHK's company secretary after any stamp duty assessed by the Stamp Office is fully paid.

(b) Immediately following the Contribution, the Pre-Migration Company shall adopt the Amended and Restated Memorandum and Articles of Association substantially in the form attached as Exhibit E hereto (the "**Charter Amendment**") and shall make all necessary filings with the Registrar of Corporate Affairs in the British Virgin Islands as is required to effectuate the Charter Amendment.

(c) In connection with the Charter Amendment, the Pre-Migration Company shall amend and subdivide its authorized share capital (the "**Pre-IPO Share Amendment**"), which shall cause each issued and outstanding ordinary share, par value US$1.00 per share, of the Pre-Migration Company to be converted into 10,000 Class A Ordinary Shares, par value US$0.0001 per share, of the Pre-Migration Company (the "**Class A Ordinary Shares**"). Upon the Charter Amendment taking effect, New Cotai shall own 72,511,760 Class A Ordinary Shares (the "**New Cotai Shares**") and MCE Cotai shall own 108,767,640 Class A Ordinary Shares (the "**MCE Cotai Shares**").

(d) The Pre-IPO Share Amendment and the Charter Amendment shall also authorize Class B Ordinary Shares, par value US$0.0001 per share, of the Pre-Migration Company (the "**Pre-Migration Company Class B Shares**").

(e) Immediately following the effectiveness of the Charter Amendment (i) New Cotai and the Pre-Migration Company shall enter into the NC Share Exchange Agreement substantially in the form attached as Exhibit F hereto (the "**NC Share Exchange Agreement**") and (ii) the Pre-Migration Company, Newco and New Cotai shall execute and deliver each of the Participation Agreement substantially in the form attached as Exhibit G hereto (the "**Participation Agreement**") and the Tax Side Letter substantially in the form attached as Exhibit H hereto (the "**Tax Side Letter**"). Immediately upon execution and delivery of the NC Share Exchange Agreement, the Participation Agreement, and the Tax Side Letter and in accordance therewith, upon the terms and subject to the conditions of the applicable document, (x) New Cotai shall transfer the New Cotai Shares to the Pre-Migration Company in exchange for (the "**New Cotai Exchange**") (A) the Pre-Migration Company procuring Newco's grant of the Participation (as defined below) to New Cotai and (B) the Pre-Migration Company's issuance to New Cotai of (1) 72,511,760 Pre-Migration Company Class B Shares and (2) the right to receive, immediately following the effectiveness of the Continuation (i) the rights, interests, and entitlements granted to New Cotai under the Amended and Restated Company Shareholders Agreement in the form attached as Exhibit I hereto (the "**Amended and Restated Company Shareholders Agreement**"), (ii) the rights, interests, and entitlements granted to New Cotai under the Amended and Restated Registration Rights Agreement in the form attached as Exhibit J hereto (the "**Amended and Restated Registration Rights Agreement**"), (iii) the rights, interests, and entitlements granted to New Cotai under the PFIC Side Letter in the form attached as Exhibit K hereto (the "**PFIC Side Letter**") and (iv) the rights, interests, and entitlements granted to New Cotai under the Finance Cooperation Side Letter in the form attached as Exhibit L hereto (the "**Finance Cooperation Side Letter**") and (y) the Participant (as defined in the Participation Agreement) shall accede to certain rights, interests, entitlements, and obligations of a "Participant" holding all of the Participation Percentage as determined pursuant to the Participation Agreement (all of such rights, interests, entitlements and obligations, together with those under the Tax Side Letter, the "**Participation**"). Upon the New Cotai Exchange, the Pre-Migration Company shall update its register of members to reflect the issuance of such Pre-Migration Company Class B Shares and the transfer of the New Cotai Shares to the Pre-Migration Company and deliver to New Cotai a certified copy of such updated register of members.

(f) One (1) business day following (i) the grant of the Participation to New Cotai and (ii) the consummation of the New Cotai Exchange, the Pre-Migration Company shall commence the Continuation by filing the Continuation Documents listed on Exhibit M hereto (the "**Continuation Documents**") with the Registrar of Corporate Affairs in the British Virgin Islands and the Registrar of Companies in the Cayman Islands. The Pre-Migration Company and the Company, as appropriate, shall take such steps and execute such documents listed on Schedule A hereto, in the time period indicated in such schedule, as is necessary for the discontinuation of the Pre-Migration Company in the British Virgin Islands and the continuation of the Company in the Cayman Islands.

(g) Upon the effectiveness of the Continuation, the Company shall adopt the Memorandum and Articles of Association substantially in the form attached as Exhibit N hereto (the "**Company Memorandum and Articles of Association**"), and shall make any necessary filings with the Registrar of Companies in the Cayman Islands required under the Companies Law (2018 Revision) (as amended and revised) of the Cayman Islands in respect of the Company Memorandum and Articles of Association.

(h) Immediately following the effectiveness of the Continuation, (i) the Company shall (x) execute a confirmation with respect to the Participation Agreement and the Tax Side Letter in the form attached as Exhibit O hereto (the "**Participation Agreement and Tax Side Letter Confirmation**"), pursuant to which the Company shall confirm that it shall continue to remain a party to, to be bound by and to comply with, the provisions of the Participation Agreement and the Tax Side Letter, and deliver the Participation Agreement and Tax Side Letter Confirmation to the other parties to the Participation Agreement and the Tax Side Letter and (y) execute and deliver the PFIC Side Letter to New Cotai, (ii) the Company shall deliver to New Cotai a certified copy of the register of members of the Company showing New Cotai as the registered holder of 72,511,760 Class B ordinary shares, par value US$0.0001 per share, of the Company ("**Company Class B Ordinary Shares**"), (iii) New Cotai shall not hold any Pre-Migration Company Class B Shares as a result of the Continuation, (iv) MCE Cotai shall, by operation of law on the Continuation, have exchanged all of its right, title and interest in and to the MCE Cotai Shares with the Company for 108,767,640 Company Class A Ordinary Shares, (v) the Company, MCE Cotai, Melco, and New Cotai shall enter into the Amended and Restated Company Shareholders Agreement, (vi) the Company, MCE Cotai, and New Cotai shall enter into the Amended and Restated Registration Rights Agreement, and (vii) the Company, Melco, and New Cotai shall enter into the Finance Cooperation Side Letter.

Section 1.2 Order of Transaction Steps. The Parties hereby agree that it is the mutual understanding and intention of the Parties that the transactions in Section 1.1 (save for the transaction set forth in Section 1.1(a)(iii) if already effected prior to the date of this Agreement) shall be deemed to occur in the order provided for therein, and that the deemed chronological order of such transactions is of the essence with respect to the performance by the Parties of their obligations hereunder.

Section 1.3 Company Share Issuances. The Company agrees that it shall contribute to Newco any proceeds received by it from the sale of its Company Class A Ordinary Shares or ADSs in the IPO (net of any underwriting fees, discounts and selling commissions, or similar fees or related expenses, and costs) in exchange for a number of ordinary shares of Newco equal to the number of Company Class A Ordinary Shares issued by the Company in the IPO (including Company Class A Ordinary Shares that underlie any ADSs issued by the Company in the IPO) and Newco agrees that it shall accept such contribution and issue such number of Newco Shares to the Company.

Section 1.4 Waiver of Certain Provisions in Existing Shareholders Agreement. Each of Melco and MCE Cotai hereby waives the compliance by New Cotai with its obligations under clause 22.1 (Shareholders) and clause 24 (Minority Shareholders) of the Shareholders' Agreement, dated July 25, 2011, by and among the Pre-Migration Company, New Cotai, MCE Cotai and Melco, as amended and in effect as of the date of this Agreement (the "**Existing Shareholders Agreement**"), solely with respect to the transfer and delivery by New Cotai to the Pre-Migration Company, and the repurchase and acceptance by the Pre-Migration Company, of New Cotai's right, title and interest in and to the New Cotai Shares, in each case pursuant to the NC Share Exchange Agreement.

## ARTICLE II

## REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations and Warranties of the Parties. Each of the Parties, severally and not jointly, represents and warrants that (i) it is duly incorporated, formed or organized, as applicable, and, to the extent such concept exists in its jurisdiction of organization, is in good standing under the laws of such jurisdiction; (ii) it has all requisite corporate or other legal power and authority to enter into and perform its respective obligations under this Agreement and to consummate the transactions contemplated hereby; (iii) the execution and delivery of this Agreement by it and the consummation by it of the transactions contemplated hereby, have been duly authorized by all necessary corporate or other entity action on its part; and (iv) this Agreement constitutes the valid and binding obligation of such Party enforceable against such Party in accordance with its terms.

## ARTICLE III

## TAX MATTERS

Section 3.1 Tax Elections

(a) Immediately after the New Cotai Exchange, the Company shall promptly file IRS Form SS-4 to obtain an employer identification number (“**EIN**”) for the Company and shall file IRS Form 8832 and the accompanying cover letter, each substantially in the form attached hereto as Exhibit P-1, electing pursuant to Treasury Regulations section 301.7701-3 to be classified for U.S. Tax Purposes as a partnership for as long as it is considered to have two or more owners for U.S. Tax Purposes and as an entity disregarded as separate from its owner (a “disregarded entity”) in all other instances, such classification to be effective as of the first day after the date of the New Cotai Exchange. Such filing shall be made by certified mail, return receipt requested, no later than seven (7) days following the consummation of the New Cotai Exchange, and the Company shall promptly deliver evidence of such filing to New Cotai.

(b) The Company shall, promptly following the IPO, file an IRS Form 8832 and the accompanying cover letter, each substantially in the form attached hereto as Exhibit P-2, electing pursuant to Treasury Regulations section 301.7701-3 to change its classification to that of an association taxable as a corporation for U.S. Tax Purposes effective as of the first day after the Continuation. Such filing shall be made by certified mail, return receipt requested, no later than seven (7) days following the consummation of the IPO.

(c) Newco shall, promptly following the NC Share Exchange, file IRS Form 8832 (using the Pre-Migration Company’s EIN, which shall be Newco’s EIN (the “**Legacy EIN**”)) and the accompanying cover letter, each substantially in the form attached hereto as Exhibit Q, confirming (as the successor to the Pre-Migration Company) pursuant to Treasury Regulations section 301.7701-3 to be classified for U.S. Tax Purposes as a partnership for as long as it is considered to have two or more owners for U.S. Tax Purposes and as an entity disregarded as separate from its owner (a “disregarded entity”) in all other instances, effective as of the day immediately following the NC Share Exchange. Such filing shall be made by certified mail, return receipt requested, no later than seven (7) days following the NC Share Exchange, and Newco shall promptly deliver evidence of such filing to New Cotai.

(d) The Company shall not use the Legacy EIN with respect to any elections, forms, returns, schedules, or other documents filed with the IRS or any other Governmental Authority for any period beginning after the date of the execution of the New Cotai Exchange.

## ARTICLE IV

## UNWINDING

Section 4.1 Failure to Complete the IPO.

(a) The Parties hereby agree that, if, following the execution of the Transfer Agreement, (i) the Company does not consummate the IPO by the later of December 31, 2018 (or such later date as may be agreed by the Parties in writing) and the latest closing date for the IPO permitted by an underwriting or similar agreement executed on or prior to December 31, 2018; provided that such closing date shall not be later than five business days after December 31, 2018 or (ii) at any time after September 30, 2018 and prior to the earlier of December 31, 2018 (or such later date as may be agreed by the Parties in writing) and the date the Company commences the Road Show, a Change in Law occurs that would reasonably be expected to have a material adverse tax consequence to the holder of a Participation (or any holder of an interest, direct or indirect, in such holder of a Participation) (the occurrence of clause (i) or (ii), the "**IPO Cut-off Date**"), then the following transactions shall occur in the order listed in subsections (i)-(iv) below (collectively, the "**Unwinding**"), with the purpose of reversing certain elements of the restructuring effected by the Transaction Documents:

(i) As promptly as reasonably practicable (but in no event later than five (5) business days following the IPO Cut-off Date), the Company and Newco shall enter into a plan of merger and, upon the terms and subject to the conditions therein, the Company shall merge with and into Newco, with Newco as the surviving entity (the "**Merger**").

(ii) Upon the effectiveness of the Merger, (1) Newco shall adopt a new memorandum and articles of association having the same provisions as the memorandum and articles of association of the Pre-Migration Company as in effect on the date of this Agreement, (2) each Company Class A Ordinary Share and each Company Class B Ordinary Share shall be converted into one ten-thousandth of an ordinary share of Newco, such ordinary shares of Newco shall have the same provisions and rights as the ordinary shares of the Pre-Migration Company outstanding as of the date of this Agreement, and (3) the Participation Agreement (including the Tax Side Letter) (other than (x) Article VII of the Participation Agreement (excluding Sections 7.1, 7.7, 7.13, and 7.14), (y) paragraphs 1 and 5 of the Tax Side Letter, and (z) any definitions in Section 1.1 of the Participation Agreement or in paragraph 22 of the Tax Side Letter necessary to effect the foregoing) shall be automatically terminated and shall have no further effect, and any Participation then outstanding shall be cancelled and cease to exist.

(iii) Immediately following the effectiveness of the Merger, (x) Melco, MCE Cotai, New Cotai, and Newco shall enter into a shareholders' agreement (the "**Newco Shareholders Agreement**") with respect to Newco, effective as of the effective date of the Merger, having the same terms, rights, interests, entitlements, and obligations as those contained in the Existing Shareholders Agreement, with all references to the "Company" thereunder referring to Newco following the Merger, (y) Newco and New Cotai shall enter into a registration rights agreement with respect to Newco's securities, effective as of the effective date of the Merger, having the same terms, rights, interests, entitlements, and obligations as those contained in the Registration Rights Agreement, dated July 27, 2011, by and between the Pre-Migration Company and New Cotai, as amended and in effect as of the date of this Agreement, with all references to the "Company" thereunder referring to Newco following the Merger and (z) Newco, Melco, and New Cotai shall enter into a finance cooperation side letter having the same terms, rights, interests, entitlements, and obligations as those contained in the Finance Cooperation Side Letter, with all references to the "Company" thereunder referring to Newco following the Merger; provided, however, the parties shall not be obligated to enter into such finance cooperation letter unless New Cotai shall have executed and delivered all documents, and performed all of its obligations, in each case as required hereunder (and in the manner and at the time as required to be executed and delivered or performed ) and shall have not taken any action in violation of this Agreement, and such Unwinding was not caused by, and did not result from any failure or delay after the date hereof by New Cotai to take any action, provide any approval or consent or execute any document, in each case, necessary to consummate the IPO, including, but not limited to, such actions, approvals, consents or documents required or requested to be provided or executed by the underwriters of the IPO (provided that New Cotai's failure to take any action, provide any approval or consent or execute any document relating to an extension of the IPO Cut-Off Date shall not relieve any obligation to enter into such finance cooperation letter).

(iv) Immediately following the completion of steps (i)-(iii) above, the Amended and Restated Company Shareholders Agreement, the Amended and Restated Registration Rights Agreement, the Tax Side Letter (other than to the extent set forth in step (ii) above), the Participation Agreement and Tax Side Letter Confirmation, the PFIC Side Letter, and the Finance Cooperation Side Letter shall terminate and have no further force and effect.

(b) The Parties hereby agree that, in the event of an Unwinding (i) Newco shall continue to be treated for U.S. Tax Purposes as the successor to the Pre-Migration Company and, as such, shall use for all U.S. Tax Purposes (including its U.S. federal, state and local Tax Returns) the Legacy EIN and (ii) to take all actions consistent, and no actions inconsistent, with such treatment, in each case, for U.S. Tax Purposes.

(c) The Parties hereby agree to cooperate and take all actions reasonably necessary to effect the Unwinding.

(d) The Parties hereby agree that, if this Agreement is terminated pursuant to Section 5.13 without the Transfer Agreement having been executed, Newco, Melco, and New Cotai shall enter into a finance cooperation side letter having the same terms, rights, interests, entitlements, and obligations as those contained in the Finance Cooperation Side Letter, with all references to the "Company" thereunder referring to Newco following the Merger; provided, however, the parties shall not be obligated to enter into the Finance Cooperation Letter pursuant to this Section 4.1(d) unless New Cotai shall have executed and delivered all documents, and performed all of its obligations, in each case as required hereunder (and in the manner and at the time as required to be executed and delivered or performed) and shall have not taken any action in violation of this Agreement, and such termination was not caused by, and did not result from any failure or delay after the date hereof by New Cotai to take any action, provide any approval or consent or execute any document, in each case, necessary to consummate the IPO, including, but not limited to, such actions, approvals, consents or documents required or requested to be provided or executed by the underwriters of the IPO (provided that New Cotai's failure to take any action, provide any approval or consent or execute any document relating to an extension of the IPO Cut-Off Date shall not relieve any obligation to enter into the Finance Cooperation Letter).

## ARTICLE V

## MISCELLANEOUS

Section 5.1 Further Action. The Parties shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement, including effectuating the transactions described herein in the order identified herein and, if applicable, the Unwinding.

Section 5.2 Definitions. The following definitions shall be for all purposes, unless otherwise clearly indicated to the contrary, applied to the terms used in this Agreement.

(a) “**business day**” means any day other than a Saturday, a Sunday or a day on which banking institutions in the United States, Hong Kong, Cayman Islands or British Virgin Islands are authorized by law, regulation or executive order to remain closed and, in the case of Hong Kong, other than a day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted or remains hoisted at any time between 9:00am and 5:00pm. If a date on which an event is to occur is a non-business day at a place at which the event is to occur, the event may be made at that place on the next succeeding day that is a business day.

(b) “**Change in Law**” means any of the following: (i) the adoption, entry into effect, or issuance of any U.S. tax statute, treaty, regulation (whether final, proposed, or temporary), or other official pronouncement, including notices or announcements, or (ii) any material change in any U.S. tax statute, treaty, regulation (whether final, proposed, or temporary), or other official pronouncement, including notices or announcements.

(c) “**Commencement Date**” means the date on which the Board of Directors of the Company, or a pricing committee appointed by the Board of Directors of the Company, determines that, based on indications from the managing underwriters of the IPO, the pricing of the IPO is reasonably likely to occur within three (3) business days following such date; provided that in no event shall the Commencement Date occur prior to the commencement of the Road Show.

(d) “**Company Class A Ordinary Shares**” means the Class A ordinary shares, par value US$0.0001 per share, of the Company.

(e) “**Continuation**” means the transfer by way of continuation of the Pre-Migration Company from the British Virgin Islands to the Cayman Islands as described in Section 1.1 of this Agreement.

(f) “**Governmental Authority**” means the government of any nation, state, city, locality or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including, the Financial Industry Regulatory Authority, Inc. and any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing.

(g) “**Road Show**” means a road show (as such term is defined in Rule 433(h)(4) promulgated under the Securities Act of 1933, as amended) related to the IPO.

(h) “**Tax**” means tax, levy, duty, or other charge or withholding of a similar nature imposed by a Governmental Authority (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

(i) “**U.S. Tax Purposes**” means, as the context requires, U.S. federal, state, and/or local income Tax purposes.

Section 5.3 Interpretation. In this Agreement, unless otherwise provided:

(a) A reference to an Article, Section, Schedule or Exhibit is a reference to an Article or Section of, or Schedule or Exhibit to, this Agreement, and references to this Agreement include any recital in or Schedule or Exhibit to this Agreement. The Exhibits form an integral part of and are hereby incorporated by reference into this Agreement.

(b) Headings are inserted for convenience only and shall not affect the construction or interpretation of this Agreement.

(c) The word “shall” shall be obligatory and the word “may” shall be permissive.

(d) Unless the context otherwise requires, words importing the singular include the plural and vice versa, words importing the masculine include the feminine and vice versa, and words importing persons include corporations, associations, partnerships, joint ventures and limited liability companies and vice versa.

(e) The words “hereof” and “herein”, and words of similar meaning shall refer to this Agreement as a whole and not to any particular Article, Section or clause, and the words “include”, “includes” and “including” shall be deemed to be followed by the words “without limitation.”

(f) Except as otherwise specified herein, a reference to any legislation or to any provision of any legislation shall include any amendment to, and any modification or re-enactment thereof, any legislative provision substituted therefor and all rules, regulations and statutory instruments issued thereunder or pursuant thereto.

(g) Except as otherwise specified herein, a reference herein to any other agreement or document shall be to such agreement or document as it may have been or may hereafter be amended, modified, supplemented, waived or restated from time to time in accordance with its terms and, to the extent applicable, the terms of this Agreement, and shall include all annexes, exhibits, schedules and other documents or agreements attached thereto.

Section 5.4 Addresses and Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax (delivery receipt requested), by electronic mail or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be as specified in a notice given in accordance with this Section 5.4):

(a) If to the Company, to:

Studio City International Holdings Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong

Fax: +852-2537-3618
E-mail: comsec@sc-macau.com
Attention: Company Secretary

with copy to:

Latham & Watkins
18th Floor, One Exchange Square
8 Connaught Place, Central
Hong Kong
Fax: +852 2912 2600
E-mail: Helena.Kim@lw.com
Attention: Ji-Hyun Helena Kim

(b) If to MCE Cotai, to:

MCE Cotai Investments Limited
c/o Melco Resorts & Entertainment Limited at its address set out herein for delivery of notice
Fax: +852-2537-3618
E-mail: mco-comsec@melco-resorts.com
Attention: Company Secretary

with copy to:

Latham & Watkins
18th Floor, One Exchange Square
8 Connaught Place, Central
Hong Kong
Fax: +852 2912 2600
E-mail: Helena.Kim@lw.com
Attention: Ji-Hyun Helena Kim

(c) If to Melco, to:

Melco Resorts & Entertainment Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong
Fax: +852-2537-3618
E-mail: mco-comsec@melco-resorts.com
Attention: Company Secretary

with a copy to:

Latham & Watkins
18th Floor, One Exchange Square
8 Connaught Place, Central
Hong Kong
Fax: +852 2912 2600
E-mail: Helena.Kim@lw.com
Attention: Ji-Hyun Helena Kim

(d) If to New Cotai, to:

New Cotai, LLC
c/o New Cotai Holdings, LLC
Two Greenwich Plaza
Greenwich, Connecticut 06830
United States of America
Fax: +1-203-542-4133
E-mail: tlavelle@silverpointcapital.com
Attention: Timothy Lavelle

With a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
300 South Grand Avenue, Suite 3400
Los Angeles, CA 90071-3144
Fax: +1 213 621 5288
E-mail: Jeffrey.Cohen@skadden.com
Attention: Jeffrey H. Cohen, Esq.

Section 5.5 Binding Effect; Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their respective successors, executors, administrators, heirs, legal representatives and permitted assigns; provided, however, neither this Agreement nor any rights or obligations hereunder may be assigned by any of the Parties without the prior written consent of the other Parties.

Section 5.6 Severability. If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 5.7 Amendment. The provisions of this Agreement may be amended, modified, altered or supplemented only by a written instrument signed by each of the Parties.

Section 5.8 Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach of any other covenant, duty, agreement or condition.

Section 5.9 Submission to Jurisdiction. The parties irrevocably consent to the non-exclusive jurisdiction of the courts of the Cayman Islands in connection with any action relating to this Agreement.

Section 5.10 Counterparts. This Agreement may be executed and delivered (including by facsimile transmission or by e-mail delivery of a ".pdf" format data file) in one or more counterparts, and by the different Parties in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy, by e-mail delivery of a ".pdf" format data file or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 5.10.

Section 5.11 Specific Performance. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms, including the order of the transactions contemplated hereby, or were otherwise breached. It is accordingly agreed that the parties shall be entitled to specific performance of the terms and provisions hereof, in addition to any other remedy to which they are entitled at law or in equity.

Section 5.12 Applicable Law. This Agreement shall be governed by, and construed in accordance with, the law of the Cayman Islands, without giving effect to any choice or conflict of laws provision or rule that would cause the application of the laws of any other jurisdiction.

Section 5.13 Termination. If the IPO is not consummated prior to the IPO Cut-off Date, this Agreement shall terminate and have no further force and effect; provided that Article IV and this Article V shall remain in full force and effect.

Section 5.14 Fees and Expenses.

(a) Newco agrees to pay or reimburse all fees and expenses incurred by the Company in connection with this Agreement (including the Unwinding).

(b) Promptly (x) upon the earlier of the completion of the IPO and the Unwinding, or (y) upon the termination of this Agreement pursuant to Section 5.13 if such termination occurs without the Transfer Agreement having been executed, Newco agrees to reimburse each of New Cotai and MCE Cotai for all reasonable and documented out-of-pocket fees and expenses incurred in connection with this Agreement and the transactions contemplated hereunder (including the Unwinding) (such amount, the "**Expense Reimbursement**"); provided, however, that (A) the Expense Reimbursement shall not exceed US$1,000,000 for each of New Cotai and MCE Cotai; and (B) in the event of an Unwinding or termination of this Agreement, Newco shall reimburse New Cotai and/or MCE Cotai only if New Cotai or MCE Cotai, as applicable, (i) shall have executed and delivered all documents, and performed all of its obligations, in each case as required hereunder (in the manner and at the time as required to be executed and delivered or performed), (ii) shall have not taken any action in violation of this Agreement and (iii) such Unwinding or termination was not caused by, and did not result from any failure or delay after the date hereof by New Cotai or MCE Cotai, as the case may be, to take any action, provide any approval or consent or execute any document, in each case, necessary to consummate the IPO, including, but not limited to, such actions, approvals, consents or documents required or requested to be provided or executed by the underwriters of the IPO (provided that New Cotai's or MCE Cotai's failure to take any action, provide any approval or consent or execute any document relating to an extension of the IPO Cut-Off Date shall not relieve any reimbursement obligation hereunder with respect to New Cotai or MCE Cotai, as the case may be).

(c) Except as provided in this Section 5.14, each Party shall pay all of its fees and expenses in connection with this Agreement and the transactions contemplated hereby.

Section 5.15 Third Party Rights. A person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Law, 2014 (as amended) to enforce any term of this Agreement.

Section 5.16 Effectiveness. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

Section 5.17 Entire Agreement. This Agreement, together with all of the agreements referenced herein (when such agreements are executed and delivered by the parties thereto in substantially the forms attached hereto), the exhibits to any such agreements (when executed and delivered, if applicable) and the transactions contemplated hereby and thereby, represents the entire agreement between the Parties with respect to the reorganization of the Company as described in Section 1.1 hereof, including the Contribution (the "**Reorganization and Transfer**"). All previous negotiations, understandings, representations, warranties, memoranda or commitments concerning the Reorganization and Transfer are superseded by this Agreement (together with all such other agreements) and are of no effect. No party is liable to any other party in respect of those matters except as provided under this Agreement and, when executed and delivered by the parties thereto in substantially the forms attached hereto, all such other agreements. No oral explanation or information provided by any party to another affects the meaning or interpretation of this Agreement or constitutes any collateral agreement, warranty or understanding between any of the parties with respect to this Agreement or the Reorganization and Transfer.

Section 5.18 Headings. The headings of the sections of this Agreement have been inserted for convenience of reference only and shall not be deemed a part of this Agreement.

*[Signature Pages Follow]*

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as a deed as of the date first set forth above.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

By: ______________________________
Name:
Title:

MCE COTAI INVESTMENTS LIMITED

By: ______________________________
Name:
Title:

MELCO RESORTS & ENTERTAINMENT LIMITED

By: ______________________________
Name:
Title:

NEW COTAI, LLC

By: ______________________________
Name:
Title:

[*Signature Page to Implementation Agreement*]

## EXHIBIT A

## FORM OF JOINDER TO IMPLEMENTATION AGREEMENT

JOINDER AGREEMENT

This Joinder Agreement ("Joinder Agreement") is a joinder to the Implementation Agreement, dated as of [●], 2018 (the "Agreement"), by and among Studio City International Holdings Limited (formerly known as CYBER ONE AGENTS LIMITED), a business company incorporated in the British Virgin Islands with limited liability (the "Pre-Migration Company" and, following the proposed transfer by way of continuation (redomiciling) of the Pre-Migration Company as an exempted company with limited liability in the Cayman Islands, the "Company"), MCE Cotai Investments Limited, an exempted company incorporated in the Cayman Islands with limited liability ("MCE Cotai"), Melco Resorts & Entertainment Limited, an exempted company incorporated in the Cayman Islands with limited liability ("Melco"), and New Cotai, LLC, a Delaware limited liability company ("New Cotai").

By executing and delivering this Joinder Agreement to MCE Cotai, Melco, New Cotai and the Pre-Migration Company, the undersigned agrees to become a party to, to be bound by, and to comply with the provisions of, the Agreement as if the undersigned were an original signatory thereto. The parties to the Agreement shall treat the execution and delivery hereof by the undersigned as the execution and delivery of the Agreement by the undersigned and, upon receipt of this Joinder Agreement by MCE Cotai, Melco, New Cotai, and the Pre-Migration Company, the signature of the undersigned set forth below shall constitute a counterpart signature to the signature page of the Agreement. This Joinder Agreement shall be governed by, and construed in accordance with, the laws of the Cayman Islands, without giving effect to any choice or conflict of laws provision or rule that would cause the application of the laws of any other jurisdiction.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the undersigned has caused this Joinder Agreement to be duly executed as of the date first set forth above.

MSC COTAI LIMITED

By: ______________________________

Name:

Title:

*[Signature Page – Joinder Agreement]*

**EXHIBIT B**

**FORM OF NEWCO MEMORANDUM AND ARTICLES OF ASSOCIATION**

**EXHIBIT C**

**FORM OF HONG KONG SHARE PURCHASE AGREEMENT**

## EXHIBIT D

## FORM OF TRANSFER AGREEMENT

**EXHIBIT E**

**FORM OF CHARTER AMENDMENT**

TERRITORY OF THE BRITISH VIRGIN ISLANDS

BVI BUSINESS COMPANIES ACT, 2004

**Amended & Restated**

**Memorandum of Association**

**and**

**Articles of Association**

**of**

# STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

**First Incorporated on 2 August 2000**

**(ADOPTED BY RESOLUTION DATED __________ 2018 AND REGISTERED ON __________ 2018)**

TERRITORY OF THE BRITISH VIRGIN ISLANDS
THE BVI BUSINESS COMPANIES ACT 2004

**AMENDED & RESTATED**

**MEMORANDUM OF ASSOCIATION**

**OF**

# STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

A COMPANY LIMITED BY SHARES

## 1. DEFINITIONS AND INTERPRETATION

1.1. In this Memorandum of Association and the attached Articles of Association, if not inconsistent with the subject or context:

"**Act**" means the BVI Business Companies Act (No. 16 of 2004) and includes the regulations made under the Act;

"**Articles**" means the attached Amended and Restated Articles of Association of the Company;

"**Chairman of the Board**" has the meaning specified in Regulation 13;

"**Class A Ordinary Shares**" has the meaning give in Clause 7.1(a);

"**Class B Ordinary Shares**" has the meaning give in Clause 7.1(b);

"**Distribution**" in relation to a distribution by the Company means the direct or indirect transfer of an asset, other than Shares, to or for the benefit of the Shareholder in relation to Class A Ordinary Shares held by a Shareholder, and whether by means of a purchase of an asset, the redemption or other acquisition of Shares, a distribution of indebtedness or otherwise, and includes a dividend;

"**Eligible Person**" means individuals, corporations, trusts, the estates of deceased individuals, partnerships and unincorporated associations of persons;

"**Memorandum**" means this Amended and Restated Memorandum of Association of the Company;

"**Resolution of Directors**" means either:

(a) a resolution approved at a duly convened and constituted meeting of directors of the Company or of a committee of directors of the Company by the affirmative vote of a majority of the directors present at the meeting who voted except that where a director is given more than one vote, he shall be counted by the number of votes he casts for the purpose of establishing a majority; or

(b) a resolution consented to in writing by all directors or by all members of a committee of directors of the Company, as the case may be;

"**Resolution of Shareholders**" means either:

(a) a resolution approved at a duly convened and constituted meeting of the Shareholders of the Company by the affirmative vote of a majority of the votes of the Shares entitled to vote thereon which were present at the meeting and were voted; or

(b) a resolution consented to in writing by a majority of the votes of Shares entitled to vote thereon;

"**Seal**" means any seal which has been duly adopted as the common seal of the Company;

"**Share**" means a share issued or to be issued by the Company;

"**Shareholder**" means an Eligible Person whose name is entered in the register of members of the Company as the holder of one or more Shares or fractional Shares;

"**Shareholders Agreement**" means the shareholders agreement attached as Schedule 1, dated on or around 27 July 2011 between MCE Cotai Investments Limited, New Cotai, LLC, Melco Crown Entertainment Limited and the Company, as amended from time to time in accordance with the terms thereof;

"**Treasury Share**" means a Share that was previously issued but was repurchased, redeemed or otherwise acquired by the Company and not cancelled; and

"**written**" or any term of like import includes information generated, sent, received or stored by electronic, electrical, digital, magnetic, optical, electromagnetic, biometric or photonic means, including electronic data interchange, electronic mail, telegram, telex or telecopy, and "**in writing**" shall be construed accordingly.

1.2. In the Memorandum and the Articles, unless the context otherwise requires a reference to:

(a) a "**Regulation**" is a reference to a regulation of the Articles;

(b) a "**Clause**" is a reference to a clause of the Memorandum;

(c) voting by Shareholders is a reference to the casting of the votes attached to the Shares held by the Shareholder voting;

(d) the Act, the Memorandum or the Articles is a reference to the Act or those documents as amended; and

(e) the singular includes the plural and vice versa.

1.3. Any words or expressions defined in the Act unless the context otherwise requires bear the same meaning in the Memorandum and Articles unless otherwise defined herein.

1.4. Headings are inserted for convenience only and shall be disregarded in interpreting the Memorandum and Articles.

## 2. NAME

The name of the Company is **STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**.

**3. RE-REGISTRATION**

The Company was first incorporated on 2 August 2000 under the International Business Companies Act, 1984 and was automatically re-registered under the Act on 1 January 2007. Immediately before its re-registration under the Act, it was governed by the International Business Companies Act, 1984.

**4. STATUS**

The Company is a company limited by shares.

**5. REGISTERED OFFICE AND REGISTERED AGENT**

5.1. The first registered office of the Company is at Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands, the office of the first registered agent.

5.2. The first registered agent of the Company is Offshore Incorporations Limited of Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands.

5.3. At the date of filing the notice of election to disapply Part IV of Schedule 2 of the Act the registered office of the Company was situated at the office of the registered agent, Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands.

**6. CAPACITY AND POWERS**

6.1. Subject to the Act and any other British Virgin Islands legislation, the Company has, irrespective of corporate benefit:

(a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and

(b) for the purposes of paragraph (a), full rights, powers and privileges.

6.2. For the purposes of section 9(4) of the Act, there are no limitations on the business that the Company may carry on.

**7. NUMBER AND CLASSES OF SHARES**

7.1. The Company is authorised to issue a maximum of 2,000,000,000 Shares divided into two classes consisting of:

(a) 1,927,488,240 Class A Ordinary Shares of par value US$0.0001 each (“**Class A Ordinary Shares**”); and

(b) 72,511,760 Class B Ordinary Shares of par value US$0.0001 each (“**Class B Ordinary Shares**”).

7.2. The Company may issue fractional Shares and a fractional Share shall have the corresponding fractional rights, obligations and liabilities of a whole share of the same class or series of shares.

7.3. Shares shall be issued in the currency of the United States of America.

## 8. DESIGNATIONS, POWERS, PREFERENCES, ETC. OF SHARES

8.1. In addition and subject to any rights, privileges, restrictions and conditions attaching to any of the Shares as provided for elsewhere in this Memorandum or in the Articles, the rights and restrictions attached to the Class A Ordinary Shares shall be as follows:

(a) the right to one vote at a meeting of the Shareholders of the Company or on any Resolution of Shareholders;

(b) the right to an equal share in any dividend paid by the Company; and

(c) the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

8.2. In addition and subject to any rights, privileges, restrictions and conditions attaching to any of the Shares as provided for elsewhere in this Memorandum or in the Articles, the rights and restrictions attached to the Class B Ordinary Shares shall be as follows:

(a) the right to one vote at a meeting of the Shareholders of the Company or on any Resolution of Shareholders;

(b) subject to Clause 8.4, no right to any share in any dividend paid by the Company;

(c) no right to any share in the distribution of the surplus assets of the Company on its liquidation; and

(d) no right to transfer any Class B Ordinary Share.

8.3. The directors may at their discretion by Resolution of Directors redeem, purchase or otherwise acquire all or any of the Shares in the Company subject to Regulation 3 of the Articles.

8.4. In no event should any share dividend, share split, reverse share split, combination of shares, sub-division, reclassification or recapitalization be declared or made in respect of the Class A Ordinary Shares (each, a "**Share Adjustment**") unless a corresponding Share Adjustment is made to the Class B Ordinary Shares in the same proportion and the same manner. Share dividends with respect to each class of shares of the Company may only be made with the shares of the same class as such class of shares of the Company.

## 9. VARIATION OF RIGHTS

9.1. The rights attached to Shares as specified in Clause 8 may only, whether or not the Company is being wound up, be varied with the consent in writing of or by a resolution passed at a meeting by the holders of more than 50 per cent of the issued Shares entitled to vote at a meeting of the Shareholders (voting together as a single class); provided that, in addition to such consent:

(a) a variation of the rights attached to the Class A Ordinary Shares as specified in Clause 8.1(a) shall require the prior consent in writing of the holders of more than 50 per cent of the issued Class A Ordinary Shares and more than 50 per cent of the holders of the Class B Ordinary Shares, or resolutions passed at separate class meetings of the holders of Class A Ordinary Shares and Class B Ordinary Shares by the holders of more than 50 per cent of the issued Class A Ordinary Shares and the holders of more than 50 per cent of the issued Class B Ordinary Shares;

(b) a variation of the rights attached to the Class A Ordinary Shares (other than as specified in Clause 8.1(a)) shall require the prior consent in writing of, or a resolution passed at a separate class meeting of the holders of Class A Ordinary Shares by, the holders of more than 50 per cent of the issued Class A Ordinary Shares;

(c) a variation of the rights attached to the Class B Ordinary Shares as specified in Clause 8.2(a) shall require the prior consent in writing of the holders of more than 50 per cent of the issued Class A Ordinary Shares and the holders of more than 50 per cent of the issued Class B Ordinary Shares or resolutions passed at separate class meetings of the holders of Class A Ordinary Shares and Class B Ordinary Shares by the holders of more than 50 per cent of the issued Class A Ordinary Shares and the holders of more than 50 per cent of the issued Class B Ordinary Shares; and

(d) a variation of the rights attached to the Class B Ordinary Shares as specified in Clauses 8.2(b), 8.2(c) or 8.2(d) shall require the prior consent in writing of, or a resolution passed at a separate class meeting of the holders of Class B Ordinary Shares by, the holders of more than 50 per cent of the issued Class B Ordinary Shares.

**10. RIGHTS NOT VARIED BY THE ISSUE OF SHARES PARI PASSU**

The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

**11. REGISTERED SHARES**

11.1. The Company shall issue registered shares only.

11.2. The Company is not authorised to issue bearer shares, convert registered shares to bearer shares or exchange registered shares for bearer shares.

**12. TRANSFER OF SHARES**

12.1. Subject to Clause 8.2, the Company shall, on receipt of an instrument of transfer complying with Sub-Regulation 7.1 of the Articles, enter the name of the transferee of a Share in the register of members unless the directors resolve to refuse or delay the registration of the transfer for reasons that shall be specified in a Resolution of Directors.

12.2. Subject to Clause 8.2, the directors may not resolve to refuse or delay the transfer of a Share unless the Shareholder has failed to pay an amount due in respect of the Share.

**13. AMENDMENT OF MEMORANDUM AND ARTICLES**

Subject to Clause 9, the Company may amend its Memorandum or Articles by a Resolution of Shareholders or by a Resolution of Directors, save that no amendment may be made by a Resolution of Directors:

(a) to restrict the rights or powers of the Shareholders to amend the Memorandum or Articles;

(b) to change the percentage of Shareholders required to pass a Resolution of Shareholders to amend the Memorandum or Articles;

(c) in circumstances where the Memorandum or Articles cannot be amended by the Shareholders; or

(d) to Clauses 8, 9 or 10 or this Clause 13.

Notwithstanding the foregoing no amendment may be made to the Memorandum or Articles without the approval of each Minority Shareholder (as defined in the Shareholders Agreement) holding 20% or more of the Shares on issue.

## 14. PARAMOUNT EFFECT OF SHAREHOLDERS AGREEMENT

14.1. To the extent not prohibited by the Act the provisions of the Shareholders Agreement are hereby incorporated into the Memorandum, and for the avoidance of doubt and without limiting the generality of this Clause 14.1:

(a) notwithstanding anything contained in the Memorandum, if the Shareholders Agreement prohibits an act being done, the act shall not be done; and

(b) nothing contained in the Memorandum prevents an act being done that the Shareholders Agreement requires to be done.

14.2. To the extent not prohibited by the Act if any provision of the Memorandum is or becomes inconsistent with the Shareholders Agreement, the Shareholders Agreement shall prevail.

We, Offshore Incorporations Limited of Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands hereby sign this Memorandum of Association the 3rd day of July 2007 .

Incorporator:

Offshore Incorporations Limited

Sgd: Richard Parsons

Authorised Signatory

TERRITORY OF THE BRITISH VIRGIN ISLANDS

THE BVI BUSINESS COMPANIES ACT 2004

**AMENDED & RESTATED**

**ARTICLES OF ASSOCIATION**

**OF**

# STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

A COMPANY LIMITED BY SHARES

## 1. PARAMOUNT EFFECT OF SHAREHOLDERS AGREEMENT

1.1. To the extent not prohibited by the Act the provisions of the Shareholders Agreement are hereby incorporated into the Articles and, for the avoidance of doubt and without limiting the generality of this Regulation 1:

(a) notwithstanding anything contained in these Articles, if the Shareholders Agreement prohibits an act being done, the act shall not be done; and

(b) nothing contained in these Articles prevents an act being done that the Shareholders Agreement requires to be done.

1.2. To the extent not prohibited by the Act if any provision of these Articles is or becomes inconsistent with the Shareholders Agreement, the Shareholders Agreement shall prevail.

## 2. REGISTERED SHARES

2.1. Every holder of Class A Ordinary Shares is entitled to a certificate signed by a director of the Company or under the Seal specifying the number of Class A Ordinary Shares held by him and the signature of the director and the Seal may be facsimiles. No share certificates shall be issued in respect of the Class B Ordinary Shares.

2.2. Any Shareholder receiving a certificate shall indemnify and hold the Company and its directors and officers harmless from any loss or liability which it or they may incur by reason of any wrongful or fraudulent use or representation made by any person by virtue of the possession thereof. If a certificate for Shares is worn out or lost it may be renewed on production of the worn out certificate or on satisfactory proof of its loss together with such indemnity as may be required by a Resolution of Directors.

2.3. If several Eligible Persons are registered as joint holders of any Class A Ordinary Shares, any one of such Eligible Persons may give an effectual receipt for any Distribution.

## 3. SHARES

3.1. Shares may be issued at such times, to such Eligible Persons, for such consideration and on such terms as the directors may by Resolution of Directors determine.

3.2. Section 46 of the Act (*Pre-emptive rights*) does not apply to the Company.

3.3. A Share may be issued for consideration in any form, including money, a promissory note, real property, personal property (including goodwill and know-how) or a contract for future services.

3.4. No Shares may be issued for a consideration other than money, unless a Resolution of Directors has been passed stating:

(a) the amount to be credited for the issue of the Shares;

(b) their determination of the reasonable present cash value of the non-money consideration for the issue; and

(c) that, in their opinion, the present cash value of the non-money consideration for the issue is not less than the amount to be credited for the issue of the Shares.

3.5. The Company shall keep a register (the "**register of members**") containing:

(a) the names and addresses of the Eligible Persons who hold Shares;

(b) the number of each class and series of Shares held by each Shareholder;

(c) the date on which the name of each Shareholder was entered in the register of members; and

(d) the date on which any Eligible Person ceased to be a Shareholder.

3.6. The register of members may be in any such form as the directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until the directors otherwise determine, the magnetic, electronic or other data storage form shall be the original register of members.

3.7. A Share is deemed to be issued when the name of the Shareholder is entered in the register of members.

## 4. REDEMPTION OF SHARES AND TREASURY SHARES

4.1. The Company may purchase, redeem or otherwise acquire and hold its own Shares save that the Company may not purchase, redeem or otherwise acquire its own Shares without the consent of Shareholders whose Shares are to be purchased, redeemed or otherwise acquired unless the Company is permitted by the Act or any other provision in the Memorandum or Articles to purchase, redeem or otherwise acquire the Shares without their consent.

4.2. The Company may only offer to acquire Shares if at the relevant time the directors determine by Resolution of Directors that immediately after the acquisition the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

4.3. Sections 60 (*Process for acquisition of own shares*), 61 (*Offer to one or more shareholders*) and 62 (*Shares redeemed otherwise than at the option of company*) of the Act shall not apply to the Company.

4.4. Shares that the Company purchases, redeems or otherwise acquires pursuant to this Regulation may be cancelled or held as Treasury Shares except to the extent that such Shares are in excess of 50 percent of the issued Shares in which case they shall be cancelled but they shall be available for reissue.

4.5. All rights and obligations attaching to a Treasury Share are suspended and shall not be exercised by the Company while it holds the Share as a Treasury Share.

4.6. Treasury Shares may be disposed of by the Company on such terms and conditions (not otherwise inconsistent with the Memorandum and Articles) as the Company may by Resolution of Directors determine.

4.7. Where Shares are held by another body corporate of which the Company holds, directly or indirectly, shares having more than 50 per cent of the votes in the election of directors of the other body corporate, all rights and obligations attaching to the Shares held by the other body corporate are suspended and shall not be exercised by the other body corporate.

## 5. MORTGAGES AND CHARGES OF SHARES

5.1. Shareholders may mortgage or charge their Shares.

5.2. There shall be entered in the register of members at the written request of the Shareholder:

(a) a statement that the Shares held by him are mortgaged or charged;

(b) the name of the mortgagee or chargee; and

(c) the date on which the particulars specified in subparagraphs (a) and (b) are entered in the register of members.

5.3. Where particulars of a mortgage or charge are entered in the register of members, such particulars may be cancelled:

(a) with the written consent of the named mortgagee or chargee or anyone authorised to act on his behalf; or

(b) upon evidence satisfactory to the directors of the discharge of the liability secured by the mortgage or charge and the issue of such indemnities as the directors shall consider necessary or desirable.

5.4. Whilst particulars of a mortgage or charge over Shares are entered in the register of members pursuant to this Regulation:

(a) no transfer of any Share the subject of those particulars shall be effected;

(b) the Company may not purchase, redeem or otherwise acquire any such Share; and

(c) no replacement certificate shall be issued in respect of such Shares,

without the written consent of the named mortgagee or chargee.

**6. FORFEITURE**

6.1. Shares that are not fully paid on issue are subject to the forfeiture provisions set forth in this Regulation and for this purpose Shares issued for a promissory note or a contract for future services are deemed to be not fully paid.

6.2. A written notice of call specifying the date for payment to be made shall be served on the Shareholder who defaults in making payment in respect of the Shares.

6.3. The written notice of call referred to in Sub-Regulation 6.2 shall name a further date not earlier than the expiration of 14 days from the date of service of the notice on or before which the payment required by the notice is to be made and shall contain a statement that in the event of non-payment at or before the time named in the notice the Shares, or any of them, in respect of which payment is not made will be liable to be forfeited.

6.4. Where a written notice of call has been issued pursuant to Sub-Regulation 6.3 and the requirements of the notice have not been complied with, the directors may, at any time before tender of payment, forfeit and cancel the Shares to which the notice relates.

6.5. The Company is under no obligation to refund any moneys to the Shareholder whose Shares have been cancelled pursuant to Sub-Regulation 6.4 and that Shareholder shall be discharged from any further obligation to the Company.

**7. TRANSFER OF SHARES**

7.1. Class A Ordinary Shares may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee, which shall be sent to the Company at the office of its registered agent for registration.

7.2. The transfer of a Class A Ordinary Share is effective when the name of the transferee is entered on the register of members.

7.3. If the directors of the Company are satisfied that an instrument of transfer relating to Class A Ordinary Shares has been signed but that the instrument has been lost or destroyed, they may resolve by Resolution of Directors:

(a) to accept such evidence of the transfer of Class A Ordinary Shares as they consider appropriate; and

(b) that the transferee’s name should be entered in the register of members notwithstanding the absence of the instrument of transfer.

7.4. Subject to the Memorandum, the personal representative of a deceased Shareholder may transfer a Class A Ordinary Share even though the personal representative is not a Shareholder at the time of the transfer.

**8. MEETINGS AND CONSENTS OF SHAREHOLDERS**

8.1. Any director of the Company may convene meetings of the Shareholders at such times and in such manner and places within or outside the British Virgin Islands as the director considers necessary or desirable.

8.2. Upon the written request of Shareholders entitled to exercise 30 per cent or more of the voting rights in respect of the matter for which the meeting is requested the directors shall convene a meeting of Shareholders.

8.3. The director convening a meeting shall give not less than seven days' notice of a meeting of Shareholders to:

(a) those Shareholders whose names on the date the notice is given appear as Shareholders in the register of members of the Company and are entitled to vote at the meeting; and

(b) the other directors.

8.4. The director convening a meeting of Shareholders may fix as the record date for determining those Shareholders that are entitled to vote at the meeting the date notice is given of the meeting, or such other date as may be specified in the notice, being a date not earlier than the date of the notice.

8.5. A meeting of Shareholders held in contravention of the requirement to give notice is valid if Shareholders holding at least 90 per cent of the total voting rights on all the matters to be considered at the meeting have waived notice of the meeting and, for this purpose, the presence of a Shareholder at the meeting shall constitute waiver in relation to all the Shares which that Shareholder holds.

8.6. The inadvertent failure of a director who convenes a meeting to give notice of a meeting to a Shareholder or another director, or the fact that a Shareholder or another director has not received notice, does not invalidate the meeting.

8.7. A Shareholder may be represented at a meeting of Shareholders by a proxy who may speak and vote on behalf of the Shareholder.

8.8. The instrument appointing a proxy shall be produced at the place designated for the meeting before the time for holding the meeting at which the person named in such instrument proposes to vote. The notice of the meeting may specify an alternative or additional place or time at which the proxy shall be presented.

8.9. The instrument appointing a proxy shall be in substantially the following form or such other form as the chairman of the meeting shall accept as properly evidencing the wishes of the Shareholder appointing the proxy.

[ Name of Company ]

I/We being a Shareholder of the above Company HEREBY APPOINT ________ of ________ or failing him ________ of ________ to be my/our proxy to vote for me/us at the meeting of Shareholders to be held on the ______ day of __________, 20__ and at any adjournment thereof.

(Any restrictions on voting to be inserted here.)

Signed this ______ day of __________, 20__

____________________
Shareholder

8.10. The following applies where Shares are jointly owned:

(a) if two or more persons hold Shares jointly each of them may be present in person or by proxy at a meeting of Shareholders and may speak as a Shareholder;

(b) if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners; and

(c) if two or more of the joint owners are present in person or by proxy they must vote as one.

8.11. A Shareholder shall be deemed to be present at a meeting of Shareholders if he participates by telephone or other electronic means and all Shareholders participating in the meeting are able to hear each other.

8.12. A meeting of Shareholders is duly constituted if, at the commencement of the meeting, there are present in person or by proxy not less than 50 per cent of the votes of the Shares or class or series of Shares entitled to vote on Resolutions of Shareholders to be considered at the meeting. A quorum may comprise a single Shareholder or proxy and then such person may pass a Resolution of Shareholders and a certificate signed by such person accompanied where such person be a proxy by a copy of the proxy instrument shall constitute a valid Resolution of Shareholders

8.13. If within two hours from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Shareholders, shall be dissolved; in any other case it shall stand adjourned to the next business day in the jurisdiction in which the meeting was to have been held at the same time and place or to such other time and place as the directors may determine, and if at the adjourned meeting there are present within one hour from the time appointed for the meeting in person or by proxy not less than one third of the votes of the Shares or each class or series of Shares entitled to vote on the matters to be considered by the meeting, those present shall constitute a quorum but otherwise the meeting shall be dissolved.

8.14. At every meeting of Shareholders, the Chairman of the Board shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present at the meeting, the Shareholders present shall choose one of their number to be the chairman. If the Shareholders are unable to choose a chairman for any reason, then the person representing the greatest number of voting Shares present in person or by proxy at the meeting shall preside as chairman failing which the oldest individual Shareholder or representative of a Shareholder present shall take the chair.

8.15. The chairman may, with the consent of the meeting, adjourn any meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

8.16. At any meeting of the Shareholders the chairman is responsible for deciding in such manner as he considers appropriate whether any resolution proposed has been carried or not and the result of his decision shall be announced to the meeting and recorded in the minutes of the meeting. If the chairman has any doubt as to the outcome of the vote on a proposed resolution, he shall cause a poll to be taken of all votes cast upon such resolution. If the chairman fails to take a poll then any Shareholder present in person or by proxy who disputes the announcement by the chairman of the result of any vote may immediately following such announcement demand that a poll be taken and the chairman shall cause a poll to be taken. If a poll is taken at any meeting, the result shall be announced to the meeting and recorded in the minutes of the meeting.

8.17. Any Eligible Person other than an individual which is a Shareholder may by resolution of its directors or other governing body authorise such individual as it thinks fit to act as its representative at any meeting of Shareholders or of any class of Shareholders, and the individual so authorised shall be entitled to exercise the same rights on behalf of the Eligible Person which he represents as that Eligible Person could exercise if it were an individual.

8.18. The chairman of any meeting at which a vote is cast by proxy or on behalf of any Eligible Person other than an individual may call for a notarially certified copy of such proxy or authority which shall be produced within seven days of being so requested or the votes cast by such proxy or on behalf of such Eligible Person shall be disregarded.

8.19. Directors of the Company may attend and speak at any meeting of Shareholders and at any separate meeting of the holders of any class or series of Shares.

8.20. An action that may be taken by the Shareholders at a meeting may also be taken by a Resolution of Shareholders consented to in writing, without the need for any notice, but if any Resolution of Shareholders is adopted otherwise than by the unanimous written consent of all Shareholders, a copy of such resolution shall forthwith be sent to all Shareholders not consenting to such resolution. The consent may be in the form of counterparts, each counterpart being signed by one or more Shareholders. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the earliest date upon which Eligible Persons holding a sufficient number of votes of Shares to constitute a Resolution of Shareholders have consented to the resolution by signed counterparts.

## 9. DIRECTORS

9.1. The first directors of the Company shall be appointed by the first registered agent within six months of the date of incorporation of the Company; and thereafter, the directors shall be elected by Resolution of Shareholders or by Resolution of Directors for such term as the Shareholders or directors determine.

9.2. No person shall be appointed as a director of the Company unless he has consented in writing to act as a director.

9.3. The minimum number of directors shall be one and the maximum number shall be five.

9.4. Each director holds office for the term, if any, fixed by the Resolution of Shareholders or Resolution of Directors appointing him, or until his earlier death, resignation or removal. If no term is fixed on the appointment of a director, the director serves indefinitely until his earlier death, resignation or removal.

9.5. A director may be removed from office only in accordance with the Shareholders Agreement.

9.6. A director may resign his office by giving written notice of his resignation to the Company and the resignation has effect from the date the notice is received by the Company at the office of its registered agent or from such later date as may be specified in the notice. A director shall resign forthwith as a director if he is, or becomes, disqualified from acting as a director under the Act.

9.7. The directors may at any time appoint any person to be a director either to fill a vacancy or as an addition to the existing directors. Where the directors appoint a person as director to fill a vacancy, the term shall not exceed the term that remained when the person who has ceased to be a director ceased to hold office.

9.8. A vacancy in relation to directors occurs if a director dies or otherwise ceases to hold office prior to the expiration of his term of office.

9.9. The Company shall keep a register of directors containing:

(a) the names and addresses of the persons who are directors of the Company;

(b) the date on which each person whose name is entered in the register was appointed as a director of the Company;

(c) the date on which each person named as a director ceased to be a director of the Company; and

(d) such other information as may be prescribed by the Act.

9.10. The register of directors may be kept in any such form as the directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until a Resolution of Directors determining otherwise is passed, the magnetic, electronic or other data storage shall be the original register of directors.

9.11. The directors may, by a Resolution of Directors, fix the emoluments of directors with respect to services to be rendered in any capacity to the Company.

9.12. A director is not required to hold a Share as a qualification to office.

**10. POWERS OF DIRECTORS**

10.1. The business and affairs of the Company shall be managed by, or under the direction or supervision of, the directors of the Company. The directors of the Company have all the powers necessary for managing, and for directing and supervising, the business and affairs of the Company. The directors may pay all expenses incurred preliminary to and in connection with the incorporation of the Company and may exercise all such powers of the Company as are not by the Act or by the Memorandum or the Articles required to be exercised by the Shareholders.

10.2. Each director shall exercise his powers for a proper purpose and shall not act or agree to the Company acting in a manner that contravenes the Memorandum, the Articles or the Act. Each director, in exercising his powers or performing his duties, shall act honestly and in good faith in what the director believes to be the best interests of the Company.

10.3. If the Company is the wholly owned subsidiary of a holding company, a director of the Company may, when exercising powers or performing duties as a director, act in a manner which he believes is in the best interests of the holding company even though it may not be in the best interests of the Company.

10.4. Any director which is a body corporate may appoint any individual as its duly authorised representative for the purpose of representing it at meetings of the directors, with respect to the signing of consents or otherwise.

10.5. The continuing directors may act notwithstanding any vacancy in their body.

10.6. The directors may by Resolution of Directors exercise all the powers of the Company to incur indebtedness, liabilities or obligations and to secure indebtedness, liabilities or obligations whether of the Company or of any third party.

10.7. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as shall from time to time be determined by Resolution of Directors.

10.8. For the purposes of Section 175 (*Disposition of assets*) of the Act, the directors may by Resolution of Directors determine that any sale, transfer, lease, exchange or other disposition is in the usual or regular course of the business carried on by the Company and such determination is, in the absence of fraud, conclusive.

## 11. PROCEEDINGS OF DIRECTORS

11.1. Any one director of the Company may call a meeting of the directors by sending a written notice to each other director.

11.2. The directors of the Company or any committee thereof may meet at such times and in such manner and places within or outside the British Virgin Islands as the directors may determine to be necessary or desirable.

11.3. A director is deemed to be present at a meeting of directors if he participates by telephone or other electronic means and all directors participating in the meeting are able to hear each other.

11.4. A director shall be given not less than three days' notice of meetings of directors, but a meeting of directors held without three days' notice having been given to all directors shall be valid if all the directors entitled to vote at the meeting who do not attend waive notice of the meeting, and for this purpose the presence of a director at a meeting shall constitute waiver by that director. The inadvertent failure to give notice of a meeting to a director, or the fact that a director has not received the notice, does not invalidate the meeting.

11.5. A director may by a written instrument appoint an alternate who need not be a director and the alternate shall be entitled to attend meetings in the absence of the director who appointed him and to vote or consent in place of the director until the appointment lapses or is terminated.

11.6. A meeting of directors is duly constituted for all purposes if at the commencement of the meeting there are present in person or by alternate not less than one-half of the total number of directors, unless there are only two directors in which case the quorum is two.

11.7. If the Company has only one director the provisions herein contained for meetings of directors do not apply and such sole director has full power to represent and act for the Company in all matters as are not by the Act, the Memorandum or the Articles required to be exercised by the Shareholders. In lieu of minutes of a meeting the sole director shall record in writing and sign a note or memorandum of all matters requiring a Resolution of Directors. Such a note or memorandum constitutes sufficient evidence of such resolution for all purposes.

11.8. At meetings of directors at which the Chairman of the Board is present, he shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present, the directors present shall choose one of their number to be chairman of the meeting.

11.9. An action that may be taken by the directors or a committee of directors at a meeting may also be taken by a Resolution of Directors or a resolution of a committee of directors consented to in writing by all directors or by all members of the committee, as the case may be, without the need for any notice. The consent may be in the form of counterparts each counterpart being signed by one or more directors. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the date upon which the last director has consented to the resolution by signed counterparts.

## 12. COMMITTEES

12.1. The directors may, by Resolution of Directors, designate one or more committees, each consisting of one or more directors, and delegate one or more of their powers, including the power to affix the Seal, to the committee.

12.2. The directors have no power to delegate to a committee of directors any of the following powers:

(a) to amend the Memorandum or the Articles;

(b) to designate committees of directors;

(c) to delegate powers to a committee of directors;

(d) to appoint directors;

(e) to appoint an agent;

(f) to approve a plan of merger, consolidation or arrangement; or

(g) to make a declaration of solvency or to approve a liquidation plan.

12.3. Sub-Regulation 12.2(b) and (c) do not prevent a committee of directors, where authorised by the Resolution of Directors appointing such committee or by a subsequent Resolution of Directors, from appointing a sub-committee and delegating powers exercisable by the committee to the sub-committee.

12.4. The meetings and proceedings of each committee of directors consisting of two or more directors shall be governed *mutatis mutandis* by the provisions of the Articles regulating the proceedings of directors so far as the same are not superseded by any provisions in the Resolution of Directors establishing the committee.

12.5. Where the directors delegate their powers to a committee of directors they remain responsible for the exercise of that power by the committee, unless they believed on reasonable grounds at all times before the exercise of the power that the committee would exercise the power in conformity with the duties imposed on directors of the Company under the Act.

**13. OFFICERS AND AGENTS**

13.1. The Company may by Resolution of Directors appoint officers of the Company at such times as may be considered necessary or expedient. Such officers may consist of a Chairman of the Board of Directors, a president and one or more vice-presidents, secretaries and treasurers and such other officers as may from time to time be considered necessary or expedient. Any number of offices may be held by the same person.

13.2. The officers shall perform such duties as are prescribed at the time of their appointment subject to any modification in such duties as may be prescribed thereafter by Resolution of Directors. In the absence of any specific prescription of duties it shall be the responsibility of the Chairman of the Board to preside at meetings of directors and Shareholders, the president to manage the day to day affairs of the Company, the vice-presidents to act in order of seniority in the absence of the president but otherwise to perform such duties as may be delegated to them by the president, the secretaries to maintain the register of members, minute books and records (other than financial records) of the Company and to ensure compliance with all procedural requirements imposed on the Company by applicable law, and the treasurer to be responsible for the financial affairs of the Company.

13.3. The emoluments of all officers shall be fixed by Resolution of Directors.

13.4. The officers of the Company shall hold office until their successors are duly appointed, but any officer elected or appointed by the directors may be removed at any time, with or without cause, by Resolution of Directors. Any vacancy occurring in any office of the Company may be filled by Resolution of Directors.

13.5. The directors may, by a Resolution of Directors, appoint any person, including a person who is a director, to be an agent of the Company. An agent of the Company shall have such powers and authority of the directors, including the power and authority to affix the Seal, as are set forth in the Articles or in the Resolution of Directors appointing the agent, except that no agent has any power or authority with respect to the matters specified in Sub-Regulation 12.2. The Resolution of Directors appointing an agent may authorise the agent to appoint one or more substitutes or delegates to exercise some or all of the powers conferred on the agent by the Company. The directors may remove an agent appointed by the Company and may revoke or vary a power conferred on him.

## 14. CONFLICT OF INTERESTS

14.1. A director of the Company shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to all other directors of the Company.

14.2. For the purposes of Sub-Regulation 14.1, a disclosure to all other directors to the effect that a director is a member, director or officer of another named entity or has a fiduciary relationship with respect to the entity or a named individual and is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered into with that entity or individual, is a sufficient disclosure of interest in relation to that transaction.

14.3. Provided that the Board of directors of the Company has given prior authorisation by way of a Resolution of Directors (for which purposes the interested director shall not be able to vote), a director of the Company who is interested in a transaction entered into or to be entered into by the Company may:

(a) vote on a matter relating to the transaction;

(b) attend a meeting of directors at which a matter relating to the transaction arises and be included among the directors present at the meeting for the purposes of a quorum; and

(c) sign a document on behalf of the Company, or do any other thing in his capacity as a director, that relates to the transaction,

and, subject to compliance with the Act shall not, by reason of his office be accountable to the Company for any benefit which he derives from such transaction and no such transaction shall be liable to be avoided on the grounds of any such interest or benefit.

## 15. INDEMNIFICATION

15.1. Subject to the limitations hereinafter provided the Company shall indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any person who:

(a) is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director of the Company; or

(b) is or was, at the request of the Company, serving as a director of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise.

15.2. The indemnity in Sub-Regulation 15.1 only applies if the person acted honestly and in good faith with a view to the best interests of the Company and, in the case of criminal proceedings, the person had no reasonable cause to believe that their conduct was unlawful.

15.3. The decision of the directors as to whether the person acted honestly and in good faith and with a view to the best interests of the Company and as to whether the person had no reasonable cause to believe that his conduct was unlawful is, in the absence of fraud, sufficient for the purposes of the Articles, unless a question of law is involved.

15.4. The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a *nolle prosequi* does not, by itself, create a presumption that the person did not act honestly and in good faith and with a view to the best interests of the Company or that the person had reasonable cause to believe that his conduct was unlawful.

15.5. The Company may purchase and maintain insurance in relation to any person who is or was a director, officer or liquidator of the Company, or who at the request of the Company is or was serving as a director, officer or liquidator of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability as provided in the Articles.

**16. RECORDS**

16.1. The Company shall keep the following documents at the office of its registered agent:

(a) the Memorandum and the Articles;

(b) the register of members, or a copy of the register of members;

(c) the register of directors, or a copy of the register of directors; and

(d) copies of all notices and other documents filed by the Company with the Registrar of Corporate Affairs in the previous 10 years.

16.2. If the Company maintains only a copy of the register of members or a copy of the register of directors at the office of its registered agent, it shall:

(a) within 15 days of any change in either register, notify the registered agent in writing of the change; and

(b) provide the registered agent with a written record of the physical address of the place or places at which the original register of members or the original register of directors is kept.

16.3. The Company shall keep the following records at the office of its registered agent or at such other place or places, within or outside the British Virgin Islands, as the directors may determine:

(a) minutes of meetings and Resolutions of Shareholders and classes of Shareholders;

(b) minutes of meetings and Resolutions of Directors and committees of directors; and

(c) an impression of the Seal, if any.

16.4. Where any original records referred to in this Regulation are maintained other than at the office of the registered agent of the Company, and the place at which the original records is changed, the Company shall provide the registered agent with the physical address of the new location of the records of the Company within 14 days of the change of location.

16.5. The records kept by the Company under this Regulation shall be in written form or either wholly or partly as electronic records complying with the requirements of the Electronic Transactions Act (No. 5 of 2001).

## 17. REGISTERS OF CHARGES

The Company shall maintain at the office of its registered agent a register of charges in which there shall be entered the following particulars regarding each mortgage, charge and other encumbrance created by the Company:

(a) the date of creation of the charge;

(b) a short description of the liability secured by the charge;

(c) a short description of the property charged;

(d) the name and address of the trustee for the security or, if there is no such trustee, the name and address of the chargee;

(e) unless the charge is a security to bearer, the name and address of the holder of the charge; and

(f) details of any prohibition or restriction contained in the instrument creating the charge on the power of the Company to create any future charge ranking in priority to or equally with the charge.

## 18. SEAL

The Company may have more than one Seal and references herein to the Seal shall be references to every Seal which shall have been duly adopted by Resolution of Directors. The directors shall provide for the safe custody of the Seal and for an imprint thereof to be kept at the registered office. Except as otherwise expressly provided herein the Seal when affixed to any written instrument shall be witnessed and attested to by the signature of any one director or other person so authorised from time to time by Resolution of Directors. Such authorisation may be before or after the Seal is affixed, may be general or specific and may refer to any number of sealings. The directors may provide for a facsimile of the Seal and of the signature of any director or authorised person which may be reproduced by printing or other means on any instrument and it shall have the same force and validity as if the Seal had been affixed to such instrument and the same had been attested to as hereinbefore described.

## 19. DISTRIBUTIONS BY WAY OF DIVIDEND

19.1. Subject to Clause 8.4, the directors of the Company may, by Resolution of Directors, authorise a distribution by way of dividend at a time and of an amount they think fit if they are satisfied, on reasonable grounds, that, immediately after the distribution, the value of the Company’s assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

19.2. Dividends may be paid in money, shares, or other property.

19.3. Notice of any dividend that may have been declared shall be given to each Shareholder as specified in Sub-Regulation 21.1 and all dividends unclaimed for 3 years after having been declared may be forfeited by Resolution of Directors for the benefit of the Company.

19.4. No dividend shall bear interest as against the Company and no dividend shall be paid on Treasury Shares.

## 20. ACCOUNTS AND AUDIT

20.1. The Company shall keep records that are sufficient to show and explain the Company's transactions and that will, at any time, enable the financial position of the Company to be determined with reasonable accuracy.

20.2. The Company may by Resolution of Shareholders call for the directors to prepare periodically and make available a profit and loss account and a balance sheet. The profit and loss account and balance sheet shall be drawn up so as to give respectively a true and fair view of the profit and loss of the Company for a financial period and a true and fair view of the assets and liabilities of the Company as at the end of a financial period.

20.3. The Company may by Resolution of Shareholders call for the accounts to be examined by auditors.

20.4. The first auditors shall be appointed by Resolution of Directors; subsequent auditors shall be appointed by a Resolution of Shareholders.

20.5. The auditors may be Shareholders, but no director or other officer shall be eligible to be an auditor of the Company during their continuance in office.

20.6. The remuneration of the auditors of the Company:

(a) in the case of auditors appointed by the directors, may be fixed by Resolution of Directors; and

(b) subject to the foregoing, shall be fixed by Resolution of Shareholders or in such manner as the Company may by Resolution of Shareholders determine.

20.7. The auditors shall examine each profit and loss account and balance sheet required to be laid before a meeting of the Shareholders or otherwise given to Shareholders and shall state in a written report whether or not:

(a) in their opinion the profit and loss account and balance sheet give a true and fair view respectively of the profit and loss for the period covered by the accounts, and of the assets and liabilities of the Company at the end of that period; and

(b) all the information and explanations required by the auditors have been obtained.

20.8. The report of the auditors shall be annexed to the accounts and shall be read at the meeting of Shareholders at which the accounts are laid before the Company or shall be otherwise given to the Shareholders.

20.9. Every auditor of the Company shall have a right of access at all times to the books of account and vouchers of the Company, and shall be entitled to require from the directors and officers of the Company such information and explanations as he thinks necessary for the performance of the duties of the auditors.

20.10. The auditors of the Company shall be entitled to receive notice of, and to attend any meetings of Shareholders at which the Company's profit and loss account and balance sheet are to be presented.

## 21. NOTICES

21.1. Any notice, information or written statement to be given by the Company to Shareholders may be given by personal service or by mail addressed to each Shareholder at the address shown in the register of members.

21.2. Any summons, notice, order, document, process, information or written statement to be served on the Company may be served by leaving it, or by sending it by registered mail addressed to the Company, at its registered office, or by leaving it with, or by sending it by registered mail to, the registered agent of the Company.

21.3. Service of any summons, notice, order, document, process, information or written statement to be served on the Company may be proved by showing that the summons, notice, order, document, process, information or written statement was delivered to the registered office or the registered agent of the Company or that it was mailed in such time as to admit to its being delivered to the registered office or the registered agent of the Company in the normal course of delivery within the period prescribed for service and was correctly addressed and the postage was prepaid.

## 22. VOLUNTARY WINDING UP AND DISSOLUTION

The Company may by a Resolution of Shareholders or by a Resolution of Directors appoint a voluntary liquidator.

## 23. CONTINUATION

The Company may by Resolution of Shareholders or by a resolution passed unanimously by all directors of the Company continue as a company incorporated under the laws of a jurisdiction outside the British Virgin Islands in the manner provided under those laws.

We, Offshore Incorporations Limited of Offshore Incorporations Centre, P.O. Box 957, Road Town, Tortola, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands hereby sign these Articles of Association the 3rd day of July 2007.

Incorporator:

Offshore Incorporations Limited

Sgd: Richard Parsons

________________________________________

Authorised Signatory

SCHEDULE 1
SHAREHOLDERS AGREEMENT

## EXHIBIT F

## FORM OF NC SHARE EXCHANGE AGREEMENT

**SHARE EXCHANGE AGREEMENT**

This SHARE EXCHANGE AGREEMENT (this "Agreement"), dated as of [●], 2018, is made by and between Studio City International Holdings Limited, a business company limited by shares incorporated in the British Virgin Islands (the "Pre-Migration Company" and, following the proposed transfer by way of continuation of the Pre-Migration Company as an exempted company with limited liability in the Cayman Islands, the "Company") and New Cotai, LLC, a Delaware limited liability company ("New Cotai" and, together with the Pre-Migration Company, the "Parties" and, each, a "Party").

**WITNESSETH:**

WHEREAS, New Cotai owns 72,511,760 Class A Ordinary Shares of the Pre-Migration Company, representing 40% of the issued shares of the Pre-Migration Company (the "New Cotai Shares");

WHEREAS, it is contemplated that the Company will effect an underwritten public offering (the "IPO") of American Depositary Shares ("ADS"), each ADS representing a certain number of Company Class A Ordinary Shares (as defined below);

WHEREAS, in anticipation of the IPO, (i) prior to the date hereof, the Pre-Migration Company formed a business company incorporated in the British Virgin Islands as a wholly-owned subsidiary ("Newco"), and transferred substantially all of its assets and liabilities to Newco pursuant to the Transfer Agreement in the form attached as Exhibit D to the Implementation Agreement, (ii) following the date hereof, the Pre-Migration Company intends to transfer by way of continuation from the British Virgin Islands to the Cayman Islands whereupon the Pre-Migration Company shall become the Company for all purposes under this Agreement (the "Continuation"), and (iii) upon the terms and subject to the conditions set forth herein, New Cotai desires to transfer and deliver to the Pre-Migration Company, and the Pre-Migration Company desires to repurchase for cancellation and accept from New Cotai, New Cotai's right, title, and interest in and to the New Cotai Shares (the "New Cotai Share Repurchase");

WHEREAS, prior to the execution and delivery of this Agreement, Melco and MCE Cotai have duly waived the obligations of New Cotai under clause 22.1 (Shareholders) and clause 24 (Minority Shareholders) of the Pre-Migration Company Shareholders Agreement solely with respect to the New Cotai Share Repurchase to the extent such provisions of the Pre-Migration Company Shareholders Agreement restrict the New Cotai Share Repurchase; and

WHEREAS, in consideration of and in exchange for the New Cotai Share Repurchase, (i) the Pre-Migration Company desires to procure Newco's grant of the Participation (as defined below) to New Cotai, and New Cotai desires to acquire and accept the Participation from Newco, (ii) the Pre-Migration Company desires to issue to New Cotai, and New Cotai desires to subscribe for and accept from the Pre-Migration Company, 72,511,760 Class B Ordinary Shares, par value US$0.0001 per share, of the Pre-Migration Company free and clear of any liens or encumbrances (such shares, the "Pre-Migration Company Class B Shares"), and (iii) the Pre-Migration Company desires to deliver to New Cotai, and New Cotai desires to accept from the Pre-Migration Company, the right to receive, immediately following the effectiveness of the Continuation, (A) the rights, interests, and entitlements granted to New Cotai under the Amended and Restated Company Shareholders Agreement in the form attached as Exhibit I to the Implementation Agreement (the "Amended and Restated Company Shareholders Agreement"), (B) the rights, interests, and entitlements granted to New Cotai under the Amended and Restated Registration Rights Agreement in the form attached as Exhibit J to the Implementation Agreement (the "Amended and Restated Registration Rights Agreement"), (C) the rights, interests, and entitlements granted to New Cotai under the PFIC Side Letter in the form attached as Exhibit K to the Implementation Agreement (the "PFIC Side Letter"), and (D) the rights, interests, and entitlements granted to New Cotai under the Financing Cooperation Side Letter in the form attached as Exhibit L to the Implementation Agreement (the "Financing Cooperation Side Letter"), in each case, upon the terms and subject to the conditions set forth herein (the consideration being delivered by the Pre-Migration Company under clauses (i) through (iii), the "Specified Consideration").

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound thereby, the Parties hereby agree as follows:

## ARTICLE I

## SHARE REPURCHASE AND DELIVERABLES

SECTION 1.01 *New Cotai Share Repurchase*. Upon the terms and subject to the conditions set forth herein, and in exchange for the Specified Consideration, New Cotai hereby transfers and delivers to the Pre-Migration Company, and the Pre-Migration Company hereby repurchases and accepts from New Cotai, all right, title, and interest of New Cotai in and to the New Cotai Shares, free and clear of any liens or encumbrances.

SECTION 1.02 *Deliverables of New Cotai, the Pre-Migration Company, and the Company.*

(a) Deliverables of New Cotai. Concurrently with the execution and delivery of this Agreement, New Cotai shall deliver to the Pre-Migration Company:

(i) Share Certificates 11 and 13 representing an aggregate of 3,251.176 ordinary shares of par value US$1.00 each in the Pre-Migration Company in issue prior to the Charter Amendment (as defined in the Implementation Agreement);

(ii) a Declaration and Indemnity for Lost Share Certificate in the form attached hereto as Exhibit A with respect to Share Certificates 6 and 8 representing an aggregate of 4000 ordinary shares of par value US$1.00 each in the Pre-Migration Company in issue prior to the Charter Amendment (as defined in the Implementation Agreement);

(iii) a counterpart signature page to the Share Repurchase Letter in the form attached hereto as Exhibit B, duly executed by New Cotai;

(iv) a counterpart signature page to the Participation Agreement in the form attached as Exhibit G to the Implementation Agreement (the "Participation Agreement"), duly executed by New Cotai;

(v) a counterpart signature page to the Tax Side Letter in the form attached as Exhibit H to the Implementation Agreement (the "Tax Side Letter"), duly executed by New Cotai;

(vi) a counterpart signature page to the Amended and Restated Company Shareholders Agreement, duly executed by New Cotai, to be held in escrow and deemed automatically released upon the effectiveness of the Continuation and delivery to New Cotai of the items set forth in Section 1.02(c) hereof;

(vii) a counterpart signature page to the Amended and Restated Registration Rights Agreement, duly executed by New Cotai, to be held in escrow and deemed automatically released upon the effectiveness of the Continuation and delivery to New Cotai of the items set forth in Section 1.02(c) hereof;

(viii) a copy of the PFIC Side Letter, duly executed by New Cotai, to be held in escrow and deemed automatically released upon the effectiveness of the Continuation and delivery to New Cotai of the items set forth in Section 1.02(c) hereof; and

(ix) a copy of the Financing Cooperation Side Letter, duly executed by New Cotai, to be held in escrow and deemed automatically released upon the effectiveness of the Continuation and delivery to New Cotai of the items set forth in Section 1.02(c) hereof.

(b) Deliverables of the Pre-Migration Company. Concurrently with the execution and delivery of this Agreement, the Pre-Migration Company shall:

(i) deliver, allot and issue to New Cotai the Pre-Migration Company Class B Shares, duly authorized, fully paid, and non-assessable and free and clear of any liens or encumbrances, except for such liens and encumbrances set forth in the Pre-Migration Company's Memorandum of Association and Articles of Association and under Applicable Law; and

(ii) deliver or cause to be delivered to New Cotai:

(A) a copy of the updated register of members of the Pre-Migration Company reflecting the issuance of the Pre-Migration Company Class B Shares and the cancellation of the New Cotai Shares certified by a director or the registered agent of the Pre-Migration Company;

(B) counterpart signature pages to the Participation Agreement, duly executed by the Pre-Migration Company and Newco; and

(C) counterpart signature pages to the Tax Side Letter, duly executed by the Pre-Migration Company and Newco.

(c) Deliverables of the Company. Upon the effectiveness of the Continuation, the Company shall deliver to New Cotai:

(i) counterpart signature pages to the Amended and Restated Company Shareholders Agreement, duly executed by the Company, Melco, and MCE Cotai;

(ii) a counterpart signature page to the Amended and Restated Registration Rights Agreement, duly executed by the Company;

(iii) a counterpart signature page to the PFIC Side Letter, duly executed by the Company;

(iv) counterpart signature pages to the Financing Cooperation Side Letter, duly executed by the Company and Melco; and

(v) a register of members of the Company showing New Cotai as the registered holder of 72,511,760 Class B ordinary shares, par value US$0.0001 per share, of the Company certified by a director or the registered office provider of the Company.

## ARTICLE II

## REPRESENTATIONS AND WARRANTIES

SECTION 2.01 *Representations and Warranties of the Pre-Migration Company*. The Pre-Migration Company represents and warrants that (i) it is an exempted company duly incorporated and is existing in good standing under the laws of its jurisdiction of organization; (ii) it has all requisite corporate power and authority to enter into and perform its respective obligations under this Agreement and to consummate the transactions contemplated hereby, including the issuance of the Class B Ordinary Shares and the procurement of Newco's entry into the Participation Agreement in accordance with the terms hereof; (iii) the execution and delivery of this Agreement by it and the consummation by it of the transactions contemplated hereby, including the issuance of the Class B Ordinary Shares and the procurement of Newco's entry into the Participation Agreement, have been duly authorized by all necessary corporate action on its part and will not contravene any agreement or other instrument binding upon it or any judgment, order or decree of any governmental body, agency or court having jurisdiction over it; (iv) the Class B Ordinary Shares issued to New Cotai have been duly authorized, and are fully paid, non-assessable, and free and clear of any liens or encumbrances, except for such liens and encumbrances set forth in the Pre-Migration Company's Memorandum of Association and Articles of Association and under Applicable Law; and (v) this Agreement constitutes a legal, valid, and binding obligation of the Pre-Migration Company enforceable against the Pre-Migration Company in accordance with its terms.

SECTION 2.02 *Representations and Warranties of New Cotai*. New Cotai represents and warrants that (i) it is duly formed, is validly existing, and is in good standing under the laws of its jurisdiction of organization; (ii) it has all requisite limited liability company power and authority to enter into and perform its respective obligations under this Agreement and to consummate the transactions contemplated hereby; (iii) the execution and delivery of this Agreement by it and the consummation by it of the transactions contemplated hereby, have been duly authorized by all necessary limited liability company action on its part and will not contravene any agreement or other instrument binding upon it or any judgment, order or decree of any governmental body, agency or court having jurisdiction over it; (iv) the New Cotai Shares are owned directly by New Cotai, free and clear of any liens or encumbrances; and (v) this Agreement constitutes the valid and binding obligation of New Cotai enforceable against New Cotai in accordance with its terms.

## ARTICLE III

## COVENANTS AND AGREEMENTS

SECTION 3.01 *Further Assurances*. In addition to the actions specifically provided for in this Agreement, each Party shall use its reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary, proper, or advisable under Applicable Law, regulations, and agreements to consummate and make effective the transactions contemplated hereby. Without limiting the foregoing, each Party shall cooperate with the other Party, and execute and deliver, or use its reasonable best efforts to cause to be executed and delivered, the instruments, including, without limitation, instruments of conveyance, assignment, and transfer, and to make the filings with, and, to the extent practicable and as permitted by Law, to obtain the consents, approvals, or authorizations of, any Governmental Authority or other Person under any permit, license, agreement, or other instrument, and take all such other actions as such Party may reasonably be requested to take by any other Party from time to time, consistent with the terms hereof, in order to effectuate the provisions and purposes of this Agreement and the transactions contemplated hereby.

SECTION 3.02 *Waiver*. The Pre-Migration Company hereby irrevocably and unconditionally waives the compliance by New Cotai with its obligations under clause 22.1 (Shareholders) and clause 24 (Minority Shareholders) of the Pre-Migration Company Shareholders Agreement solely with respect to the New Cotai Share Repurchase to the extent such provisions restrict the New Cotai Share Repurchase.

## ARTICLE IV

## MISCELLANEOUS

SECTION 4.01 *Definitions*.

(a) Unless otherwise defined herein, all capitalized terms used in this Agreement shall have the meanings set forth in the Implementation Agreement.

(b) The following definitions shall be for all purposes, unless otherwise clearly indicated to the contrary, applied to the terms used in this Agreement:

"Action" means any action, claim, suit, litigation, proceeding (including, without limitation, arbitral) or investigation.

"Agreement" has the meaning set forth in the preamble, and includes any amendments or modifications to this Agreement after the date hereof.

"Applicable Law" means any Law applicable to any of the Parties or any of their respective directors, officers, employees, properties, or assets.

"Class A Ordinary Shares" means the Class A ordinary shares, par value US$0.0001 per share, of the Company.

"Implementation Agreement" means the Implementation Agreement, dated as of [ ], by and among the Pre-Migration Company, New Cotai, and the other parties thereto.

"Law" means any federal, state, local, municipal, or foreign (including, without limitation, supranational) law, statute, ordinance, rule, regulation, judgment, order, injunction, decree, arbitration award, agency requirement, license, or permit of any Governmental Authority.

"MCE Cotai" means MCE Cotai Investments Limited, an exempted company incorporated in the Cayman Islands with limited liability.

"Melco" means Melco Resorts & Entertainment Limited, an exempted company incorporated in the Cayman Islands with limited liability.

"Participation" means the rights, interests, entitlements, and obligations of a Participant (as defined in the Participation Agreement) under the Participation Agreement and the Tax Side Letter.

"Person" means any individual, firm, corporation, partnership, trust, incorporated or unincorporated association, joint venture, joint stock company, limited liability company, Governmental Authority, or other entity of any kind, and shall include any successor (by merger or otherwise) of such entity.

"Pre-Migration Company Shareholders Agreement" means the Shareholders Agreement dated July 27, 2011, among MCE Cotai, New Cotai, Melco, and the Pre-Migration Company, as amended on September 25, 2012, May 17, 2013, June 3, 2014 and July 21, 2014.

SECTION 4.02 *Interpretation*. In this Agreement, unless otherwise provided:

(a) A reference to an Article, Section, or Schedule is a reference to an Article or Section of, or Schedule to, this Agreement, and references to this Agreement include any recital in or Schedule to this Agreement.

(b) Headings are inserted for convenience only and shall not affect the construction or interpretation of this Agreement.

(c) The word "shall" shall be obligatory and the word "may" shall be permissive.

(d) Unless the context otherwise requires, words importing the singular include the plural and vice versa, words importing the masculine include the feminine and vice versa, and words importing persons include corporations, associations, partnerships, joint ventures, and limited liability companies and vice versa.

(e) The words "hereof" and "herein", and words of similar meaning shall refer to this Agreement as a whole and not to any particular Article, Section, or clause, and the words "include", "includes", and "including" shall be deemed to be followed by the words "without limitation."

(f) Except as otherwise specified herein, a reference to any legislation or to any provision of any legislation shall include any amendment to, and any modification or re-enactment thereof, any legislative provision substituted therefor and all rules, regulations, and statutory instruments issued thereunder or pursuant thereto.

(g) Except as otherwise specified herein, a reference herein to any other agreement or document shall be to such agreement or document as it may have been or may hereafter be amended, modified, supplemented, waived, or restated from time to time in accordance with its terms and, to the extent applicable, the terms of this Agreement, and shall include all annexes, exhibits, schedules, and other documents or agreements attached thereto.

SECTION 4.03 *Addresses and Notices*. All notices, requests, claims, demands, and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax (delivery receipt requested), by electronic mail, or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a Party as shall be as specified in a notice given in accordance with this Section 4.03):

(a) If to the Pre-Migration Company or, following the effectiveness of the Continuation, the Company, to:

Studio City International Holdings Limited
36/F, The Centrium
60 Wyndham Street
Central
Hong Kong
Fax: +852-2537-3618
E-mail: comsec@sc-macau.com
Attention: Company Secretary

With a copy to:

Latham & Watkins
18th Floor, One Exchange Square
8 Connaught Place, Central
Hong Kong
Fax: +852 2912 2600
E-mail: Helena.Kim@lw.com
Attention: Ji-Hyun Helena Kim

(b) If to New Cotai, to:

New Cotai, LLC
c/o New Cotai Holdings, LLC
Two Greenwich Plaza
Greenwich, Connecticut 06830
United States of America
Fax: +1-203-542-4133
E-mail: creditadmin@silverpointcapital.com
Attention: CreditAdmin

With a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
300 South Grand Avenue, Suite 3400
Los Angeles, CA 90071-3144
Fax: +1 213 621 5288
E-mail: Jeffrey.Cohen@skadden.com
Attention: Jeffrey H. Cohen, Esq.

SECTION 4.04 *Binding Effect; Successors and Assigns*. This Agreement shall be binding upon and inure to the benefit of each of the Parties and, to the extent permitted by this Agreement, their respective successors (including, in the case of the Company, as a result of the Continuation), executors, administrators, heirs, legal representatives, and permitted assigns; *provided*, *however*, neither this Agreement nor any rights or obligations hereunder may be assigned by either of the Parties without the prior written consent of the other Party.

SECTION 4.05 *Severability*. If any term or other provision of this Agreement is held to be invalid, illegal, or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any Party. Upon a determination that any term or other provision is invalid, illegal, or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

SECTION 4.06 *Amendment*. The provisions of this Agreement may be amended, modified, altered, or supplemented only by a written instrument signed by each of the Parties.

SECTION 4.07 *Waiver*. No failure by any Party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach of any other covenant, duty, agreement, or condition.

SECTION 4.08 *Submission to Jurisdiction*. The Parties irrevocably consent to the non-exclusive jurisdiction of the courts of the Cayman Islands in connection with any action relating to this Agreement.

SECTION 4.09 *Counterparts*. This Agreement may be executed and delivered (including by facsimile transmission or by e-mail delivery of a ".pdf" format data file) in one or more counterparts, and by the different Parties in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy, by e-mail delivery of a ".pdf" format data file, or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 4.09.

SECTION 4.10 *Specific Performance*. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms, including the order of the transactions contemplated hereby, or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to specific performance of the terms and provisions hereof, in addition to any other remedy to which they are entitled at law or in equity.

SECTION 4.11 *Applicable Law*. This Agreement shall be governed by, and construed in accordance with, the law of the Cayman Islands, without giving effect to any choice or conflict of laws provision or rule that would cause the application of the laws of any other jurisdiction.

SECTION 4.12 *Third Party Rights.* A person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Law, 2014 (as amended) to enforce any term of this Agreement.

*[Remainder of page left intentionally blank]*

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first written above.

**STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**

By: ________________________
Name:
Title:

**NEW COTAI, LLC**

By: ________________________
Name:
Title:

[Signature Page to Share Exchange Agreement]

**EXHIBIT A**

**Declaration and Indemnity for Lost Share Certificate**

(See attached.)

**DECLARATION AND INDEMNITY FOR LOST SHARE CERTIFICATE**

The Directors
Studio City International Holdings Limited
36/F, The Centrium
60 Wyndham Street
Hong Kong

[ ] 2018

Dear Sirs

We, New Cotai, LLC, being the registered holder of 4,000 shares (the "**Shares**") in the capital of Studio City International Holdings Limited (the "**Company**"), DO HEREBY DECLARE as follows:

1. we received from the Company and held share certificates numbered 6 and 8 (the "**Certificates**") in respect of the Shares;

2. since the Certificates were issued to us, none of the Shares and none of the Certificates have been transferred, charged, lent, pledged, deposited or dealt with in any way that may affect our title to the Shares; and

3. to the best of our knowledge and belief, the Certificates have either been lost or destroyed.

We hereby undertake:

(a) to indemnify and hold harmless the Company, its directors and its officers, from any loss or liability which it or they may incur by reason of any wrongful or fraudulent use or representation made by any person by virtue of the possession of the Certificates (or any of them); and

(b) that in the event of the Certificates (or any of them) being found, we shall, as soon as reasonably practicable, surrender such Certificate(s) to the Company for cancellation.

______________________________

For and on behalf of
**New Cotai, LLC**

Name:

Title:

**EXHIBIT B**

**Share Repurchase Letter**

(See attached.)

[New Cotai, LLC headed paper]

**Repurchase Notice**

**<u>To:</u>**

**Board of Directors**

**Studio City International Holdings Limited (the "Company")**
36/F, The Centrium
60 Wyndham Street
Hong Kong

Date: 2018

We refer to the share exchange agreement dated [●] 2018 and entered into among the Company and New Cotai, LLC (the "**Agreement**") and the Amended and Restated Memorandum of Association and Articles of Association of the Company (the "**Articles**") adopted by way of resolutions of directors of the Company dated [●] 2018 (the "**Resolutions**") and resolutions of the members of the Company dated [●] 2018. Unless otherwise defined herein, the defined terms shall have the same meanings as used in the Resolutions.

We hereby give notice to you that, in accordance with the terms of the Agreement, we require the Company to repurchase all of our 72,511,760 Class A Ordinary Shares (as defined in the Articles) in exchange for (i) the Company procuring Newco's grant of the Participation (as defined in the Participation Agreement) to us, and (ii) the Company's issuance to us of (1) 72,511,760 Class B Ordinary Shares (as defined in the Articles), and (2) the right to receive, immediately following the effectiveness of the Migration, among other things, the rights, interests and entitlements granted to New Cotai under the Amended and Restated SHA, the Amended and Restated Registration Rights Agreement, the PFIC Side Letter, and the Finance Cooperation Side Letter, in each case, upon the terms and subject to the conditions set forth in the Agreement.

We enclose herewith the original share certificates and lost certificate affidavit[s] representing our 72,511,760 Class A Ordinary Shares.

[*THE FOLLOWING SPACE IS INTENTIONALLY LEFT BLANK*]

[New Cotai, LLC headed paper]

For and on behalf of
**New Cotai, LLC**

______________________________________

Name:

Title:

Date:

Countersigned for and on behalf of
**Studio City International Holdings Limited**

______________________________________

Name:

Title:

Date:

# EXHIBIT G

## FORM OF PARTICIPATION AGREEMENT

**EXHIBIT H**

**FORM OF TAX SIDE LETTER**

## EXHIBIT I

## FORM OF AMENDED AND RESTATED COMPANY SHAREHOLDERS AGREEMENT

**EXHIBIT J**

**FORM OF AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT**

# EXHIBIT K

## FORM OF PFIC SIDE LETTER

**EXHIBIT L**

**FORM OF FINANCE COOPERATION SIDE LETTER**

**EXHIBIT M**

**CONTINUATION DOCUMENTS**

1. Shareholder Resolution of the Pre-Migration Company (the "**Shareholder Resolutions**")
2. Board Resolution of the Pre-Migration Company (the "**Board Resolutions**")
3. Certificate of Good Standing of the Pre-Migration Company, dated within one month of the continuation filing date (the "**Certificate of Good Standing**")
4. Certified copy of the Certificate of Incorporation of the Pre-Migration Company
5. Certified copy of the current Memorandum and Articles of Association of the Pre-Migration Company
6. Certified copy of the current Register of Directors of the Pre-Migration Company
7. Certified copy of the current Register of Members of the Pre-Migration Company
8. Certified copy of the current Register of Charges of the Pre-Migration Company
9. Notice of the Pre-Migration Company's proposed registered office in the Cayman Islands pursuant to section 201(2)(e) of the Companies Law (2018 Revision) (as amended and revised) (the "**CCL**")
10. Declaration of the Pre-Migration Company to confirm that its operations will be conducted mainly outside the Cayman Islands pursuant to section 201(2)(f) of the CCL
11. Undertaking of the Pre-Migration Company to confirm that notice of the continuation has been or will be given within 21 days of registration to secured creditors pursuant to section 201(2)(l) of the CCL
12. General declaration of a director of the Pre-Migration Company pursuant to section 201(3) of the CCL
13. Statement of Assets and Liabilities of the Pre-Migration Company, dated within one month of the continuation filing date

Documents 1 to 13 together constituting the "**Cayman Islands Continuation Documents**"

14. Certificate of Registration (the "**Certificate of Registration**") confirming that the Company has been registered by way of continuation as an exempted company in the Cayman Islands with effect from the date specified therein (the "**Registration Date**")

15. Declaration of the Pre-Migration Company confirming compliance with Cayman Laws pursuant to section 184(2A) of the BVI Business Companies Act, 2004

Documents 14 to 15, together with the Shareholder Resolutions, Board Resolutions and Certificate of Good Standing, constituting the "**BVI Continuation Documents**".

## EXHIBIT N

## FORM OF COMPANY MEMORANDUM AND ARTICLES OF ASSOCIATION

## EXHIBIT O

## FORM OF PARTICIPATION AGREEMENT AND TAX SIDE LETTER CONFIRMATION

**EXHIBIT P-1**

**IRS FORM 8832 AND THE ACCOMPANYING COVER LETTER FOR THE COMPANY**

**EXHIBIT P-2**

**IRS FORM 8832 AND THE ACCOMPANYING COVER LETTER FOR THE COMPANY**

# EXHIBIT Q

## IRS FORM 8832 AND THE ACCOMPANYING COVER LETTER FOR NEWCO

## SCHEDULE A

## CONTINUATION STEPS

1. Upon the commencement of the Continuation pursuant to Section 1.1(f) of this Agreement, the proposed registered office provider of the Company in the Cayman Islands (the "**Registered Office**") shall file the Cayman Islands Continuation Documents with the Registrar of Companies in the Cayman Islands (the "**Cayman Registrar**").

2. Upon receipt by the Registered Office of the Certificate of Registration from the Cayman Registrar, the registered agent of the Pre-Migration Company in the British Virgin Islands (the "**Registered Agent**") shall file the BVI Continuation Documents with the Registrar of Corporate Affairs in the British Virgin Islands (the "**BVI Registrar**").

3. Upon receipt by the Registered Agent of the Certificate of Discontinuance from the BVI Registrar confirming that the Pre-Migration Company was discontinued in the British Virgin Islands on the date specified therein, the Continuation shall be deemed to have become effective for the purposes of this Agreement.

4. The Company shall:

    a. within twenty-one days of the Registration Date give notice of the Continuation to the secured creditors of the Company (if any); and

    b. pursuant to Section 1.1(g) of this Agreement, immediately upon receipt of the Certificate of Registration file a special resolution to adopt the Company Memorandum and Articles of Association with the Cayman Registrar (and the Registered Office shall make any relevant filings with the Cayman Registrar accordingly) and obtain all other shareholder consents as may be necessary in accordance with the terms of the Amended and Restated Company Shareholders Agreement.

**Exhibit 21.1**

**List of Principal Subsidiaries of**

**Studio City International Holdings Limited**

| Name | Place of Incorporation |
|---|---|
| 1. MSC Cotai Limited | British Virgin Islands |
| 2. Studio City Holdings Five Limited | British Virgin Islands |
| 3. Studio City Holdings Limited | British Virgin Islands |
| 4. Studio City (HK) Limited | Hong Kong |
| 5. Studio City Ventures Limited | Macau |
| 6. Studio City (HK) Three Limited | Hong Kong |
| 7. Studio City Finance Limited | British Virgin Islands |
| 8. Studio City Investments Limited | British Virgin Islands |
| 9. Studio City Company Limited | British Virgin Islands |
| 10. Studio City Holdings Two Limited | British Virgin Islands |
| 11. Studio City Holdings Three Limited | British Virgin Islands |
| 12. Studio City Holdings Four Limited | British Virgin Islands |
| 13. Studio City Services Limited | Macau |
| 14. SCP Holdings Limited | British Virgin Islands |
| 15. SCIP Holdings Limited | British Virgin Islands |
| 16. Studio City Entertainment Limited | Macau |
| 17. Studio City Hotels Limited | Macau |
| 18. Studio City Hospitality and Services Limited | Macau |
| 19. SCP One Limited | British Virgin Islands |
| 20. SCP Two Limited | British Virgin Islands |
| 21. Studio City Retail Services Limited | Macau |
| 22. Studio City Developments Limited | Macau |
| 23. Studio City (HK) Two Limited | Hong Kong |

**Exhibit 23.1**

## Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption “Experts” and to the use of our report dated March 23, 2018, except for Note 2(a), as to which the date is June 13, 2018, and Notes 2(v)(vi) and 16, as to which the date is September 7, 2018, in the Registration Statement (Form F-1) and related Prospectus of Studio City International Holdings Limited for the registration of its Class A ordinary shares.

/s/ Ernst & Young
Hong Kong
September 7, 2018

**Exhibit 99.2**
**Execution Version**

Deloitte.

德勤

Deloitte Touche Tohmatsu
35/F One Pacific Place
88 Queensway
Hong Kong

Tel: +852 2852 1600
Fax: +852 2541 1911
Email: enquiry@deloitte.com.hk
www.deloitte.com/cn

100 Making another century of impact
德勤百年慶 開創新紀元

August 14, 2017

Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-7561

Dear Sirs/Madams:

We have read the statements made by Studio City International Holdings Limited (copy attached), which we understand will be filed with the Securities and Exchange Commission as part of the Form F-1 of Studio City International Holdings Limited dated August 14, 2017, and have the following comments:

1. We agree with the statements made in the last sentence of paragraph 1, and paragraphs 2 and 3 for which we have a basis on which to comment on, and we agree with the disclosures.
2. We have no basis on which to agree or disagree with the statements made in the first and second sentences of paragraph 1 of the disclosures.

Yours sincerely,

/s/ Deloitte Touche Tohmatsu

Encl.

## STATEMENTS MADE BY STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

### Changes in Registrant's Certifying Accountant

On July 17, 2017, the board of directors of Melco Resorts approved the appointment of Ernst & Young and dismissed Deloitte Touche Tohmatsu ("Deloitte") as the independent registered public accounting firm of Melco Resorts and certain of its subsidiaries, including Studio City International Holdings Limited, effective July 17, 2017. The change of the independent registered public accounting firm was recommended by the audit and risk committee of the board of directors of Melco Resorts, or the Audit Committee, and made after the completion of a periodic tendering process conducted in accordance with the charter of the Audit Committee. The decision was not made due to any disagreements with Deloitte.

Deloitte's audit reports on our consolidated financial statements as of December 31, 2016 and 2015 and for each of the years ended December 31, 2016, 2015 and 2014 did not contain an adverse opinion or a disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principles.

During each of the years ended December 31, 2016, 2015 and 2014 and the subsequent interim period through July 17, 2017, there were (i) no "disagreements" (as such term is defined in Item 16F of Form 20-F) between Deloitte and us on any matters of accounting principles or practices, financial statement disclosure or auditing scope or procedures, any of which, if not resolved to Deloitte's satisfaction, would have caused Deloitte to make reference thereto in their reports and (ii) no "reportable events" (as such term is defined in Item 16F of Form 20-F).

**Exhibit 99.3**

September 7, 2018

**Studio City International Holdings Limited**

Ladies and Gentlemen:

Pursuant to Rule 438 under the Securities Act of 1933, as amended, I hereby consent to the reference of my name as a director of Studio City International Holdings Limited (the “Company”), effective immediately upon the completion of the Company’s proposed initial public offering, in the Company’s registration statement on Form F-1 initially filed by the Company on September 7, 2018 with the U.S. Securities and Exchange Commission, including any amendments or supplements thereto (the “Registration Statement”), and to the filing of this consent as an exhibit to the Registration Statement.

Sincerely yours,

/s/ Clarence Yuk Man Chung

Name: Clarence Yuk Man Chung

**Exhibit 99.4**

September 7, 2018

**Studio City International Holdings Limited**

Ladies and Gentlemen:

Pursuant to Rule 438 under the Securities Act of 1933, as amended, I hereby consent to the reference of my name as a director of Studio City International Holdings Limited (the "Company"), effective immediately upon the completion of the Company's proposed initial public offering, in the Company's registration statement on Form F-1 initially filed by the Company on September 7, 2018 with the U.S. Securities and Exchange Commission, including any amendments or supplements thereto (the "Registration Statement"), and to the filing of this consent as an exhibit to the Registration Statement.

Sincerely yours,

/s/ Geoffrey Stuart Davis

Name: Geoffrey Stuart Davis

**Exhibit 99.5**

September 7, 2018

**Studio City International Holdings Limited**

Ladies and Gentlemen:

Pursuant to Rule 438 under the Securities Act of 1933, as amended, I hereby consent to the reference of my name as a director of Studio City International Holdings Limited (the "Company"), effective immediately upon the completion of the Company's proposed initial public offering, in the Company's registration statement on Form F-1 initially filed by the Company on September 7, 2018 with the U.S. Securities and Exchange Commission, including any amendments or supplements thereto (the "Registration Statement"), and to the filing of this consent as an exhibit to the Registration Statement.

Sincerely yours,

/s/ Stephanie Cheung

Name: Stephanie Cheung

**Exhibit 99.6**

September 7, 2018

**Studio City International Holdings Limited**

Ladies and Gentlemen:

Pursuant to Rule 438 under the Securities Act of 1933, as amended, I hereby consent to the reference of my name as a director of Studio City International Holdings Limited (the "Company"), effective immediately upon the completion of the Company's proposed initial public offering, in the Company's registration statement on Form F-1 initially filed by the Company on September 7, 2018 with the U.S. Securities and Exchange Commission, including any amendments or supplements thereto (the "Registration Statement"), and to the filing of this consent as an exhibit to the Registration Statement.

Sincerely yours,

/s/ Akiko Takahashi

Name: Akiko Takahashi

**Exhibit 99.7**

September 7, 2018

**Studio City International Holdings Limited**

Ladies and Gentlemen:

Pursuant to Rule 438 under the Securities Act of 1933, as amended, I hereby consent to the reference of my name as a director of Studio City International Holdings Limited (the “Company”), effective immediately upon the completion of the Company’s proposed initial public offering, in the Company’s registration statement on Form F-1 initially filed by the Company on September 7, 2018 with the U.S. Securities and Exchange Commission, including any amendments or supplements thereto (the “Registration Statement”), and to the filing of this consent as an exhibit to the Registration Statement.

Sincerely yours,

/s/ Timothy Lavelle

Name: Timothy Lavelle

**Exhibit 99.8**

September 7, 2018

**Studio City International Holdings Limited**

Ladies and Gentlemen:

Pursuant to Rule 438 under the Securities Act of 1933, as amended, I hereby consent to the reference of my name as a director of Studio City International Holdings Limited (the “Company”), effective immediately upon the completion of the Company’s proposed initial public offering, in the Company’s registration statement on Form F-1 initially filed by the Company on September 7, 2018 with the U.S. Securities and Exchange Commission, including any amendments or supplements thereto (the “Registration Statement”), and to the filing of this consent as an exhibit to the Registration Statement.

Sincerely yours,

/s/ Dominique Mielle

Name: Dominique Mielle

**Exhibit 99.9**

September 7, 2018

**Studio City International Holdings Limited**

Ladies and Gentlemen:

Pursuant to Rule 438 under the Securities Act of 1933, as amended, I hereby consent to the reference of my name as a director of Studio City International Holdings Limited (the “Company”), effective immediately upon the completion of the Company’s proposed initial public offering, in the Company’s registration statement on Form F-1 initially filed by the Company on September 7, 2018 with the U.S. Securities and Exchange Commission, including any amendments or supplements thereto (the “Registration Statement”), and to the filing of this consent as an exhibit to the Registration Statement.

Sincerely yours,

/s/ Kevin F. Sullivan

Name: Kevin F. Sullivan