

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

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

For the quarterly period ended May 31, 2011

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 1-9610

Carnival Corporation

(Exact name of registrant as specified in its charter)

Republic of Panama

(State or other jurisdiction of incorporation or organization)

59-1562976

(I.R.S. Employer Identification No.)

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

(Address of principal executive offices)  
(Zip Code)

(305) 599-2600

(Registrant's telephone number, including area code)

None

(Former name, former address and former fiscal year, if changed since last report)

Commission file number: 1-15136

Carnival plc

(Exact name of registrant as specified in its charter)

England and Wales

(State or other jurisdiction of incorporation or organization)

98-0357772

(I.R.S. Employer Identification No.)

Carnival House, 5 Gainsford Street,  
London SE1 2NE, United Kingdom

(Address of principal executive offices)  
(Zip Code)

011 44 20 7940 5381

(Registrant's telephone number, including area code)

None

(Former name, former address and former fiscal year, if changed since last report)



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

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

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

Large accelerated filers

Accelerated filers

Non-accelerated filers

Smaller reporting companies

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Exchange Act). Yes  No

At June 24, 2011, Carnival Corporation had outstanding 608,339,397 shares of Common Stock, \$0.01 par value.

At June 24, 2011, Carnival plc had outstanding 214,693,046 Ordinary Shares \$1.66 par value, one Special Voting Share, GBP 1.00 par value and 608,339,397 Trust Shares of beneficial interest in the P&O Princess Special Voting Trust.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

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

	Three Months Ended		Six Months Ended	
	May 31,		May 31,	
	2011	2010	2011	2010
<b>Revenues</b>				
Cruise				
Passenger tickets	\$ 2,778	\$ 2,499	\$ 5,430	\$ 4,940
Onboard and other	817	737	1,574	1,466
Tour and other	25	31	35	39
	<u>3,620</u>	<u>3,267</u>	<u>7,039</u>	<u>6,445</u>
<b>Costs and Expenses</b>				
Operating				
Cruise				
Commissions, transportation and other	562	512	1,226	1,092
Onboard and other	121	106	241	219
Payroll and related	435	383	846	774
Fuel	579	416	1,029	813
Food	241	212	472	424
Other ship operating	556	504	1,066	978
Tour and other	27	32	36	47
Total	<u>2,521</u>	<u>2,165</u>	<u>4,916</u>	<u>4,347</u>
Selling and administrative	440	404	862	800
Depreciation and amortization	380	349	747	694
	<u>3,341</u>	<u>2,918</u>	<u>6,525</u>	<u>5,841</u>
<b>Operating Income</b>	<u>279</u>	<u>349</u>	<u>514</u>	<u>604</u>
<b>Nonoperating (Expense) Income</b>				
Interest income	3	3	5	7
Interest expense, net of capitalized interest	(91)	(99)	(177)	(195)
Other income (expense), net	13	(2)	19	(5)
	<u>(75)</u>	<u>(98)</u>	<u>(153)</u>	<u>(193)</u>
<b>Income Before Income Taxes</b>	204	251	361	411
<b>Income Tax Benefit (Expense), Net</b>	2	1	(3)	16
<b>Net Income</b>	<u>\$ 206</u>	<u>\$ 252</u>	<u>\$ 358</u>	<u>\$ 427</u>
<b>Earnings Per Share</b>				
Basic	<u>\$ 0.26</u>	<u>\$ 0.32</u>	<u>\$ 0.45</u>	<u>\$ 0.54</u>
Diluted	<u>\$ 0.26</u>	<u>\$ 0.32</u>	<u>\$ 0.45</u>	<u>\$ 0.54</u>
<b>Dividends Declared Per Share</b>	<u>\$ 0.25</u>	<u>\$ 0.10</u>	<u>\$ 0.50</u>	<u>\$ 0.20</u>

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

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

	May 31, 2011	November 30, 2010
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 557	\$ 429
Trade and other receivables, net	360	248
Inventories	365	320
Prepaid expenses and other	217	247
Total current assets	<u>1,499</u>	<u>1,244</u>
<b>Property and Equipment, Net</b>	32,822	30,967
<b>Goodwill</b>	3,424	3,320
<b>Other Intangibles</b>	1,396	1,320
<b>Other Assets</b>	622	639
	<u>\$39,763</u>	<u>\$ 37,490</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Short-term borrowings	\$ 274	\$ 740
Current portion of long-term debt	890	613
Accounts payable	552	503
Accrued liabilities and other	1,137	1,094
Customer deposits	3,668	2,805
Total current liabilities	<u>6,521</u>	<u>5,755</u>
<b>Long-Term Debt</b>	8,678	8,011
<b>Other Long-Term Liabilities and Deferred Income</b>	712	693
<b>Contingencies (Note 3)</b>		
<b>Shareholders' Equity</b>		
Common stock of Carnival Corporation, \$0.01 par value; 1,960 shares authorized; 647 shares at 2011 and 646 shares at 2010 issued	6	6
Ordinary shares of Carnival plc, \$1.66 par value; 215 shares at 2011 and 214 shares at 2010 issued	357	355
Additional paid-in capital	8,155	8,094
Retained earnings	17,186	17,224
Accumulated other comprehensive income (loss)	542	(254)
Treasury stock, 39 shares at 2011 and 2010 of Carnival Corporation and 31 shares at 2011 and 2010 of Carnival plc, at cost	<u>(2,394)</u>	<u>(2,394)</u>
Total shareholders' equity	<u>23,852</u>	<u>23,031</u>
	<u>\$39,763</u>	<u>\$ 37,490</u>

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

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

	Six Months Ended	
	2011	2010
<b>OPERATING ACTIVITIES</b>		
Net income	\$ 358	\$ 427
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	747	694
Share-based compensation	29	23
Other	10	(24)
Changes in operating assets and liabilities		
Receivables	(121)	(122)
Inventories	(35)	2
Prepaid expenses and other	32	3
Accounts payable	26	31
Accrued and other liabilities	(52)	(5)
Customer deposits	807	765
Net cash provided by operating activities	<u>1,801</u>	<u>1,794</u>
<b>INVESTING ACTIVITIES</b>		
Additions to property and equipment	(1,622)	(2,168)
Other, net	(3)	74
Net cash used in investing activities	<u>(1,625)</u>	<u>(2,094)</u>
<b>FINANCING ACTIVITIES</b>		
(Repayments of) proceeds from short-term borrowings, net	(471)	702
Principal repayments of revolvers	(13)	(323)
Proceeds from revolvers	8	89
Principal repayments of other long-term debt	(320)	(796)
Proceeds from issuance of other long-term debt	990	806
Dividends paid	(277)	(79)
Purchases of treasury stock	-	(305)
Sales of treasury stock	-	317
Other, net	24	14
Net cash (used in) provided by financing activities	<u>(59)</u>	<u>425</u>
Effect of exchange rate changes on cash and cash equivalents	11	(69)
Net increase in cash and cash equivalents	128	56
Cash and cash equivalents at beginning of period	429	538
Cash and cash equivalents at end of period	<u>\$ 557</u>	<u>\$ 594</u>

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

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

**NOTE 1 – Basis of Presentation**

Carnival Corporation is incorporated in Panama, and Carnival plc is incorporated in England and Wales. Carnival Corporation and Carnival plc operate a dual listed company (“DLC”), whereby the businesses of Carnival Corporation and Carnival plc are combined through a number of contracts and through provisions in Carnival Corporation’s Articles of Incorporation and By-Laws and Carnival plc’s Articles of Association. The two companies operate as if they are a single economic enterprise, but each has retained its separate legal identity.

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

The accompanying Consolidated Balance Sheet at May 31, 2011 and the Consolidated Statements of Income for the three and six months ended May 31, 2011 and 2010 and the Consolidated Statements of Cash Flows for the six months ended May 31, 2011 and 2010 are unaudited and, in the opinion of our management, contain all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation. Our interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the related notes included in the Carnival Corporation & plc 2010 joint Annual Report on Form 10-K. Our operations are seasonal and results for interim periods are not necessarily indicative of the results for the entire year.

During the fourth quarter of 2010, we changed the classification of our port costs that vary with guest head counts to a gross presentation from a net presentation, which resulted in an increase in passenger ticket revenues and commissions, transportation and other costs. This change had no impact on our operating or net income. We adjusted the three and six months ended May 31, 2010 to conform to this new classification. The amounts included on a gross basis in passenger ticket revenues and commissions, transportation and other costs were \$95 million and \$72 million and \$203 million and \$155 million for the three and six months ended May 31, 2011 and 2010, respectively.

**NOTE 2 – Debt**

At May 31, 2011, unsecured short-term borrowings consisted of \$267 million of commercial paper and \$7 million of euro-denominated bank loans with an aggregate weighted-average interest rate of 0.3%.

In January 2011, the collateral for \$313 million of fixed rate export credit facilities was released and, accordingly, this debt is no longer secured.

In March 2011, we borrowed \$407 million under an unsecured euro-denominated export credit facility, the proceeds of which were used to pay for a portion of *AIDAsol*’s purchase price. This facility bears interest at EURIBOR plus a margin of 20 basis points (“bps”) and is due in semi-annual installments through March 2023.

In April 2011, we borrowed \$583 million under an unsecured export credit facility, the proceeds of which were used to pay for a portion of *Carnival Magic*’s purchase price. This facility bears interest at LIBOR plus a margin of 160 bps and is due in semi-annual installments through April 2023.

In May 2011, we cancelled one of our other revolving credit facilities in the amount of \$212 million.

In May 2011, concurrently with the early termination of our existing multi-currency revolving credit facility for \$2.0 billion (comprised of \$1.2 billion, €400 million and £200 million), Carnival Corporation, Carnival plc and certain of Carnival plc’s subsidiaries entered into a five-year multi-currency revolving credit facility for \$2.5 billion (comprised of \$1.6 billion, €450 million and £150 million) (the “Facility”). The Facility currently bears interest at LIBOR/EURIBOR plus a margin of 65 bps. The margin will vary based on changes to Carnival Corporation’s and Carnival plc’s long-term credit rating. We are required to pay a commitment fee of 35% of the margin per annum on any undrawn portion. If more than one-third or if more than two-thirds of the Facility is drawn, we will incur an additional 15 bps or 30 bps utilization fee, respectively, on the total amount outstanding. At May 31, 2011, \$2.4 billion was available under our Facility and other of our revolving credit facilities, net of outstanding commercial paper.

In June 2011, we repaid \$300 million of an unsecured floating rate export credit facility that was borrowed to pay for a portion of *Queen Elizabeth*’s purchase price prior to its maturity dates through 2022.

In June 2011, we repaid \$140 million of an unsecured floating rate euro-denominated bank loan prior to its 2014 maturity date.

## NOTE 3 – Contingencies

### Litigation

In the normal course of our business, various claims and lawsuits have been filed or are pending against us. Most of these claims and lawsuits are covered by insurance and, accordingly, the maximum amount of our liability, net of any insurance recoverables, is typically limited to our self-insurance retention levels. However, management believes the ultimate outcome of these claims and lawsuits that are not covered by insurance will not have a material adverse impact on our consolidated financial statements.

### Contingent Obligations – Lease Out and Lease Back Type (“LILO”) Transactions

In April 2011, Carnival Corporation and certain participants voluntarily unwound \$87 million of one of its LILO contingent liability transactions. Accordingly, at May 31, 2011 Carnival Corporation had estimated contingent obligations totaling \$418 million, excluding termination payments as discussed below, to participants in LILO transactions for two of its ships. At the inception of these leases, the aggregate of the net present value of these obligations was paid by Carnival Corporation to a group of major financial institutions, who agreed to act as payment undertakers and directly pay these obligations. As a result, these contingent obligations are considered extinguished, and neither the funds nor the contingent obligations have been included in our accompanying Consolidated Balance Sheets.

In the event that Carnival Corporation were to default on its contingent obligations and assuming performance by all other participants, we estimate that we would, as of May 31, 2011, be responsible for a termination payment of \$60 million. In 2017, we have the right to exercise options that would terminate these two LILO transactions at no cost to us.

In certain cases, if the credit ratings of the financial institutions who are directly paying the contingent obligations fall below AA-, then Carnival Corporation will be required to replace these financial institutions with other financial institutions whose credit ratings are at least AA or meet other specified credit requirements. In such circumstances we would incur additional costs, although we estimate that they would be immaterial to our consolidated financial statements. All of the financial institution payment undertakers subject to this AA- credit rating threshold have credit ratings of AAA. If Carnival Corporation’s credit rating, which is BBB+, falls below BBB, it will be required to provide a standby letter of credit for \$46 million, or, alternatively, provide mortgages for this aggregate amount on these two ships.

### Contingent Obligations – Indemnifications

Some of the debt agreements that we enter into include indemnification provisions that obligate us to make payments to the counterparty if certain events occur. These contingencies generally relate to changes in taxes and changes in laws that increase lender capital costs and other similar costs. The indemnification clauses are often standard contractual terms and were entered into in the normal course of business. There are no stated or notional amounts included in the indemnification clauses, and we are not able to estimate the maximum potential amount of future payments, if any, under these indemnification clauses. We have not been required to make any material payments under such indemnification clauses in the past and, under current circumstances, we do not believe a request for material future indemnification payments is probable.

## NOTE 4 – Comprehensive Income (Loss)

Comprehensive income (loss) was as follows (in millions):

	Three Months Ended		Six Months Ended	
	May 31,		May 31,	
	2011	2010	2011	2010
Net income	\$ 206	\$ 252	\$ 358	\$ 427
Items included in other comprehensive income (loss)				
Foreign currency translation adjustment	352	(690)	707	(1,391)
Other	49	(66)	89	(100)
Other comprehensive income (loss)	401	(756)	796	(1,491)
Total comprehensive income (loss)	\$ 607	\$ (504)	\$ 1,154	\$ (1,064)

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**NOTE 5 – Segment Information**

During the fourth quarter of 2010, we began to separate our cruise brand operating segments into three reportable cruise segments in order to provide a better understanding of our business' performance. These three reportable cruise segments are comprised of our (1) North America cruise brands, (2) Europe, Australia & Asia ("EAA") cruise brands and (3) Cruise Support. All information for the three and six months ended May 31, 2010 has been restated to conform to this new cruise segment presentation. There were no changes made to our Tour and Other segment.

Our North America cruise segment includes Carnival Cruise Lines, Holland America Line, Princess Cruises ("Princess") and Seabourn. Our EAA cruise segment includes AIDA Cruises ("AIDA"), Costa Cruises, Cunard, Ibero Cruises ("Ibero"), P&O Cruises (UK) and P&O Cruises (Australia). These individual cruise brand operating segments have been aggregated into two reportable segments based on the similarity of their economic and other characteristics, including the products and services they provide. Our Cruise Support segment represents certain of our port and related facilities and other corporate-wide services that are provided for the benefit of our cruise brands. Our Tour and Other segment represents the hotel, tour and transportation operations of Holland America Princess Alaska Tours and our two owned ships that we charter to an unaffiliated entity.



Selected information for our Cruise and Tour and Other segments was as follows (in millions):

	Three Months Ended May 31,				
	Revenues	Operating expenses	Selling and administrative	Depreciation and amortization	Operating income (loss)
<b>2011</b>					
North America Cruise Brands	\$ 2,063	\$ 1,445	\$ 238	\$ 216	\$ 164
EAA Cruise Brands	1,510	1,052	170	146	142
Cruise Support	22	(3)	26	8	(9)
Tour and Other	35	37	6	10	(18)
Intersegment elimination	(10)	(10)	-	-	-
	<u>\$ 3,620</u>	<u>\$ 2,521</u>	<u>\$ 440</u>	<u>\$ 380</u>	<u>\$ 279</u>
<b>2010</b>					
North America Cruise Brands	\$ 1,935	\$ 1,264	\$ 227	\$ 208	\$ 236
EAA Cruise Brands	1,280	872	146	125	137
Cruise Support	21	(3)	23	6	(5)
Tour and Other	45	46	8	10	(19)
Intersegment elimination	(14)	(14)	-	-	-
	<u>\$ 3,267</u>	<u>\$ 2,165</u>	<u>\$ 404</u>	<u>\$ 349</u>	<u>\$ 349</u>
	Six Months Ended May 31,				
	Revenues	Operating expenses	Selling and administrative	Depreciation and amortization	Operating income (loss)
<b>2011</b>					
North America Cruise Brands	\$ 3,991	\$ 2,775	\$ 472	\$ 429	\$ 315
EAA Cruise Brands	2,971	2,111	326	281	253
Cruise Support	42	(6)	52	15	(19)
Tour and Other	45	46	12	22	(35)
Intersegment elimination	(10)	(10)	-	-	-
	<u>\$ 7,039</u>	<u>\$ 4,916</u>	<u>\$ 862</u>	<u>\$ 747</u>	<u>\$ 514</u>
<b>2010</b>					
North America Cruise Brands	\$ 3,829	\$ 2,538	\$ 452	\$ 414	\$ 425
EAA Cruise Brands	2,536	1,763	287	249	237
Cruise Support	41	(1)	46	13	(17)
Tour and Other	54	62	15	18	(41)
Intersegment elimination	(15)	(15)	-	-	-
	<u>\$ 6,445</u>	<u>\$ 4,347</u>	<u>\$ 800</u>	<u>\$ 694</u>	<u>\$ 604</u>

**NOTE 6 – Earnings Per Share**

Our basic and diluted earnings per share were computed as follows (in millions, except per share data):

	Three Months Ended May 31,		Six Months Ended May 31,	
	2011	2010	2011	2010
Net income	\$ 206	\$ 252	\$ 358	\$ 427
Interest on dilutive convertible notes	-	3	-	6
Net income for diluted earnings per share	<u>\$ 206</u>	<u>\$ 255</u>	<u>\$ 358</u>	<u>\$ 433</u>
Weighted-average common and ordinary shares outstanding	791	788	791	788
Dilutive effect of convertible notes	-	15	-	15
Dilutive effect of equity plans	2	3	2	3
Diluted weighted-average shares outstanding	<u>793</u>	<u>806</u>	<u>793</u>	<u>806</u>
Basic earnings per share	<u>\$ 0.26</u>	<u>\$ 0.32</u>	<u>\$ 0.45</u>	<u>\$ 0.54</u>
Diluted earnings per share	<u>\$ 0.26</u>	<u>\$ 0.32</u>	<u>\$ 0.45</u>	<u>\$ 0.54</u>
Anti-dilutive stock options excluded from diluted earnings per share computations	<u>8.9</u>	<u>8.8</u>	<u>8.5</u>	<u>8.9</u>

**NOTE 7 – Fair Value Measurements, Derivative Instruments and Hedging Activities****Fair Value Measurements**

U.S. accounting standards establish a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Therefore, even when market assumptions are not readily available, our own assumptions are set to reflect those that we believe market participants would use in pricing the asset or liability at the measurement date.

The fair value measurement of a financial asset or financial liability must reflect the nonperformance risk of the counterparty and us. Therefore, the impact of our counterparty's creditworthiness was considered when in an asset position, and our creditworthiness was considered when in a liability position in the fair value measurement of our financial instruments. Creditworthiness did not have a material impact on the fair values of our financial instruments at May 31, 2011 and November 30, 2010. Both the counterparties and we are expected to continue to perform under the contractual terms of the instruments.

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

The estimated carrying and fair values of our financial instrument assets and (liabilities) that are not measured at fair value on a recurring basis were as follows (in millions):

	May 31, 2011		November 30, 2010	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Cash and cash equivalents (a)	\$ 532	\$ 532	\$ 404	\$ 404
Long-term other assets (b)	\$ 104	\$ 97	\$ 191	\$ 178
Fixed rate debt (c)	\$(6,648)	\$(6,972)	\$(6,689)	\$(7,076)
Floating rate debt (c)	\$(3,194)	\$(3,141)	\$(2,669)	\$(2,630)
Other	\$ -	\$ -	\$ (6)	\$ (7)

- (a) Cash and cash equivalents are comprised of cash on hand and time deposits and, due to their short maturities, the carrying values approximate their fair values.
- (b) At May 31, 2011 and November 30, 2010, substantially all of our long-term other assets were comprised of notes and other receivables. The fair values of notes and other receivables were based on estimated future cash flows discounted at appropriate market interest rates.
- (c) The net difference between the fair value of our fixed rate debt and its carrying value was due to the market interest rates in existence at May 31, 2011 and November 30, 2010 being lower than the fixed interest rates on these debt obligations, including the impact of changes in our credit ratings, if any. The net difference between the fair value of our floating rate debt and its carrying value was due to the market interest rates in existence at May 31, 2011 and November 30, 2010 being higher than the floating interest rates on these debt obligations, including the impact of changes in our credit ratings, if any. The fair values of our publicly-traded notes were based on their quoted market prices in active markets. The fair values of our other debt were estimated based on appropriate market interest rates being applied to this debt.

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

The estimated fair value and basis of valuation of our financial instrument assets and (liabilities) that are measured at fair value on a recurring basis were as follows (in millions):

	May 31, 2011		November 30, 2010	
	Level 1	Level 2	Level 1	Level 2
Cash equivalents (a)	\$ 25	\$ -	\$ 25	\$ -
Marketable securities held in rabbi trusts (b)	\$ 114	\$ 19	\$ 105	\$ 21
Derivatives				
Ship foreign currency options (c)	\$ -	\$ -	\$ -	\$ 8
Net investment hedges (d)	\$ -	\$ (7)	\$ -	\$ 12
Interest rate swaps (e)	\$ -	\$ 4	\$ -	\$ 1

- (a) Cash equivalents are comprised of money market funds.
- (b) Level 1 and 2 marketable securities are held in rabbi trusts and are primarily comprised of frequently-priced mutual funds invested in common stocks and other investments, respectively. Their use is restricted to funding certain deferred compensation and non-qualified U.S. pension plans.
- (c) At November 30, 2010, we had foreign currency options totaling \$785 million that were designated as foreign currency cash flow hedges for certain of our euro-denominated shipbuilding contracts. These foreign currency options matured through May 2011.
- (d) At May 31, 2011 and November 30, 2010, we have foreign currency forwards totaling \$216 million and \$352 million, respectively, that are designated as hedges of our net investments in foreign operations, which have a euro-denominated functional currency and were principally entered into to convert U.S. dollar-denominated debt into euro debt. These foreign currency forwards mature through July 2017.
- (e) We have both U.S. dollar and sterling interest rate swaps designated as fair value hedges whereby we receive fixed interest rate payments in exchange for making floating interest rate payments. At May 31, 2011 and November 30, 2010, these interest rate swap agreements effectively changed \$530 million and \$512 million, respectively, of fixed rate debt to U.S. dollar LIBOR or GBP LIBOR-based floating rate debt. In addition, we have euro interest rate swaps designated as cash flow hedges whereby we receive floating interest rate payments in exchange for making fixed interest rate payments. At May 31, 2011 and November 30, 2010, these interest rate swap agreements effectively changed \$344 million and \$333 million, respectively, of EURIBOR-based floating rate euro debt to fixed rate debt. These interest rate swaps mature through February 2022.

We measure our derivatives using valuations that are calibrated to the initial trade prices. Subsequent valuations are based on observable inputs and other variables included in the valuation models such as interest rate yield curves, forward currency exchange rates, credit spreads, maturity dates, volatilities and netting arrangements. We use the income approach to value the derivatives, using observable market data for all significant inputs and standard valuation techniques to convert future amounts to a single present value amount, assuming that participants are motivated, but not compelled to transact.

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

The carrying amount of our goodwill has been allocated to our North America and EAA cruise brands as follows (in millions):

	<u>North America Cruise Brands</u>	<u>EAA Cruise Brands</u>	<u>Total</u>
Balance at November 30, 2010	\$ 1,898	\$ 1,422	\$ 3,320
Foreign currency translation adjustment	-	104	104
Balance at May 31, 2011	<u>\$ 1,898</u>	<u>\$ 1,526</u>	<u>\$ 3,424</u>

As of July 31, 2010, we performed our annual goodwill impairment reviews by comparing the estimated fair value of the cruise brand to the carrying value of the net assets allocated to that cruise brand. All of our cruise brands carry goodwill, except for Ocean Village, which was dissolved in November 2010, and Seabourn. No goodwill was considered to be impaired because the estimated fair value of each cruise brand exceeded its respective carrying value and, accordingly, we did not proceed to step two of the impairment analysis.

In determining the estimated cruise brand fair values, we considered both their (a) discounted future cash flow analysis and (b) market multiples of comparable publicly-traded companies. The principal assumptions used in our cash flow analysis related to forecasting future operating results, including net revenue yields, net cruise costs including fuel prices, capacity changes, including the expected deployment of vessels into, or out of, the cruise brand, weighted-average cost of capital for comparable publicly-traded companies, adjusted for the risk attributable to the cruise brand including the geographic region in which it operates, that ranged from 10% to 12%, and terminal values, which are all considered level 3 inputs.

We believe the estimated fair value for each of our cruise brands that carry goodwill significantly exceeds the carrying value of their allocated net assets, except for Ibero. At July 31, 2010, Ibero's estimated fair value only exceeded its carrying value by 24%, or \$141 million. We performed a sensitivity analysis to identify the magnitude of the changes to Ibero's principal discounted cash flow assumptions that would eliminate this excess. Based on this analysis, relatively minor changes to these assumptions would lead to an Ibero impairment.

Given the weakness of the Spanish economy and its impact on the vacation industry, it is possible that Ibero's goodwill, which was \$152 million at July 31, 2010, could become impaired in the future if the Spanish vacation industry does not recover enough to enable Ibero to increase its cruise pricing. The recoverability of Ibero's goodwill is not without doubt because it is difficult to predict the timing of the resurgence of the Spanish economy and its vacation industry.

The carrying amount of our intangible assets not subject to amortization, which represents trademarks, has been allocated to our North America and EAA cruise brands as follows (in millions):

	<u>North America Cruise Brands</u>	<u>EAA Cruise Brands</u>	<u>Total</u>
Balance at November 30, 2010	\$ 927	\$ 384	\$ 1,311
Foreign currency translation adjustment	-	29	29
Balance at May 31, 2011	<u>\$ 927</u>	<u>\$ 413</u>	<u>\$ 1,340</u>

As of July 31, 2010, we also performed our annual trademark impairment reviews by comparing the estimated fair values of our trademarks to their carrying values. The cruise brands that have trademark amounts recorded are AIDA, Ibero, P&O Cruises (Australia), P&O Cruises (UK) and Princess. The estimated fair value for each of our trademarks significantly exceeded its respective carrying value and, therefore, none of our trademarks were impaired. We estimated fair values based upon a discounted future cash flow analysis, which estimated the amount of royalties that we are relieved from having to pay for use of the associated trademarks, based upon forecasted cruise revenues and royalty rates that a market participant would forecast. The royalty rates are estimated primarily using comparable royalty agreements for similar industries.

There have not been any events or circumstances subsequent to July 31, 2010, which we believe would require us to perform interim goodwill or trademark impairment reviews.

The determination of our cruise brand fair values include numerous assumptions, which are subject to various risks and uncertainties. We believe that we have made reasonable estimates and judgments in determining whether our goodwill and trademarks have been impaired. However, if there is a material change in assumptions used in our determination of fair values or if there is a material change in the conditions or circumstances influencing fair values, then we may need to recognize a material impairment charge.

At May 31, 2011 and November 30, 2010, our intangible assets subject to amortization are immaterial to our consolidated financial statements.

### **Derivative Instruments and Hedging Activities**

We utilize derivative and nonderivative financial instruments, such as foreign currency forwards, options and swaps, foreign currency debt obligations and foreign currency cash balances, to manage our exposure to fluctuations in certain foreign currency exchange rates, and interest rate swaps to manage our interest rate exposure in order to achieve a desired proportion of fixed and floating rate debt. Our policy is to not use any financial instruments for trading or other speculative purposes.

All derivatives are recorded at fair value, and the changes in fair value are immediately included in earnings if the derivatives do not qualify as effective hedges. If a derivative is designated as a fair value hedge, then changes in the fair value of the derivative are offset against the changes in the fair value of the underlying hedged item. If a derivative is designated as a cash flow hedge, then the effective portion of the changes in the fair value of the derivative is recognized as a component of accumulated other comprehensive income ("AOCI") until the underlying hedged item is recognized in earnings or the forecasted transaction is no longer probable. If a derivative or a nonderivative financial instrument is designated as a hedge of our net investment in a foreign operation, then changes in the fair value of the financial instrument are recognized as a component of AOCI to offset a portion of the change in the translated value of the net investment being hedged, until the investment is sold or liquidated. We formally document hedging relationships for all derivative and nonderivative hedges and the underlying hedged items, as well as our risk management objectives and strategies for undertaking the hedge transactions.

We classify the fair values of all our derivative contracts and the fair values of our hedged firm commitments as either current or long-term, which are included in prepaid expenses and other assets and accrued and other liabilities, depending on whether the maturity date of the derivative contract is within or beyond one year from the balance sheet date. The cash flows from derivatives treated as hedges are classified in our accompanying Consolidated Statements of Cash Flows in the same category as the item being hedged.

The effective portions of our net foreign currency derivative gains and (losses) on cash flow hedges recognized in other comprehensive income (loss) in the three and six months ended May 31, 2011 and 2010 totaled \$45 million (\$(61) million in 2010) and \$82 million (\$(98) million in 2010), respectively.

The effective portions of our net foreign currency derivative (losses) and gains on net investment hedges recognized in other comprehensive income (loss) in the three and six months ended May 31, 2011 and 2010 totaled \$(5) million (\$39 million in 2010) and \$(24) million (\$86 million in 2010), respectively.

There are no amounts excluded from the assessment of hedge effectiveness, and there are no credit risk related contingent features in our derivative agreements. The amount of estimated cash flow hedges' unrealized gains and losses which are expected to be reclassified to earnings in the next twelve months is not significant. We have not provided additional disclosures of the impact that derivative instruments and hedging activities have on our consolidated financial statements as of May 31, 2011 and November 30, 2010 and for the three and six months ended May 31, 2011 and 2010 where such impacts are not significant.

### **Foreign Currency Exchange Rate Risks**

#### **Overall Strategy**

We manage our exposure to fluctuations in foreign currency exchange rates through our normal operating and financing activities, including netting certain exposures to take advantage of any natural offsets and, when considered appropriate, through the use of derivative and nonderivative financial instruments. Our primary focus is to manage the economic risks faced by our operations, which are the ultimate foreign currency exchange risks that would be realized by us if we exchanged one currency for another, and not accounting risks. Accordingly, we do not currently hedge accounting risks with derivative financial instruments. The financial impacts of the hedging instruments we do employ generally offset the changes in the underlying exposures being hedged.

## **Operational and Investment Currency Risks**

The growth of our European and Australian cruise brands subjects us to an increasing level of foreign currency translation risk related to the euro, sterling and Australian dollar because these brands generate significant revenues and incur significant expenses in euro, sterling or the Australian dollar. Accordingly, exchange rate fluctuations of the euro, sterling and Australian dollar against the U.S. dollar will affect our reported financial results since the reporting currency for our consolidated financial statements is the U.S. dollar. Any weakening of the U.S. dollar against these foreign currencies has the financial statement effect of increasing the U.S. dollar values reported for cruise revenues and cruise expenses in our accompanying Consolidated Statements of Income. Strengthening of the U.S. dollar has the opposite effect.

Most of our brands have non-functional currency risk related to their international sales operations, which has become an increasingly larger part of most of their businesses over time, and primarily includes the euro, sterling and Australian, Canadian and U.S. dollars. In addition, all of our brands have non-functional currency expenses for a portion of their operating expenses. Accordingly, these brands' revenues and expenses in non-functional currencies create some degree of natural offset in our accompanying Consolidated Statements of Income for transactional currency gains and losses due to currency exchange movements.

We consider our investments in foreign operations to be denominated in relatively stable currencies and of a long-term nature. We partially address our net investment currency exposures by denominating a portion of our debt and other obligations, including the effect of foreign currency forwards, in our foreign operations' functional currencies, generally the euro or sterling. As of May 31, 2011 and November 30, 2010, we have designated \$3.1 billion and \$3.0 billion of our euro and sterling debt and other obligations, respectively, which debt matures through 2021, as nonderivative hedges of our net investments in foreign operations. Accordingly, we have included \$(36) million and \$183 million of cumulative foreign currency transaction (losses) and gains in the cumulative translation adjustment component of AOCI at May 31, 2011 and November 30, 2010, respectively, which offsets a portion of the gains and losses recorded in AOCI upon translating our foreign operations' net assets into U.S. dollars. During the three and six months ended May 31, 2011 and 2010, we recognized foreign currency transaction (losses) and gains of \$(110) million (\$124 million in 2010) and \$(220) million (\$428 million in 2010), respectively, in the cumulative translation adjustment component of AOCI.

### **Newbuild Currency Risks**

At May 31, 2011, 42% of our newbuild passenger capacity under euro-denominated contracts are exposed to currency risk, which is comprised of two Princess and one P&O Cruises (UK) newbuilds expected to be delivered in May 2013, May 2014 and February 2015. In the past, we have used foreign currency derivative contracts and nonderivative financial instruments to manage foreign currency exchange rate risk for some of these types of ship construction contracts. At May 31, 2011, none of our newbuild passenger capacity under contract that is exposed to currency risk is hedged. At May 31, 2011, 58% of our newbuild passenger capacity under contract is for our European and North American cruise brands that do not have significant currency risk because all of these ships are contracted for in euros or U.S. dollars, which are the functional currencies of these brands, or the non-functional currency new ship progress payments have already been made.

Our decisions regarding whether or not to hedge a non-functional currency ship commitment for our cruise brands are made on a case-by-case basis, taking into consideration the amount and duration of the exposure, market volatility, exchange rate correlation, economic trends, our overall expected net cash flows by currency and other offsetting risks.

The cost of shipbuilding orders that we may place in the future for our cruise brands that generate their cash flows in a currency that is different than the shipyard's operating currency, which is generally the euro, is expected to be affected by foreign currency exchange rate fluctuations. Given the movement in the U.S. dollar and sterling relative to the euro over the past several years, the U.S. dollar and sterling cost to order new cruise ships has been volatile. If the U.S. dollar or sterling declines against the euro, this may affect our desire to order future new cruise ships for U.S. dollar or sterling functional currency brands.

### **Interest Rate Risks**

We manage our exposure to fluctuations in interest rates through our investment and debt portfolio management strategies. These strategies include purchasing high quality short-term investments with floating interest rates, and evaluating our debt portfolio to make periodic adjustments to the mix of fixed and floating rate debt through the use of interest rate swaps and the issuance of new debt or the early retirement of existing debt. At May 31, 2011, 66% and 34% (69% and 31% at November 30, 2010) of our debt bore fixed and floating interest rates, respectively, including the effect of interest rate swaps.

### **Fuel Price Risks**

We do not use financial instruments to hedge our exposure to fuel price risks.

## Concentrations of Credit Risk

As part of our ongoing control procedures, we monitor concentrations of credit risk associated with financial and other institutions with which we conduct significant business. Our maximum exposure under foreign currency derivative contracts and interest rate swap agreements that are in-the-money is the replacement cost, which includes the value of the contracts, in the event of nonperformance by the counterparties to the contracts, all of which are currently our lending banks. We seek to minimize credit risk exposure, including counterparty nonperformance primarily associated with our cash equivalents, investments, committed financing facilities, contingent obligations, derivative instruments, insurance contracts and new ship progress payment guarantees, by normally conducting business with large, well-established financial institutions and insurance companies, and by diversifying our counterparties. In addition, we have guidelines regarding credit ratings and investment maturities that we follow to help safeguard liquidity and minimize risk. We normally do require collateral and/or guarantees to support notes receivable on significant asset sales, long-term ship charters and new ship progress payments to shipyards. We currently believe the risk of nonperformance by any of our significant counterparties is remote.

We also monitor the creditworthiness of travel agencies and tour operators in Europe and credit card providers to which we extend credit in the normal course of our business. Concentrations of credit risk associated with these receivables are considered minimal, primarily due to their short maturities and the large number of unrelated accounts within our customer base. We have experienced only minimal credit losses on our trade receivables. We do not normally require collateral or other security to support normal credit sales.

Finally, if the shipyard with which we have contracts to build our ships is unable to perform, we will be required to perform for any foreign currency derivatives that we may enter into related to these shipbuilding contracts. Accordingly, if the shipyard is unable to perform, we may have to discontinue accounting for these derivatives as hedges. However, based on the shipyards we typically contract with, we believe that the risk of shipyard nonperformance will be remote.

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

### **Cautionary Note Concerning Factors That May Affect Future Results**

Some of the statements, estimates or projections contained in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this joint Quarterly Report on Form 10-Q are "forward-looking statements" that involve risks, uncertainties and assumptions with respect to us, including some statements concerning future results, outlooks, plans, goals and other events which have not yet occurred. These statements are intended to qualify for the safe harbors from liability provided by Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. We have tried, whenever possible, to identify these statements by using words like "will," "may," "could," "should," "would," "believe," "expect," "anticipate," "forecast," "future," "intend," "plan," "estimate" and similar expressions of future intent or the negative of such terms.

Because forward-looking statements involve risks and uncertainties, there are many factors that could cause our actual results, performance or achievements to differ materially from those expressed or implied in this joint Quarterly Report on Form 10-Q. Forward-looking statements include those statements that may impact, among other things, the forecasting of our earnings per share, net revenue yields, booking levels, pricing, occupancy, operating, financing and tax costs, fuel expenses, costs per available lower berth day ("ALBDs"), estimates of ship depreciable lives and residual values, liquidity, goodwill and trademark fair values and outlook. These factors include, but are not limited to, the following:

- general economic and business conditions;
- fluctuations in foreign currency exchange rates;
- the international political climate, armed conflicts, terrorist and pirate attacks, vessel seizures, and threats thereof, and other world events affecting the safety and security of travel;
- competition from and overcapacity in the cruise ship or land-based vacation industries;
- accidents, the spread of contagious diseases and threats thereof, adverse weather conditions or natural disasters and other incidents affecting the health, safety, security and satisfaction of guests and crew;
- adverse publicity concerning the cruise industry in general, or us in particular, including any adverse impact that cruising may have on the marine environment;
- changes in and compliance with laws and regulations relating to the protection of persons with disabilities, employment, environment, health, safety, security, tax and other regulations under which we operate;
- economic, market and political factors that are beyond our control, which could increase our operating, financing and other costs;
- our ability to implement our shipbuilding programs and ship repairs, maintenance and refurbishments on terms that are favorable or consistent with our expectations;
- increases to our repairs and maintenance expenses and refurbishment costs as our fleet ages;
- the continued strength of our cruise brands and our ability to implement our brand strategies;
- our international operations are subject to additional risks not generally applicable to our U.S. operations;
- geographic regions in which we try to expand our business may be slow to develop and ultimately not develop how we expect;
- whether our future operating cash flow will be sufficient to fund future obligations and whether we will be able to obtain financing, if necessary, in sufficient amounts and on terms that are favorable or consistent with our expectations;
- our counterparties' abilities to perform;
- continuing financial viability of our travel agent distribution system, air service providers and other key vendors in our supply chain and reductions in the availability of, and increases in the pricing for, the services and products provided by these vendors;
- our decisions to self-insure against various risks or our inability to obtain insurance for certain risks at reasonable rates;
- disruptions and other damages to our information technology and other networks and operations and breaches in data security;
- loss of key personnel or our ability to recruit or retain qualified personnel;
- union disputes and other employee relation issues;
- lack of continuing availability of attractive, convenient and safe port destinations; and
- risks associated with the DLC arrangement.

Forward-looking statements should not be relied upon as a prediction of actual results. Subject to any continuing obligations under applicable law or any relevant stock exchange rules, we expressly disclaim any obligation to disseminate, after the date of this joint Quarterly Report on Form 10-Q, any updates or revisions to any such forward-looking statements to reflect any change in expectations or events, conditions or circumstances on which any such statements are based.

### **Outlook for the Remainder of Fiscal 2011**

On June 21, 2011, we said that we expected our fully diluted earnings per share for the 2011 full year and third quarter would be in the ranges of \$2.40 to \$2.50 and \$1.60 to \$1.64, respectively. Our guidance was based on fuel prices of \$639 per metric ton and \$670 per metric ton for the 2011 full year and third quarter, respectively. In addition, this guidance was based on 2011 full year and third quarter currency rates of \$1.41 and \$1.43 to the euro, \$1.61 and \$1.62 to the sterling and \$1.04 and \$1.06 to the Australian dollar, respectively. The fuel and currency assumptions used in our guidance change daily and, accordingly, our forecasts change daily based on the changes in these assumptions.



The above forward-looking statements involve risks, uncertainties and assumptions with respect to us. There are many factors that could cause our actual results to differ materially from those expressed above including, but not limited to, economic and business conditions, foreign currency exchange rates, fuel prices, ship incidents, adverse weather conditions, spread of contagious diseases, regulatory changes, geopolitical and other factors that could adversely impact our revenues, costs and expenses. You should read the above forward-looking statement together with the discussion of these and other risks under “Cautionary Note Concerning Factors That May Affect Future Results.”

### Critical Accounting Estimates

For a discussion of our critical accounting estimates, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” which is included in Carnival Corporation & plc’s 2010 joint Annual Report on Form 10-K.

### Seasonality and Expected Capacity Growth

Our revenues from the sale of passenger tickets are seasonal. Historically, demand for cruises has been greatest during our third fiscal quarter, which includes the Northern Hemisphere summer months. This higher demand during the third quarter results in higher net revenue yields (see “Key Performance Non-GAAP Financial Indicators”) and, accordingly, the largest share of our operating income is earned during this period. The seasonality of our results also increases due to ships being taken out of service for maintenance, which we schedule during non-peak demand periods. In addition, substantially all of Holland America Princess Alaska Tours’ revenue and net income is generated from May through September in conjunction with the Alaska cruise season. The seasonality of our results will continue to increase as we expand our Europe, Australia & Asia (“EAA”) brands, which tend to be more seasonal than our North America brands. Finally, our North America brands have recently been trending towards an increasing level of seasonality.

The year-over-year percentage increase in our ALBD capacity for the third and fourth quarters of fiscal 2011 is currently expected to be 4.8% and 5.8%, respectively. The year-over-year percentage increase in our annual ALBD capacity for fiscal 2011, 2012 and 2013 is currently expected to be 5.2%, 5.3% and 3.6%, respectively. The above percentage increases result primarily from contracted new ships entering service and exclude any unannounced future ship orders, acquisitions, retirements, charters and sales.

### Selected Cruise and Other Information

Selected cruise and other information was as follows:

	Three Months Ended May 31,		Six Months Ended May 31,	
	2011	2010	2011	2010
Passengers carried (in thousands)	2,330	2,222	4,515	4,271
Occupancy percentage (a)	104.5%	103.8%	104.8%	103.7%
Fuel consumption (metric tons in thousands)	861	835	1,689	1,635
Fuel cost per metric tons consumed	\$ 673	\$ 498	\$ 609	\$ 497
<b>Currencies</b>				
U.S. dollar to €1	\$ 1.43	\$ 1.32	\$ 1.38	\$ 1.36
U.S. dollar to £1	\$ 1.63	\$ 1.50	\$ 1.60	\$ 1.55
U.S. dollar to Australian dollar	\$ 1.05	\$ 0.91	\$ 1.02	\$ 0.90

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

## Three Months Ended May 31, 2011 (“2011”) Compared to the Three Months Ended May 31, 2010 (“2010”)

### Revenues

#### Consolidated

Approximately 77% of 2011 total revenues are comprised of cruise passenger ticket revenues. Cruise passenger ticket revenues increased by \$279 million, or 11.2%, to \$2.8 billion in 2011 from \$2.5 billion in 2010. This increase was caused by our 5.0% capacity increase in ALBDs, which accounted for \$125 million, a weaker U.S. dollar against the euro, sterling and Australian dollar, which accounted for \$101 million, and a continuing recovery in overall cruise ticket pricing, which accounted for \$58 million. Our cruise ticket pricing increase was affected by the impacts of the geo-political events in the Middle East and North Africa (“MENA”), and to a lesser extent, the earthquake and nuclear disaster in Japan. These events resulted in deployment changes we made to avoid calling on ports in those areas (see “Key Performance Non-GAAP Financial Indicators”).

The remaining 23% of 2011 total revenues is substantially all comprised of onboard and other cruise revenues, which increased by \$80 million, or 10.9%, to \$817 million in 2011 from \$737 million in 2010. This increase was substantially all caused by our 5.0% capacity increase in ALBDs, which accounted for \$37 million, a weaker U.S. dollar against the euro, sterling and Australian dollar, which accounted for \$23 million, and higher onboard spending from our guests. Onboard and other revenues included concession revenues of \$254 million in 2011 and \$218 million in 2010.

#### North America Brands

Approximately 74% of 2011 total revenues are comprised of cruise passenger ticket revenues. Cruise passenger ticket revenues increased by \$99 million, or 6.9%, to \$1.5 billion in 2011 from \$1.4 billion in 2010. Substantially all of this increase was due to the continuing recovery in overall cruise ticket pricing, which accounted for \$51 million, and our 2.9% capacity increase in ALBDs, which accounted for \$41 million. The cruise ticket pricing for our Caribbean itineraries during the 2011 second quarter improved, as expected, over the more difficult 2011 first quarter Caribbean season, which was impacted by higher industry capacity being deployed during the winter season.

The remaining 26% of 2011 total revenues is comprised of onboard and other cruise revenues, which increased by \$29 million, or 5.9%, to \$527 million in 2011 from \$498 million in 2010. The increase was substantially all due to our 2.9% capacity increase in ALBDs, which accounted for \$14 million, and higher onboard spending from our guests. Onboard and other revenues included concession revenues of \$160 million in 2011 and \$145 million in 2010.

#### EAA Brands

Approximately 82% of 2011 total revenues are comprised of cruise passenger ticket revenues. Cruise passenger ticket revenues increased \$181 million, or 17.1%, to \$1.2 billion in 2011 from \$1.1 billion in 2010. This increase was caused by a weaker U.S. dollar against the euro, sterling and Australian dollar, which accounted for \$101 million, and our 8.6% capacity increase in ALBDs, which accounted for \$91 million. Our cruise ticket pricing was affected by the impacts of the geo-political events in MENA, and to a lesser extent, the earthquake and nuclear disaster in Japan (each of these events resulted in deployment changes). Our EAA brand itineraries cruise ticket pricing outside of Europe showed improvement, particularly in the Caribbean and other areas.

The remaining 18% of 2011 total revenues is comprised of onboard and other cruise revenues, which increased \$49 million, or 22.3%, to \$267 million in 2011 from \$219 million in 2010. This increase was substantially all due to a weaker U.S. dollar against the euro, sterling and Australian dollar, which accounted for \$23 million, our 8.6% capacity increase in ALBDs, which accounted for \$19 million, and higher onboard spending from our guests, partially offset by lower shore excursion revenues due to the MENA deployment changes. Onboard and other revenues included concession revenues of \$94 million in 2011 and \$73 million in 2010.

### Costs and Expenses

#### Consolidated

Operating costs and expenses increased \$356 million, or 16.4%, to \$2.5 billion in 2011 from \$2.2 billion in 2010. Substantially all of this increase was due to \$151 million of higher fuel prices, our 5.0% capacity increase in ALBDs, which accounted for \$106 million, a weaker U.S. dollar against the euro, sterling and Australian dollar, which accounted for \$65 million, and inflationary pressures on crew travel, food and other hotel operating expenses.

Selling and administrative expenses increased \$36 million, or 8.9%, to \$440 million in 2011 from \$404 million in 2010. The majority of the increase was due to our 5.0% capacity increase in ALBDs, which accounted for \$20 million.

Depreciation and amortization expense increased \$31 million, or 8.9%, to \$380 million in 2011 from \$349 million in 2010. The majority of the increase was due to our 5.0% capacity increase in ALBDs principally through the addition of new ships, which accounted for \$17 million.

Our total costs and expenses as a percentage of revenues increased to 92.3% in 2011 from 89.3% in 2010.

#### **North America Brands**

Operating costs and expenses increased \$181 million, or 14.3%, to \$1.4 billion in 2011 from \$1.3 billion in 2010. This increase was driven by higher fuel prices, which accounted for \$90 million, and our 2.9% capacity increase in ALBDs, which accounted for \$36 million.

Selling and administrative expenses increased \$11 million, or 4.8%, to \$238 million in 2011 from \$227 million in 2010.

Depreciation and amortization expense increased \$8 million, or 3.8%, to \$216 million in 2011 from \$208 million in 2010.

Our total costs and expenses as a percentage of total revenues increased to 92.1% in 2011 from 87.8% in 2010.

#### **EAA Brands**

Operating costs and expenses increased \$180 million, or 20.6%, to \$1.1 billion in 2011 from \$872 million in 2010. The increase was caused by our 8.6% capacity increase in ALBDs, which accounted for \$75 million, a weaker U.S. dollar against the euro, sterling and Australian dollar, which accounted for \$65 million, and higher fuel prices, which accounted for \$62 million.

Selling and administrative expenses increased \$24 million, or 16.4%, to \$170 million in 2011 from \$146 million in 2010. The increase was caused by a weaker U.S. dollar against the euro, sterling and Australian dollar, which accounted for \$13 million, and our 8.6% capacity increase in ALBDs, which also accounted for \$13 million.

Depreciation and amortization expense increased \$21 million, or 16.8%, to \$146 million in 2011 from \$125 million in 2010 caused by a weaker U.S. dollar against the euro, sterling and Australian dollar, which accounted for \$12 million, and \$11 million from our 8.6% capacity increase in ALBDs principally through the addition of new ships.

Our total costs and expenses as a percentage of total revenues increased to 90.6% in 2011 from 89.3% in 2010.

#### **Operating Income**

Our consolidated operating income decreased \$70 million, or 20.1%, to \$279 million in 2011 from \$349 million in 2010. Our North America brands' operating income decreased \$72 million, or 30.5%, to \$164 million in 2011 from \$236 million in 2010, and our EAA brands' operating income increased \$5 million, or 3.6%, to \$142 million in 2011 from \$137 million in 2010. These decreases and increases were primarily due to the reasons discussed above.

#### **Nonoperating (Expense) Income**

The majority of the \$15 million increase in other income to \$13 million in 2011 from other expense of \$2 million in 2010 was due to foreign currency transaction gains.

#### **Key Performance Non-GAAP Financial Indicators**

ALBDs is a standard measure of passenger capacity for the period, which we use to perform rate and capacity variance analyses to determine the main non-capacity driven factors that cause our cruise revenues and expenses to vary. ALBDs assume that each cabin we offer for sale accommodates two passengers and is computed by multiplying passenger capacity by revenue-producing ship operating days in the period.

We use net cruise revenues per ALBD ("net revenue yields"), net cruise costs per ALBD and net cruise costs excluding fuel per ALBD as significant non-GAAP financial measures of our cruise segment financial performance. These measures enable us to separate the impact of predictable capacity changes from the more unpredictable rate changes that affect our business. We believe these non-GAAP measures provide an expanded insight to measure our revenue and cost performance in addition to the standard U.S. GAAP-based financial measures.

Net revenue yields are commonly used in the cruise industry to measure a company's cruise segment revenue performance and for revenue management purposes. We use "net cruise revenues" rather than "gross cruise revenues" to calculate net revenue yields. We believe that net cruise revenues is a more meaningful measure in determining revenue yield than gross cruise revenues because it

reflects the cruise revenues earned net of our most significant variable costs, which are travel agent commissions, cost of air and other transportation, certain other costs that are directly associated with onboard and other revenues and credit card fees. Substantially all of our remaining cruise costs are largely fixed, except for the impact of changing prices, once our ship capacity levels have been determined.

Net passenger ticket revenues reflect gross cruise revenues, net of (1) onboard and other revenues, (2) commissions, transportation and other costs and (3) onboard and other cruise costs. Net onboard and other revenues reflect gross cruise revenues, net of (1) passenger ticket revenues, (2) commissions, transportation and other costs and (3) onboard and other cruise costs. Net passenger ticket revenue yields and net onboard and other revenue yields are computed by dividing net passenger ticket revenues and net onboard and other revenues by ALBDs.

Net cruise costs per ALBD and net cruise costs excluding fuel per ALBD are the most significant measures we use to monitor our ability to control our cruise segment costs rather than gross cruise costs per ALBD. We exclude the same variable costs that are included in the calculation of net cruise revenues to calculate net cruise costs with and without fuel to avoid duplicating these variable costs in our non-GAAP financial measures.

In addition, because our EAA cruise brands utilize the euro, sterling and Australian dollar to measure their results and financial condition, the translation of those operations to our U.S. dollar reporting currency results in increases in reported U.S. dollar revenues and expenses if the U.S. dollar weakens against these foreign currencies, and decreases in reported U.S. dollar revenues and expenses if the U.S. dollar strengthens against these foreign currencies. Accordingly, we also monitor and report our non-GAAP financial measures assuming the 2011 periods' currency exchange rates have remained constant with the 2010 periods' rates, or on a "constant dollar basis," in order to remove the impact of changes in exchange rates on our non-U.S. dollar cruise operations. We believe that this is a useful measure since it facilitates a comparative view of the growth of our business in a fluctuating currency exchange rate environment.

There are no specific rules for determining our non-GAAP current and constant dollar financial measures and, accordingly, it is possible that they may not be exactly comparable to the like-kind information presented by other cruise companies, which is a potential risk associated with using these measures to compare us to other cruise companies.

Consolidated gross and net revenue yields were computed by dividing the gross and net revenues, without rounding, by ALBDs as follows (dollars in millions, except yields):

	Three Months Ended May 31,		
	2011	2011 Constant Dollar	2010
Passenger ticket revenues	\$ 2,778	\$ 2,678	\$ 2,499
Onboard and other revenues	817	794	737
<b>Gross cruise revenues</b>	<u>3,595</u>	<u>3,472</u>	<u>3,236</u>
Less cruise costs			
Commissions, transportation and other	(562)	(542)	(512)
Onboard and other	(121)	(116)	(106)
	<u>(683)</u>	<u>(658)</u>	<u>(618)</u>
Net passenger ticket revenues	2,216	2,136	1,987
Net onboard and other revenues	696	678	631
<b>Net cruise revenues</b>	<u>\$ 2,912</u>	<u>\$ 2,814</u>	<u>\$ 2,618</u>
<b>ALBDs</b>	<u>17,402,349</u>	<u>17,402,349</u>	<u>16,575,242</u>
<b>Gross revenue yields</b>	<u>\$ 206.60</u>	<u>\$ 199.49</u>	<u>\$ 195.22</u>
% increase vs. 2010	5.8%	2.2%	
<b>Net revenue yields</b>	\$ 167.39	\$ 161.67	\$ 157.97
% increase vs. 2010	6.0%	2.3%	
<b>Net passenger ticket revenue yields</b>	\$ 127.37	\$ 122.74	\$ 119.89
% increase vs. 2010	6.2%	2.4%	
<b>Net onboard and other revenue yields</b>	\$ 40.03	\$ 38.94	\$ 38.07
% increase vs. 2010	5.1%	2.3%	

Consolidated gross and net cruise costs and net cruise costs excluding fuel per ALBD were computed by dividing the gross and net cruise costs and net cruise costs excluding fuel, without rounding, by ALBDs as follows (dollars in millions, except costs per ALBD):

	Three Months Ended May 31,		
	2011	2011 Constant Dollar	2010
Cruise operating expenses	\$ 2,494	\$ 2,429	\$ 2,133
Cruise selling and administrative expenses	434	421	396
<b>Gross cruise costs</b>	<u>2,928</u>	<u>2,850</u>	<u>2,529</u>
Less cruise costs included in net cruise revenues			
Commissions, transportation and other	(562)	(542)	(512)
Onboard and other	(121)	(116)	(106)
<b>Net cruise costs</b>	<u>2,245</u>	<u>2,192</u>	<u>1,911</u>
Less fuel	(579)	(579)	(416)
<b>Net cruise costs excluding fuel</b>	<u>\$ 1,666</u>	<u>\$ 1,613</u>	<u>\$ 1,495</u>
<b>ALBDs</b>	<u>17,402,349</u>	<u>17,402,349</u>	<u>16,575,242</u>
<b>Gross cruise costs per ALBD</b>	<u>\$ 168.28</u>	<u>\$ 163.77</u>	<u>\$ 152.55</u>
% increase vs. 2010	10.3%	7.4%	
<b>Net cruise costs per ALBD</b>	\$ 129.07	\$ 125.95	\$ 115.29
% increase vs. 2010	11.9%	9.2%	
<b>Net cruise costs excluding fuel per ALBD</b>	\$ 95.75	\$ 92.64	\$ 90.22
% increase vs. 2010	6.1%	2.7%	

Net cruise revenues increased \$294 million, or 11.2%, to \$2.9 billion in 2011 from \$2.6 billion in 2010. This was caused by a 5.0% capacity increase in ALBDs, which accounted for \$131 million, a weaker U.S. dollar against the euro, sterling and Australian dollar, which accounted for \$100 million, and a 2.3% increase in constant dollar net revenue yields, which accounted for \$65 million. The 2.3% increase in net revenue yields on a constant dollar basis was comprised of a 2.4% increase in net passenger ticket revenue yields and a 2.3% increase in net onboard and other revenue yields. The 2.4% increase in net passenger ticket revenue yields was driven by stronger North America brand yields and slightly higher EAA brand yields were impacted by the geo-political events in MENA, and to a lesser extent, the earthquake and nuclear disaster in Japan (each of these events resulted in deployment changes). Net onboard and other revenue yields increased 2.3% on a constant dollar basis primarily due to higher onboard spending by guests from our North America brands, partially offset by lower shore excursion revenues from our EAA brands due to the MENA deployment changes. Gross cruise revenues increased \$359 million, or 11.1%, to \$3.6 billion in 2011 from \$3.2 billion in 2010 for principally the same reasons as discussed above.

Net cruise costs excluding fuel increased \$171 million, or 11.4%, to \$1.7 billion in 2011 from \$1.5 billion in 2010. This was caused by a 5.0% capacity increase in ALBDs, which accounted for \$75 million, a weaker U.S. dollar against the euro, sterling and Australian dollar, which accounted for \$54 million, a 2.7% increase in constant dollar net cruise costs excluding fuel per ALBD, which accounted for \$42 million and was driven by inflationary pressures on crew travel, food, and other hotel operating expenses.

Fuel costs increased \$163 million, or 39.2%, to \$579 million in 2011 from \$416 million in 2010. This was caused by higher fuel prices, which accounted for \$151 million, and a 5.0% capacity increase in ALBDs, which accounted for \$21 million, and was partially offset by lower fuel consumption per ALBD.

Gross cruise costs increased \$399 million, or 15.8%, to \$2.9 billion in 2011 from \$2.5 billion in 2010 for principally the same reasons as discussed above.

## **Six Months Ended May 31, 2011 (“2011”) Compared to the Six Months Ended May 31, 2010 (“2010”)**

### **Revenues**

#### **Consolidated**

Approximately 77% of 2011 total revenues are comprised of cruise passenger ticket revenues. Cruise passenger ticket revenues increased by \$490 million, or 9.9%, to \$5.4 billion in 2011 from \$4.9 billion in 2010. Substantially all of this increase was due to our 5.0% capacity increase in ALBDs, which accounted for \$247 million, a continuing recovery in overall cruise ticket pricing, which accounted for \$138 million, and a weaker U.S. dollar against the euro, sterling and Australian dollar, which accounted for \$64 million. Our cruise ticket pricing increase was affected by the impacts of the geo-political events in MENA, and to a lesser extent, the earthquake and resulting nuclear disaster in Japan. These events resulted in deployment changes we made to avoid calling on ports in those areas (see “Key Performance Non-GAAP Financial Indicators”).

The remaining 23% of 2011 total revenues is substantially all comprised of onboard and other cruise revenues, which increased by \$108 million, or 7.4%, to \$1.6 billion in 2011 from \$1.5 billion in 2010. This increase was principally driven by our 5.0% capacity increase in ALBDs, which accounted for \$73 million, and a weaker U.S. dollar against the euro, sterling and Australian dollar, which accounted for \$18 million. Onboard and other revenues included concession revenues of \$476 million in 2011 and \$429 million in 2010.

#### **North America Brands**

Approximately 74% of 2011 total revenues are comprised of cruise passenger ticket revenues. Cruise passenger ticket revenues increased by \$134 million, or 4.7%, to \$3.0 billion in 2011 from \$2.8 billion in 2010. This increase was substantially all due to our 2.3% capacity increase in ALBDs, which accounted for \$65 million, and a continuing recovery in overall cruise ticket pricing, which accounted for \$55 million. Our cruise ticket pricing increase was impacted by higher industry capacity being deployed in the Caribbean during the winter season.

The remaining 26% of 2011 total revenues is comprised of onboard and other cruise revenues, which increased by \$28 million, or 2.8%, to \$1.0 billion in 2011 from \$991 million in 2010. This increase was principally due to our 2.3% capacity increase in ALBDs. Onboard and other revenues included concession revenues of \$296 million in 2011 and \$285 million in 2010.

#### **EAA Brands**

Approximately 83% of 2011 total revenues are comprised of cruise passenger ticket revenues. Cruise passenger ticket revenues increased \$356 million, or 17.0%, to \$2.5 billion in 2011 from \$2.1 billion in 2010. This increase was principally due to our 9.6% capacity increase in ALBDs, which accounted for \$202 million, and higher cruise ticket pricing, which accounted for \$76 million. Substantially all of the cruise ticket pricing increase was achieved in our 2011 first quarter South America season, which rebounded

from last year's challenging season that was impacted by significant increases in industry capacity. Our cruise ticket pricing was affected by the impacts of the geo-political events in MENA, and to a lesser extent, the earthquake and nuclear disaster in Japan (each of these events resulted in deployment changes).

The remaining 17% of 2011 total revenues is comprised of onboard and other cruise revenues, which increased \$79 million, or 18.1%, to \$513 million in 2011 from \$434 million in 2010. The increase was principally due to our 9.6% capacity increase in ALBDs, which accounted for \$42 million, and slightly higher onboard spending from our guests, partially offset by lower shore excursion revenues due to the MENA deployment changes. Onboard and other revenues included concession revenues of \$180 million in 2011 and \$144 million in 2010.

## **Costs and Expenses**

### **Consolidated**

Operating costs and expenses increased \$569 million, or 13.1%, to \$4.9 billion in 2011 from \$4.3 billion in 2010. The increase was principally due to our 5.0% capacity increase in ALBDs, which accounted for \$215 million, higher fuel prices, which accounted for \$190 million, the nonrecurrence of the gain recognized in other ship operating costs in 2010 from the sale of P&O Cruises (UK)'s *Artemis*, which accounted for \$44 million, and inflationary pressures on crew travel, food and other hotel operating expenses.

Selling and administrative expenses increased \$62 million, or 7.8%, to \$862 million in 2011 from \$800 million in 2010. This increase was primarily driven by our 5.0% capacity increase in ALBDs, which accounted for \$39 million.

Depreciation and amortization expense increased \$53 million, or 7.6%, to \$747 million in 2011 from \$694 million in 2010 primarily driven by \$34 million from our 5.0% capacity increase in ALBDs principally through the addition of new ships.

Our total costs and expenses as a percentage of revenues increased to 92.7% in 2011 from 90.6% in 2010.

### **North America Brands**

Operating costs and expenses increased \$237 million, or 9.3%, to \$2.8 billion in 2011 from \$2.5 billion in 2010. This increase was primarily driven by higher fuel prices, which accounted for \$112 million, and our 2.3% capacity increase in ALBDs, which accounted for \$58 million.

Selling and administrative expenses increased \$20 million, or 4.4%, to \$472 million in 2011 from \$452 million in 2010.

Depreciation and amortization expense increased \$15 million, or 3.6%, to \$429 million in 2011 from \$414 million in 2010.

Our total costs and expenses as a percentage of total revenues increased to 92.1% in 2011 from 88.9% in 2010.

### **EAA Brands**

Operating costs and expenses increased \$348 million, or 19.7%, to \$2.1 billion in 2011 from \$1.8 billion in 2010. The increase was principally due to our 9.6% capacity increase in ALBDs, which accounted for \$169 million, higher fuel prices, which accounted for \$77 million, and the nonrecurrence of the gain recognized in 2010 from the sale of *Artemis*, which accounted for \$44 million.

Selling and administrative expenses increased \$39 million, or 13.6%, to \$326 million in 2011 from \$287 million in 2010. The increase was primarily driven by our 9.6% capacity increase in ALBDs.

Depreciation and amortization expense increased \$32 million, or 12.9%, to \$281 million in 2011 from \$249 million in 2010. The increase was primarily due to our 9.6% capacity increase in ALBDs principally through the addition of new ships.

Our total costs and expenses as a percentage of total revenues increased to 91.5% in 2011 from 90.7% in 2010.

## **Operating Income**

Our consolidated operating income decreased \$90 million, or 14.9%, to \$514 million in 2011 from \$604 million in 2010. Our North America brands' operating income decreased \$110 million, or 25.9%, to \$315 million in 2011 from \$425 million in 2010, and our EAA brands' operating income increased \$16 million, or 6.8%, to \$253 million in 2011 from \$237 million in 2010. These decreases and increases were primarily due to the reasons discussed above.

## **Nonoperating (Expense) Income**

About half of the \$24 million increase in other income to \$19 million in 2011 from other expense of \$5 million in 2010 was due to foreign currency transaction gains.

## Income Taxes

Income taxes changed \$19 million to an income tax expense of \$3 million in 2011 from an income tax benefit of \$16 million in 2010. This change was substantially all due to the benefits received from an Italian investment incentive law, which allowed AIDA and Costa Cruises to receive an \$18 million income tax benefit in 2010 substantially all related to two of their newbuilds delivered in 2010.

## Key Performance Non-GAAP Financial Indicators

Consolidated gross and net revenue yields were computed by dividing the gross and net revenues, without rounding, by ALBDs as follows (dollars in millions, except yields):

	Six Months Ended May 31,		
	2011	2011 Constant Dollar	2010
Passenger ticket revenues	\$ 5,430	\$ 5,366	\$ 4,940
Onboard and other revenues	1,574	1,556	1,466
<b>Gross cruise revenues</b>	<b>7,004</b>	<b>6,922</b>	<b>6,406</b>
Less cruise costs			
Commissions, transportation and other	(1,226)	(1,221)	(1,092)
Onboard and other	(241)	(237)	(219)
	(1,467)	(1,458)	(1,311)
Net passenger ticket revenues	4,204	4,145	3,848
Net onboard and other revenues	1,333	1,319	1,247
<b>Net cruise revenues</b>	<b>\$ 5,537</b>	<b>\$ 5,464</b>	<b>\$ 5,095</b>
<b>ALBDs</b>	<b>34,089,059</b>	<b>34,089,059</b>	<b>32,465,324</b>
<b>Gross revenue yields</b>	<b>\$ 205.47</b>	<b>\$ 203.07</b>	<b>\$ 197.31</b>
% increase vs. 2010	4.1%	2.9%	
<b>Net revenue yields</b>	<b>\$ 162.44</b>	<b>\$ 160.30</b>	<b>\$ 156.91</b>
% increase vs. 2010	3.5%	2.2%	
<b>Net passenger ticket revenue yields</b>	<b>\$ 123.33</b>	<b>\$ 121.60</b>	<b>\$ 118.51</b>
% increase vs. 2010	4.1%	2.6%	
<b>Net onboard and other revenue yields</b>	<b>\$ 39.12</b>	<b>\$ 38.70</b>	<b>\$ 38.40</b>
% increase vs. 2010	1.9%	0.8%	

Consolidated gross and net cruise costs and net cruise costs excluding fuel per ALBD were computed by dividing the gross and net cruise costs and net cruise costs excluding fuel, without rounding, by ALBDs as follows (dollars in millions, except costs per ALBD):

	Six Months Ended May 31,		
	2011	2011 Constant Dollar	2010
Cruise operating expenses	\$ 4,880	\$ 4,843	\$ 4,300
Cruise selling and administrative expenses	850	841	785
<b>Gross cruise costs</b>	<b>5,730</b>	<b>5,684</b>	<b>5,085</b>
Less cruise costs included in net cruise revenues			
Commissions, transportation and other	(1,226)	(1,221)	(1,092)
Onboard and other	(241)	(237)	(219)
<b>Net cruise costs</b>	<b>4,263</b>	<b>4,226</b>	<b>3,774</b>
Less fuel	(1,029)	(1,029)	(813)
<b>Net cruise costs excluding fuel</b>	<b>\$ 3,234</b>	<b>\$ 3,197</b>	<b>\$ 2,961</b>
<b>ALBDs</b>	<b>34,089,059</b>	<b>34,089,059</b>	<b>32,465,324</b>
<b>Gross cruise costs per ALBD</b>	<b>\$ 168.10</b>	<b>\$ 166.73</b>	<b>\$ 156.64</b>
% increase vs. 2010	7.3%	6.4%	
<b>Net cruise costs per ALBD</b>	<b>\$ 125.07</b>	<b>\$ 123.96</b>	<b>\$ 116.25</b>
% increase vs. 2010	7.6%	6.6%	
<b>Net cruise costs excluding fuel per ALBD</b>	<b>\$ 94.87</b>	<b>\$ 93.76</b>	<b>\$ 91.21</b>
% increase vs. 2010	4.0%	2.8%	



Net cruise revenues increased \$442 million, or 8.7%, to \$5.5 billion in 2011 from \$5.1 billion in 2010. This was caused by a 5.0% capacity increase in ALBDs, which accounted for \$255 million, a 2.2% increase in constant dollar net revenue yields, which accounted for \$116 million, and a weaker U.S. dollar against the euro, sterling and Australian dollar, which accounted for \$71 million. The 2.2% increase in net revenue yields on a constant dollar basis was comprised of a 2.6% increase in net passenger ticket revenue yields and a 0.8% increase in net onboard and other revenue yields. The 2.6% increase in net passenger ticket revenue yields was driven by stronger EAA brand yields as a result of yield improvements in South America, which rebounded from last year's challenging season. The 2.6% increase in net passenger ticket revenue yields was impacted by the geo-political events in MENA and the earthquake and nuclear disaster in Japan (each of these events resulted in deployment changes), and slightly weaker North America brand yields in Caribbean itineraries as a result of higher industry capacity being deployed in the Caribbean during the winter season. Net onboard and other revenue yields increased primarily due to our 5.0% capacity increase in ALBDs and higher onboard spending from our guests, partially offset by lower shore excursion revenues from our EAA brands due to the MENA deployment changes and the nonrecurrence of minimum concessionaire guarantee payments and a litigation settlement that were recognized in 2010. Gross cruise revenues increased \$598 million, or 9.3%, to \$7.0 billion in 2011 from \$6.4 billion in 2010 for principally the same reasons as discussed above.

Net cruise costs excluding fuel increased \$273 million, or 9.2%, to \$3.2 billion in 2011 from \$3.0 billion in 2010. This was primarily driven by our 5.0% capacity increase in ALBDs, which accounted for \$148 million, and a 2.8% increase in constant dollar net cruise costs excluding fuel per ALBD, which accounted for \$87 million. The majority of the 2.8% increase in constant dollar net cruise costs excluding fuel per ALBD was due to the \$44 million gain recognized in 2010 from the sale of *Artemis*. On a constant dollar basis, net cruise costs excluding fuel and the *Artemis* gain per ALBD were up 1.3% compared to 2010 and were driven by inflationary pressures on crew travel, food and other hotel operating expenses.

Fuel costs increased \$216 million, or 26.6%, to \$1.0 billion in 2011 from \$813 million in 2010. This was caused by higher fuel prices, which accounted for \$190 million, and a 5.0% capacity increase in ALBDs, which accounted for \$41 million, partially offset by lower fuel consumption per ALBD.

Gross cruise costs increased \$645 million, or 12.7%, to \$5.7 billion in 2011 from \$5.1 billion in 2010 for principally the same reasons as discussed above.

### **Liquidity, Financial Condition and Capital Resources**

As discussed under Management's Discussion and Analysis of Financial Condition and Results of Operations in our 2010 joint Annual Report on Form 10-K, we believe maintenance of a strong balance sheet, which enhances our financial flexibility and allows us to return free cash flow to shareholders, is the primary objective of our capital structure policy. Our current intention is to have an average of two to three new cruise ships enter service annually in 2012 and beyond. Since we have slowed down the pace of our newbuilding program, we currently believe this will lead to increasing free cash flows in 2012 and beyond. Other objectives of our capital structure policy are to maintain an acceptable level of liquidity with our available cash and cash equivalents and committed financings for immediate and future liquidity needs, and a reasonable debt maturity profile that is spread out over a number of years.

We continue to generate substantial cash from operations and have investment grade credit ratings, which provide us with the ability in most financial credit market environments to obtain debt funding, as required. If our long-term credit rating were to be downgraded or assigned a negative outlook, our access to, and cost of, financing may be negatively impacted. Based on our historical results, current forecast and financial condition, we believe that our existing liquidity and cash flow from future operations will be sufficient to fund all of our expected capital projects (including shipbuilding commitments), debt service requirements, working capital needs and other firm commitments over the next several years. Our forecasted cash flow from operations and access to the capital markets can be adversely impacted by numerous factors outside our control including, but not limited to, those noted under "Cautionary Note Concerning Factors That May Affect Future Results." Although we do not believe we will be required to obtain additional new financings during the remainder of 2011, we may choose to do so if favorable opportunities arise.

At November 30, 2010, the U.S. dollar was \$1.56 to sterling, \$1.32 to the euro and \$0.96 to the Australian dollar. Had these November 30, 2010 currency exchange rates been used to translate our May 31, 2011 non-U.S. dollar functional currency operations' assets and liabilities instead of the May 31, 2011 U.S. dollar exchange rates of \$1.65 to sterling, \$1.43 to the euro and \$1.07 to the Australian dollar, our total assets and liabilities would have been lower by \$1.2 billion and \$415 million, respectively.

### **Sources and Uses of Cash**

Our business provided \$1.8 billion of net cash from operations during the six months ended May 31, 2011 and 2010. Customer deposits and cash provided by our results of operations increased during the six months ended May 31, 2011 compared to the same period in fiscal 2010, but this increase was offset by more cash being used for our other working capital needs.

At May 31, 2011, we had a working capital deficit of \$5.0 billion. This deficit included \$3.7 billion of customer deposits, which represent the passenger revenues we collect in advance of sailing dates and, accordingly, are substantially more like deferred revenue transactions rather than actual current cash liabilities. We use our long-term ship assets to realize a portion of this deferred revenue in addition to consuming current assets. In addition, our May 31, 2011 working capital deficit included \$1.2 billion of current debt obligations, which included \$267 million outstanding under our commercial paper programs and \$897 million outstanding under our export credit facilities, bank loans and other debt. We continue to generate substantial cash from operations and have a strong balance sheet. This strong balance sheet provides us with the ability to meet our current debt obligations as they become due in most financial credit market environments. We also have our principal revolver available to provide long-term rollover financing should the need arise, or we choose to do so. After excluding customer deposits and current debt obligations from our May 31, 2011 working capital deficit balance, our non-GAAP adjusted working capital deficit is only \$190 million. Our business model allows us to operate with an adjusted working capital deficit and, accordingly, we believe we will continue to have an adjusted working capital deficit for the foreseeable future.

During the six months ended May 31, 2011, our expenditures for capital projects were \$1.6 billion, of which \$1.4 billion was spent on our ongoing new shipbuilding program, including \$1.2 billion for the final delivery payments for *AIDAsol*, *Carnival Magic* and *Seabourn Quest*. In addition to our new shipbuilding program, we had capital expenditures of \$156 million for ship improvements and replacements and \$91 million for buildings, information technology and other assets.

During the six months ended May 31, 2011, we repaid a net \$471 million of short-term borrowings in connection with our availability of, and needs for, cash at various times throughout the period. Also, during the six months ended May 31, 2011, we repaid \$320 million of other long-term debt principally for scheduled payments on export credit facilities. In addition, during the six months ended May 31, 2011, we borrowed \$990 million of new other long-term debt under two export credit facilities. Finally, we paid cash dividends of \$277 million during the six months ended May 31, 2011.

### **Future Commitments and Funding Sources**

Our contractual cash obligations as of May 31, 2011 have changed compared to November 30, 2010, primarily as a result of our debt repayments and ship delivery and progress payments as noted above under "Sources and Uses of Cash," as well as entering into a 3,611-passenger capacity newbuild contract for P&O Cruises (UK) with the Fincantieri shipyard. At May 31, 2011, the newbuild has an all-in euro-denominated aggregate cost of approximately \$800 million (€155,000 per lower berth or an all-in aggregate cost of €560 million) and is expected to be delivered in February 2015.

At May 31, 2011, we had liquidity of \$5.6 billion. Our liquidity consisted of \$257 million of cash and cash equivalents, excluding cash on hand of \$300 million used for current operations, \$2.4 billion available for borrowing under our revolving credit facilities, net of commercial paper borrowings, and \$2.9 billion under committed ship financings. Of this \$2.9 billion of committed ship financings, \$467 million, \$978 million, \$921 million and \$579 million are scheduled to be funded in the second-half of fiscal 2011 and in fiscal 2012, 2013 and 2014, respectively. Substantially all of our revolving credit facilities are scheduled to mature in 2016. We rely on, and have banking relationships with, numerous large, well-established banks, which we believe will assist us in accessing multiple sources of funding in the event that some lenders are unwilling or unable to lend to us. However, we believe that our revolving credit facilities and committed financings will be honored as required pursuant to their contractual terms.

Substantially all of our debt agreements contain financial covenants as described in Note 5 to the consolidated financial statements, which is included within Exhibit 13 to our 2010 joint Annual Report on Form 10-K. At May 31, 2011, we believe we were in compliance with all of our debt covenants. In addition, based on our forecasted operating results, financial condition and cash flows, we expect to be in compliance with our debt covenants over the next several years. Generally, if an event of default under any debt agreement occurs, then pursuant to cross default acceleration clauses, substantially all of our outstanding debt and derivative contract payables could become due, and all debt and derivative contracts could be terminated.

### **Off-Balance Sheet Arrangements**

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

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

At May 31, 2011, 56%, 41% and 3% (60%, 37% and 3% at November 30, 2010) of our debt was U.S. dollar, euro and sterling-denominated, respectively, including the effect of foreign currency forwards.

For a further discussion of our market risks, see Note 7 in the accompanying consolidated financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations within Exhibit 13 to our joint 2010 Annual Report on Form 10-K.

**Item 4. Controls and Procedures.**

**A. Evaluation of Disclosure Controls and Procedures**

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

Our Chief Executive Officer, Chief Operating Officer and Chief Financial Officer have evaluated our disclosure controls and procedures and have concluded, as of May 31, 2011, that they are effective as described above.

**B. Changes in Internal Control over Financial Reporting**

There have been no changes in our internal control over financial reporting during the quarter ended May 31, 2011 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

**PART II - OTHER INFORMATION**

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

**A. Repurchase Authorizations**

In June 2006, the Boards of Directors authorized the repurchase of up to an aggregate of \$1 billion of Carnival Corporation common stock and Carnival plc ordinary shares subject to certain restrictions. On September 19, 2007, the Boards of Directors increased the remaining \$578 million general repurchase authorization back to \$1 billion (the "Repurchase Program"). The Repurchase Program does not have an expiration date and may be discontinued by our Boards of Directors at any time. During the six months ended May 31, 2011, there were no repurchases of Carnival Corporation common stock or Carnival plc ordinary shares under the Repurchase Program.

In addition to the Repurchase Program, the Boards of Directors have authorized the repurchase of up to 19.2 million Carnival plc ordinary shares and up to 31.5 million shares of Carnival Corporation common stock under the "Stock Swap" programs described below.

At July 1, 2011, the remaining availability under the Repurchase Program was \$787 million and the remaining availability under the "Stock Swap" program repurchase authorizations were 18.1 million Carnival plc ordinary shares and 31.5 million Carnival Corporation shares. Carnival plc ordinary share repurchases under both the Repurchase Program and the "Stock Swap" authorizations require annual shareholder approval. The existing shareholder approval is limited to a maximum of 21.4 million ordinary shares and is valid until the earlier of the conclusion of the Carnival plc 2012 annual general meeting, or October 12, 2012.

**B. "Stock Swap" Programs**

We use the "Stock Swap" programs in situations where we can obtain an economic benefit because either Carnival Corporation common stock or Carnival plc ordinary shares are trading at a price that is at a premium or discount to the price of Carnival plc ordinary shares or Carnival Corporation common stock, as the case may be. This economic benefit is used for general corporate purposes, which could include repurchasing additional treasury stock under the Repurchase Program.

In the event Carnival Corporation common stock trades at a premium to Carnival plc ordinary shares, we may elect to issue and sell Carnival Corporation common stock through a sales agent, and use the sale proceeds to repurchase Carnival plc ordinary shares in the UK market on at least an equivalent basis. Carnival Corporation may issue and sell up to 19.2 million of its common stock in the U.S. market, which shares are to be sold from time to time at prevailing market prices in ordinary brokers' transactions. Any sales of Carnival Corporation shares have been or will be registered under the Securities Act.

In the event Carnival Corporation common stock trades at a discount to Carnival plc ordinary shares, we may elect to sell existing ordinary shares of Carnival plc, with such sales made by Carnival Corporation or Carnival Investments Limited, a subsidiary of Carnival Corporation, and with a sales agent, from time to time in "at the market" transactions, and use the sale proceeds to repurchase Carnival Corporation common stock in the U.S. market on at least an equivalent basis. Carnival Corporation or Carnival Investments Limited may sell up to 31.5 million Carnival plc ordinary shares in the UK market, which shares are to be sold from time to time at prevailing market prices in ordinary brokers' transactions. Any sales of Carnival plc shares have been or will be registered under the Securities Act.

During the six months ended May 31, 2011, no Carnival Corporation common stock or Carnival plc ordinary shares were sold or repurchased under the "Stock Swap" programs.

**Item 6. Exhibits.****INDEX TO EXHIBITS**

<u>Exhibit Number</u>	<u>Exhibit Description</u>	<u>Incorporated by Reference</u>			<u>Filed/ Furnished Herewith</u>
		<u>Form</u>	<u>Exhibit</u>	<u>Filing Date</u>	
<b><u>Articles of incorporation and by-laws</u></b>					
3.1	Third Amended and Restated Articles of Incorporation of Carnival Corporation.	8-K	3.1	4/17/03	
3.2	Third Amended and Restated By-Laws of Carnival Corporation.	8-K	3.1	4/20/09	
3.3	Articles of Association of Carnival plc.	8-K	3.3	4/20/09	
3.4	Memorandum of Association of Carnival plc.	8-K	3.2	4/20/09	
<b><u>Material contracts</u></b>					
10.1*	Carnival Corporation 2011 Stock Plan.				X
10.2*	Carnival Corporation 2011 Stock Plan Non-Employee Director Restricted Stock Unit Agreement.				X
10.3*	Carnival Corporation 2011 Stock Plan Non-Employee Director Restricted Stock Award Agreement.				X
10.4	Facilities Agreement dated May 18, 2011, among Carnival Corporation, Carnival plc and certain of Carnival Corporation and Carnival plc subsidiaries, Banc of America Securities Limited as facilities agent and a syndicate of financial institutions.				X
<b><u>Statement regarding computations of ratios</u></b>					
12	Ratio of Earnings to Fixed Charges.				X
<b><u>Rule 13a-14(a)/15d-14(a) Certifications</u></b>					
31.1	Certification of Chief Executive Officer of Carnival Corporation pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
31.2	Certification of Chief Operating Officer of Carnival Corporation pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
31.3	Certification of Senior Vice President and Chief Financial Officer of Carnival Corporation pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
31.4	Certification of Chief Executive Officer of Carnival plc pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X

**Item 6. Exhibits.****INDEX TO EXHIBITS**

<u>Exhibit Number</u>	<u>Exhibit Description</u>	<u>Incorporated by Reference</u>			<u>Filed/ Furnished Herewith</u>
		<u>Form</u>	<u>Exhibit</u>	<u>Filing Date</u>	
31.5	Certification of Chief Operating Officer of Carnival plc pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
31.6	Certification of Senior Vice President and Chief Financial Officer of Carnival plc pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
<b><u>Section 1350 Certifications</u></b>					
32.1**	Certification of Chief Executive Officer of Carnival Corporation pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
32.2**	Certification of Chief Operating Officer of Carnival Corporation pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
32.3**	Certification of Senior Vice President and Chief Financial Officer of Carnival Corporation pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
32.4**	Certification of Chief Executive Officer of Carnival plc pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
32.5**	Certification of Chief Operating Officer of Carnival plc pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
32.6**	Certification of Senior Vice President and Chief Financial Officer of Carnival plc pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X

**Item 6. Exhibits.****INDEX TO EXHIBITS**

<u>Exhibit Number</u>	<u>Exhibit Description</u>	<u>Incorporated by Reference</u>			<u>Filed/ Furnished Herewith</u>
		<u>Form</u>	<u>Exhibit</u>	<u>Filing Date</u>	
<b><u>Interactive Data File</u></b>					
101**	The financial statements from Carnival Corporation & plc's joint Quarterly Report on Form 10-Q for the quarter ended May 31, 2011, as filed with the SEC on July 1, 2011 formatted in XBRL, as follows:				
	(i) the Consolidated Statements of Income for the three and six months ended May 31, 2011 and 2010;				X
	(ii) the Consolidated Balance Sheets at May 31, 2011 and November 30, 2010;				X
	(iii) the Consolidated Statements of Cash Flows for the six months ended May 31, 2011 and 2010; and				X
	(iv) the notes to the consolidated financial statements, tagged in summary and detail.				X
*	Indicates a management contract or compensation plan or arrangement.				
**	These items are furnished and not filed.				

**SIGNATURES**

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

**CARNIVAL CORPORATION**

By: /s/ Micky Arison

Micky Arison  
Chairman of the Board of Directors  
and Chief Executive Officer

By: /s/ Howard S. Frank

Howard S. Frank  
Vice Chairman of the Board of  
Directors and Chief Operating Officer

By: /s/ David Bernstein

David Bernstein  
Senior Vice President and  
Chief Financial Officer

Date: July 1, 2011

**CARNIVAL PLC**

By: /s/ Micky Arison

Micky Arison  
Chairman of the Board of Directors  
and Chief Executive Officer

By: /s/ Howard S. Frank

Howard S. Frank  
Vice Chairman of the Board of  
Directors and Chief Operating Officer

By: /s/ David Bernstein

David Bernstein  
Senior Vice President and  
Chief Financial Officer

Date: July 1, 2011

**CARNIVAL CORPORATION  
2011 STOCK PLAN**

**1. Purpose.** The purpose of the Carnival Corporation 2011 Stock Plan is to provide a means through which the members of the Combined Group and their Affiliates may attract and retain key personnel, including the services of experienced and knowledgeable non-executive directors, and to provide a means whereby directors, officers, employees, consultants and advisors (and prospective directors, officers, employees, consultants and advisors) of the members of the Combined Group and their Affiliates can acquire and maintain an interest in the Shares, or be paid incentive compensation, including but not limited to incentive compensation measured by reference to the value of Shares, thereby strengthening their commitment to the welfare of members of the Combined Group and their Affiliates and aligning their interests with those of the holders of the Shares.

**2. Definitions.** The following definitions shall be applicable throughout the Plan.

(a) "Absolute Share Limit" has the meaning given such term in Section 5(b).

(b) "Affiliate" means (i) any person or entity that directly or indirectly controls, is controlled by or is under common control with the Company or Carnival plc and/or (ii) to the extent provided by the Committee, any person or entity in which the Company or Carnival plc has a significant interest. The term "control" (including, with correlative meaning, the terms "controlled by" and "under common control with"), as applied to any person or entity, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person or entity, whether through the ownership of voting or other securities, by contract or otherwise.

(c) "Award" means, individually or collectively, any Incentive Stock Option, Nonqualified Stock Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Unit, Other Stock-Based Award and Performance Compensation Award granted under the Plan. For purposes of Section 5(c) of the Plan, "Award" and "Award under the Plan" shall also mean any stock-based award granted under a Prior Plan and outstanding on the Effective Date.

(d) "Board" means the Board of Directors of the Company.

(e) "Carnival plc" means the entity previously known as P&O Princess Cruises plc, a public limited company incorporated under the laws of England and Wales, and any successor thereto.

(f) "Cause" means, in the case of a particular Award, unless the applicable Award agreement states otherwise, (i) a member of the Combined Group or an Affiliate having "cause" to terminate a Participant's employment or service, as defined in any employment, consulting or any other agreement between the Participant and the Combined Group in effect at the time of such termination or (ii) in the absence of any such employment, consulting or other agreement (or the absence of any definition of "cause" or term of similar import therein), (A) the Participant has failed to reasonably perform his or her duties to the Combined Group, or has failed to follow the lawful instructions of the Board or his or her direct superiors, in each case other than as a result of his or her incapacity due to physical or mental illness or injury, that



could reasonably be expected to result in harm (whether financially, reputationally or otherwise) to the Combined Group (B) the Participant has engaged or is about to engage in conduct harmful (whether financially, reputationally or otherwise) to the Combined Group (C) the Participant having been convicted of, or plead guilty or no contest to, a felony or any crime involving as a material element fraud or dishonesty, (D) the willful misconduct or gross neglect of the Participant that could reasonably be expected to result in harm (whether financially, reputationally or otherwise) to the Combined Group, (E) the willful violation by the Participant of the Combined Group's written policies that could reasonably be expected to result in harm (whether financially, reputationally or otherwise) to the Combined Group; (F) the Participant's fraud or misappropriation, embezzlement or misuse of funds or property belonging to the Combined Group (other than good faith expense account disputes); (G) the Participant's act of personal dishonesty which involves personal profit in connection with the Participant's employment or service with the Combined Group, or (H) the willful breach by the Participant of fiduciary duty owed to the Combined Group, or (I) in the case of a Participant who is a Non-Employee Director, the Participant engaging in any of the activities described in clauses (A) through (H) above; provided, however, that the Participant shall be provided a 10-day period to cure any of the events or occurrences described in the immediately preceding clause (A) hereof, to the extent capable of cure during such 10-day period. References in the preceding sentence to the "Combined Group" shall be deemed to refer to any member of the Combined Group or any Affiliate thereof. Any determination of whether Cause exists shall be made by the Committee in its sole discretion.

(g) "Change in Control" shall, in the case of a particular Award, unless the applicable Award agreement states otherwise or contains a different definition of "Change in Control," be deemed to occur upon:

(i) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act (a "Person")) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more (on a fully diluted basis) of either (A) the then outstanding shares of Common Stock taking into account as outstanding for this purpose such Common Stock issuable upon the exercise of options or warrants, the conversion of convertible stock or debt, and the exercise of any similar right to acquire such Common Stock (the "Outstanding Company Common Stock") or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that for purposes of this Plan, the following acquisitions shall not constitute a Change in Control: (I) any acquisition by the Combined Group or any Affiliate, (II) any acquisition by any employee benefit plan sponsored or maintained by the Combined Group or any Affiliate, (III) any acquisition by Marilyn B. Arison, Micky Arison, Shari Arison, Michael Arison or their spouses or lineal descendants, any trust established for the benefit of any of the aforementioned Arison family members, or any Person directly or indirectly controlling, controlled by or under common control with any of the aforementioned Arison family members or any trust established by any person or entity described in this clause (III), (IV) any acquisition which complies with clauses (A), (B) and (C) of subsection (v) of this Section 2(g), or (V) in respect of an Award held by a particular Participant, any acquisition by the Participant or any group of persons including the Participant (or any entity controlled by the Participant or any group of persons including the Participant) (persons described in clauses (I), (II), (III) (IV) and (V) being referred to hereafter as "Excluded Persons");

(ii) individuals who, during any consecutive 12-month period, constitute the Board (the “Incumbent Directors”) cease for any reason to constitute at least a majority of the Board, provided, that any person becoming a director subsequent to the date hereof, whose election or nomination for election was approved by a vote of at least two-thirds of the Incumbent Directors then on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without written objection to such nomination) shall be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest, as such terms are used in Rule 14a-12 of Regulation 14A promulgated under the Exchange Act, with respect to directors or as a result of any other actual or threatened solicitation of proxies or consents by or on behalf of any person other than the Board shall be deemed to be an Incumbent Director;

(iii) the approval by the shareholders of the Company of a plan of complete dissolution or liquidation of the Company; or

(iv) the consummation of a reorganization, recapitalization, merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company (a “Business Combination”), or sale, transfer or other disposition of all or substantially all of the business or assets of the Company to an entity that is not an Affiliate of the Company (a “Sale”), that in each case requires the approval of the Company’s stockholders (whether for such Business Combination or Sale or the issuance of securities in such Business Combination or Sale), unless immediately following such Business Combination or Sale: (A) more than 50% of the total voting power of (x) the entity resulting from such Business Combination or the entity which has acquired all or substantially all of the business or assets of the Company in a Sale (in either case, the “Surviving Company”), or (y) if applicable, the ultimate parent entity that directly or indirectly has beneficial ownership of sufficient voting securities eligible to elect a majority of the board of directors (or the analogous governing body) of the Surviving Company (the “Parent Company”), is represented by the Outstanding Company Voting Securities that were outstanding immediately prior to such Business Combination or Sale (or, if applicable, is represented by shares into which the Outstanding Company Voting Securities were converted pursuant to such Business Combination or Sale), and such voting power among the holders thereof is in substantially the same proportion as the voting power of the Outstanding Company Voting Securities among the holders thereof immediately prior to the Business Combination or Sale, (B) no Person (other than any Excluded Person or any employee benefit plan sponsored or maintained by the Surviving Company or the Parent Company), is or becomes the beneficial owner, directly or indirectly, of 50% or more of the total voting power of the outstanding voting securities eligible to elect members of the board of directors (or the analogous governing body) of the Parent Company (or, if there is no Parent Company, the Surviving Company) and (C) at least a majority of the members of the board of directors (or the analogous governing body) of the Parent Company (or, if there is no Parent Company, the Surviving Company) following the consummation of the Business Combination or Sale were Board members at the time of the Board’s approval of the execution of the initial agreement providing for such Business Combination or Sale.

Notwithstanding the foregoing, the Committee may determine that a transaction or series of transactions pursuant to which (x) the Company is acquired by or otherwise becomes a subsidiary of or merges, consolidates or amalgamates with Carnival plc or (y) Carnival plc is acquired by or otherwise becomes a subsidiary of or merges, consolidates or amalgamates with the Company, shall not be a Change in Control.

(h) “Code” means the Internal Revenue Code of 1986, as amended, and any successor thereto. Reference in the Plan to any section of the Code shall be deemed to include any regulations or other interpretative guidance under such section, and any amendments or successor provisions to such section, regulations or guidance.

(i) “Combined Group” means the Company and Carnival plc and any successor thereto.

(j) “Committee” means the Compensation Committee of the Board or subcommittee thereof if required with respect to actions taken to obtain the exception for performance-based compensation under Section 162(m) of the Code or to comply with Rule 16b-3 of the Exchange Act in respect of Awards or, if no such Compensation Committee or subcommittee thereof exists, the Board.

(k) “Common Stock” means the common stock, par value \$0.01 per share, of the Company (and any stock or other securities into which such common stock may be converted or into which it may be exchanged).

(l) “Company” means Carnival Corporation, a corporation organized under the laws of the Republic of Panama, and any successor thereto.

(m) “Date of Grant” means the date on which the granting of an Award is authorized, or such other date as may be specified in such authorization or, if there is no such date, the date indicated on the applicable Award agreement.

(n) “Detrimental Activity” means any of the following: (i) unauthorized disclosure of any confidential or proprietary information of the Combined Group, (ii) any activity that would be grounds to terminate the Participant’s employment or service with the Combined Group for Cause, (iii) whether in writing or orally, maligning, denigrating or disparaging the Combined Group or their respective predecessors and successors, or any of the current or former directors, officers, employees, shareholders, partners, members, agents or representatives of any of the foregoing, with respect to any of their respective past or present activities, or otherwise publishing (whether in writing or orally) statements that tend to portray any of the aforementioned persons or entities in an unfavorable light, or (iv) the breach of any noncompetition, nonsolicitation or other agreement containing restrictive covenants, with the Combined Group. For purposes of the preceding sentence the phrase “the Combined Group” shall mean “any member of the Combined Group or any Affiliate”.

(o) “Disability” means, unless in the case of a particular Award the applicable Award agreement states otherwise, a member of the Combined Group or an Affiliate having cause to terminate a Participant’s employment or service on account of “disability,” as defined in any then-existing employment, consulting or other similar agreement between the Participant and a member of the Combined Group or an Affiliate or, in the absence of such an employment, consulting or other similar agreement, a Participant’s total disability as defined below and (to the extent required by Code Section 409A) determined in a manner consistent with Code Section 409A and the regulations thereunder:

(i) The Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months.

(ii) A Participant will be deemed to have suffered a Disability if determined to be totally disabled by the Social Security Administration. In addition, the Participant will be deemed to have suffered a Disability if determined to be disabled in accordance with a disability insurance program maintained by the Company.

(p) “Effective Date” means April 13, 2011, if approved by the stockholders of the Company at the annual meeting of stockholders held on such day.

(q) “Eligible Director” means a person who is (i) a “non-employee director” within the meaning of Rule 16b-3 under the Exchange Act, (ii) an “outside director” within the meaning of Section 162(m) of the Code and (iii) an “independent director” under the rules of the NYSE or any other securities exchange or inter-dealer quotation system on which the Common Stock is listed or quoted, or a person meeting any similar requirement under any successor rule or regulation.

(r) “Eligible Person” means any (i) individual regularly employed by a member of the Combined Group or an Affiliate who has received written notification from the Committee, or from a person designated by the Committee, that he or she has been selected to participate in the Plan; provided, however, that no such individual covered by a collective bargaining agreement shall be an Eligible Person unless and only to the extent that such eligibility is set forth in such collective bargaining agreement or in an agreement or instrument relating thereto; (ii) director or officer of a member of the Combined Group or an Affiliate; (iii) consultant or advisor to a member of the Combined Group or an Affiliate who may be offered securities registrable pursuant to a registration statement on Form S-8 under the Securities Act (which, as of the Effective Date, includes only those who (A) are natural persons and (B) provide bona fide services to a member of the Combined Group or its Affiliates other than in connection with the offer or sale of securities in a capital-raising transaction, and do not directly or indirectly promote or maintain a market for the Company’s securities); or (iv) any prospective employee, director, officer, consultant or advisor who has accepted an offer of employment or consultancy from a member of the Combined Group or its Affiliates (and would satisfy the provisions of clauses (i) through (iii) above once he or she begins employment with or providing services to a member of the Combined Group or any of its Affiliates), who, in the case of each of clauses (i) through (iv) above has entered into an Award agreement or who has received written notification from the Committee or its designee that he or she has been selected to participate in the Plan. Solely for purposes of this Section 2(r), “Affiliate” shall be limited to, with respect to each member of the Combined Group, (1) a Subsidiary, (2) any parent corporation within the meaning of Section 424(e) of the Code (“Parent”), (3) any corporation, trade or business 50% or more of the combined voting power of such entity’s outstanding securities is directly or indirectly controlled by the member or any Subsidiary or Parent of the member, (4) any corporation, trade or business which directly or indirectly controls 50% or more of the combined voting power of its outstanding securities and (5) any other entity in which the member or any Subsidiary or Parent of the member has a material equity interest and which is designated as an “Affiliate” by the Committee.

(s) “Exchange Act” means the Securities Exchange Act of 1934, as amended, and any successor thereto. Reference in the Plan to any section of (or rule promulgated under) the Exchange Act shall be deemed to include any rules, regulations or other interpretative guidance under such section or rule, and any amendments or successor provisions to such section, rules, regulations or guidance.

(t) “Exercise Price” has the meaning given such term in Section 7(b) of the Plan.

(u) “Fair Market Value” means, on a given date, (i) if the Shares are listed on a national securities exchange, the closing sales price of the Shares reported on the primary exchange on which the Shares are listed and traded on such date, or, if there are no such sales on that date, then on the last preceding date on which such sales were reported; (ii) if the Shares are not listed on any national securities exchange but are quoted in an inter-dealer quotation system on a last sale basis, the average between the closing bid price and ask price reported on such date, or, if there is no such sale on that date, then on the last preceding date on which a sale was reported; or (iii) if the Shares are not listed on a national securities exchange or quoted in an inter-dealer quotation system on a last sale basis, the amount determined by the Committee in good faith to be the fair market value of the Shares computed in accordance with applicable regulations of the Internal Revenue Service.

(v) “Immediate Family Members” shall have the meaning set forth in Section 15(b).

(w) “Incentive Stock Option” means an Option which is designated by the Committee as an incentive stock option as described in Section 422 of the Code and otherwise meets the requirements set forth in the Plan.

(x) “Indemnifiable Person” shall have the meaning set forth in Section 4(f) of the Plan.

(y) “Negative Discretion” shall mean the discretion authorized by the Plan to be applied by the Committee to eliminate or reduce the size of a Performance Compensation Award consistent with Section 162(m) of the Code.

(z) “Nonqualified Stock Option” means an Option which is not designated by the Committee as an Incentive Stock Option.

(aa) “Non-Employee Director” means a member of the Board who is not an employee of a member of the Combined Group or any Affiliate.

(bb) “NYSE” means the New York Stock Exchange.

(cc) “Option” means an Award granted under Section 7 of the Plan.

(dd) “Option Period” has the meaning given such term in Section 7(c) of the Plan.

(ee) “Other Stock-Based Award” means an Award granted under Section 10 of the Plan.

(ff) “Pairing Agreement” means the Pairing Agreement, dated April 17, 2003, among Carnival Corporation, The Law Debenture Trust Corporation (Cayman) Limited, as trustee of the Carnival plc Special Voting Trust, and Sun Trust Bank, as transfer agent, as it may be amended from time to time.

(gg) “Participant” means an Eligible Person who pursuant to Section 5 of the Plan has been selected by the Committee to participate in the Plan and to receive an Award.

(hh) “Performance Compensation Award” shall mean any Award designated by the Committee as a Performance Compensation Award pursuant to Section 11 of the Plan.

(ii) "Performance Criteria" shall mean the criterion or criteria that the Committee shall select for purposes of establishing the Performance Goal(s) for a Performance Period with respect to any Performance Compensation Award under the Plan.

(jj) "Performance Formula" shall mean, for a Performance Period, the one or more objective formulae applied against the relevant Performance Goal to determine, with regard to the Performance Compensation Award of a particular Participant, whether all, some portion but less than all, or none of the Performance Compensation Award has been earned for the Performance Period.

(kk) "Performance Goals" shall mean, for a Performance Period, the one or more goals established by the Committee for the Performance Period based upon the Performance Criteria.

(ll) "Performance Period" shall mean the one or more periods of time of not less than 12 months, as the Committee may select, over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to, and the payment of, a Performance Compensation Award.

(mm) "Permitted Transferee" shall have the meaning set forth in Section 15(b) of the Plan.

(nn) "Person" has the meaning given such term in the definition of "Change in Control".

(oo) "Plan" means this Carnival Corporation 2011 Stock Plan, as amended.

(pp) "Prior Plan" shall mean, as amended from time to time, each of the Carnival Corporation 2002 Stock Plan and the Carnival Corporation Amended and Restated 2001 Outside Director Stock Plan.

(qq) "Released Unit" shall have the meaning assigned to it in Section 9(e).

(rr) "Restricted Period" means the period of time determined by the Committee during which an Award is subject to restrictions or, as applicable, the period of time within which performance is measured for purposes of determining whether an Award has been earned.

(ss) "Restricted Stock" means Shares, subject to forfeiture and certain specified restrictions (including, without limitation, a requirement that the Participant remain continuously employed or provide continuous services for a specified period of time), granted under Section 8 of the Plan.

(tt) "Restricted Stock Unit" means an unfunded and unsecured promise to deliver Shares, cash, other securities or other property, subject to certain restrictions (including, without limitation, a requirement that the Participant remain continuously employed or provide continuous services for a specified period of time), granted under Section 9 of the Plan.

(uu) "Retirement" means a termination of employment with a member of the Combined Group and all Affiliates by a Participant on or after the Participant's Retirement Age.

(vv) “Retirement Age” means, unless determined otherwise by the Committee, attainment of the earlier of (i) age 65 with at least five years of employment with a member of the Combined Group and/or its Affiliates or (ii) age 60 with at least 15 years of employment with a member of the Combined Group and/or its Affiliates.

(ww) “SAR Period” has the meaning given such term in Section 8(c) of the Plan.

(xx) “Securities Act” means the Securities Act of 1933, as amended, and any successor thereto. Reference in the Plan to any section of (or rule promulgated under) the Securities Act shall be deemed to include any rules, regulations or other interpretative guidance under such section or rule, and any amendments or successor provisions to such section, rules, regulations or guidance.

(yy) “Share” means the aggregate of one share of Common Stock and one Trust Share.

(zz) “Stock Appreciation Right” or “SAR” means an Award granted under Section 8 of the Plan.

(aaa) “Strike Price” has the meaning given such term in Section 8(b) of the Plan.

(bbb) “Subsidiary” means, with respect to any specified Person:

(i) any corporation, association or other business entity of which more than 50% of the total voting power of the then outstanding voting securities (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders’ agreement that effectively transfers voting power) is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(ii) any partnership (or any comparable foreign entity) (A) the sole general partner (or functional equivalent thereof) or the managing general partner of which is such Person or Subsidiary of such Person or (B) the only general partners (or functional equivalents thereof) of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

(ccc) “Substitute Award” has the meaning given such term in Section 5(e).

(ddd) “Trust Share” shall have the meaning assigned to it in the Pairing Agreement.

**3. Effective Date; Duration and Shareholder Approval.** The Plan shall be effective as of the Effective Date. The expiration date of the Plan, on and after which date no Awards may be granted hereunder, shall be the tenth anniversary of the Effective Date; provided, however, that such expiration shall not affect Awards then outstanding, and the terms and conditions of the Plan shall continue to apply to such Awards.

**4. Administration.** (a) The Committee shall administer the Plan. The majority of the members of the Committee shall constitute a quorum. The acts of a majority of the members present at any meeting at which a quorum is present or acts approved in writing by a majority of the Committee shall be deemed the acts of the Committee. To the extent required to comply with the provisions of Rule 16b-3 promulgated under the Exchange Act (if the Board is not acting as

the Committee under the Plan) or necessary to obtain the exception for performance-based compensation under Section 162(m) of the Code, or any exception or exemption under the rules of the NYSE or any other securities exchange or inter-dealer quotation system on which the Common Stock is listed or quoted, as applicable, it is intended that each member of the Committee shall, at the time he or she takes any action with respect to an Award under the Plan, be an Eligible Director. However, the fact that a Committee member shall fail to qualify as an Eligible Director shall not invalidate any Award granted or action taken by the Committee that is otherwise validly granted or taken under the Plan.

(b) Subject to the provisions of the Plan and applicable law, the Committee shall have the sole and plenary authority, in addition to other express powers and authorizations conferred on the Committee by the Plan, to: (i) designate Participants; (ii) determine the type or types of Awards to be granted to a Participant; (iii) determine the number of Shares to be covered by, or with respect to which payments, rights or other matters are to be calculated in connection with, Awards; (iv) determine the terms and conditions of any Award; (v) determine whether, to what extent and under what circumstances Awards may be settled or exercised in cash, Shares, other securities, other Awards or other property or canceled, forfeited or suspended, and the method or methods by which Awards may be settled, exercised, canceled, forfeited or suspended; (vi) determine whether, to what extent and under what circumstances the delivery of cash, Shares, other securities, other Awards or other property and other amounts payable with respect to an Award shall be deferred, either automatically or at the election of the Participant or the Committee; (vii) interpret, administer, reconcile any inconsistency in, correct any defect in and/or supply any omission in the Plan and any instrument or agreement relating to, or Award granted under, the Plan; (viii) establish, amend, suspend or waive any rules and regulations and appoint such agents as the Committee shall deem appropriate for the proper administration of the Plan; and (ix) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan.

(c) Except to the extent prohibited by applicable law or the applicable rules and regulations of any securities exchange or inter-dealer quotation system on which the Shares or any successor securities of the Company are listed or traded, the Committee may allocate all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its responsibilities and powers to any person or persons selected by it. Any such allocation or delegation may be revoked by the Committee at any time. Without limiting the generality of the foregoing, the Committee may delegate to one or more officers of any member of the Combined Group or any Affiliate the authority to act on behalf of the Committee with respect to any matter, right, obligation or election which is the responsibility of or which is allocated to the Committee herein, and which may be so delegated as a matter of law, except for grants of Awards to persons (i) who are non-employee members of the Board or otherwise are subject to Section 16 of the Exchange Act or (ii) who are, or who are reasonably expected to be, "covered employees" for purposes of Section 162(m) of the Code.

(d) The Committee shall have the authority to amend the Plan (including by the adaptation of appendices or subplans) and/or the terms and conditions relating to an Award to the extent necessary to permit participation in the Plan by Eligible Persons who are located outside of the United States on terms and conditions comparable to those afforded to Eligible Persons located within the United States; provided, however, that no such action shall be taken without shareholder approval if such approval is necessary to comply with any tax or regulatory requirement applicable to the Plan (including as necessary to prevent the Company from being denied a tax deduction on account of Section 162(m) of the Code).



(e) Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations and other decisions under or with respect to the Plan or any Award or any documents evidencing Awards granted pursuant to the Plan shall be within the sole discretion of the Committee, may be made at any time and shall be final, conclusive and binding upon all persons or entities, including, without limitation, each member of the Combined Group, each Affiliate, any Participant, any holder or beneficiary of any Award and any stockholder.

(f) No member of the Board, the Committee or any employee or agent of any member of the Combined Group or an Affiliate (each such person, an “Indemnifiable Person”) shall be liable for any action taken or omitted to be taken or any determination made with respect to the Plan or any Award hereunder (unless constituting fraud or a willful criminal act or omission). Each Indemnifiable Person shall be indemnified and held harmless by the Company against and from any loss, cost, liability or expense (including attorneys’ fees) that may be imposed upon or incurred by such Indemnifiable Person in connection with or resulting from any action, suit or proceeding to which such Indemnifiable Person may be a party or in which such Indemnifiable Person may be involved by reason of any action taken or omitted to be taken or determination made under the Plan or any Award agreement and against and from any and all amounts paid by such Indemnifiable Person with the Company’s approval, in settlement thereof, or paid by such Indemnifiable Person in satisfaction of any judgment in any such action, suit or proceeding against such Indemnifiable Person, and the Company shall advance to such Indemnifiable Person any such expenses promptly upon written request (which request shall include an undertaking by the Indemnifiable Person to repay the amount of such advance if it shall ultimately be determined as provided below that the Indemnifiable Person is not entitled to be indemnified); provided, that the Company shall have the right, at its own expense, to assume and defend any such action, suit or proceeding and once the Company gives notice of its intent to assume the defense, the Company shall have sole control over such defense with counsel of the Company’s choice. The foregoing right of indemnification shall not be available to an Indemnifiable Person to the extent that a final judgment or other final adjudication (in either case not subject to further appeal) binding upon such Indemnifiable Person determines that the acts or omissions or determinations of such Indemnifiable Person giving rise to the indemnification claim resulted from such Indemnifiable Person’s fraud or willful criminal act or omission or that such right of indemnification is otherwise prohibited by law or by the Company’s Certificate of Incorporation or Bylaws. The foregoing right of indemnification shall not be exclusive of or otherwise supersede any other rights of indemnification to which such Indemnifiable Persons may be entitled under any member of the Combined Group’s Certificate of Incorporation or Bylaws, as a matter of law, individual indemnification agreement or contract or otherwise, or any other power that any member of the Combined Group or Affiliate may have to indemnify such Indemnifiable Persons or hold them harmless.

(g) Notwithstanding anything to the contrary contained in the Plan, the Board may, in its sole discretion, at any time and from time to time, grant Awards and administer the Plan with respect to such Awards. Any such actions by the Board shall be subject to the applicable rules of the NYSE or any other securities exchange or inter-dealer quotation system on which the Shares are listed or quoted. In any such case, the Board shall have all the authority granted to the Committee under the Plan.

**5. Grant of Awards; Shares Subject to the Plan; Limitations.** (a) The Committee may from time to time grant Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Other Stock-Based Awards and/or Performance Compensation Awards to one or more Eligible Persons.

(b) Awards granted under the Plan shall be subject to the following limitations: (i) subject to Section 12 of the Plan, no more than 15,000,000 Shares (the “Absolute Share Limit”) shall be available for Awards under the Plan; (ii) subject to Section 12 of the Plan, grants of Options or SARs in respect of no more than 3,000,000 Shares may be made to any individual Participant during any period of 36 consecutive months; (iii) subject to Section 12 of the Plan, no more than the number of Shares equal to the Absolute Share Limit may be delivered in the aggregate pursuant to the exercise of Incentive Stock Options granted under the Plan; (iv) subject to Section 12 of the Plan, no more than 1,000,000 Shares may be delivered in respect of Performance Compensation Awards denominated in Shares granted pursuant to Section 11 of the Plan to any individual Participant for a single fiscal year during a Performance Period (or with respect to each single fiscal year in the event a Performance Period extends beyond a single fiscal year), or in the event such Performance Compensation Award is paid in cash, other securities, other Awards or other property, no more than the Fair Market Value of such Shares on the last day of the Performance Period to which such Award relates; and (v) the maximum amount that can be paid to any individual Participant for a single fiscal year during a Performance Period (or with respect to each single fiscal year in the event a Performance Period extends beyond a single fiscal year) pursuant to a Performance Compensation Award denominated in cash (described in Section 11(a) of the Plan) shall be \$10,000,000.

(c) Shares tendered or withheld on the exercise of Options or other Awards for the payment of the exercise or purchase price or withholding taxes, Shares not issued upon the settlement of a SAR that settles in Shares, and Shares subject to Awards that are not actually delivered (or that are settled in cash), shall again become available for other Awards under the Plan; provided, however, that in no event shall such Shares increase the number of Shares that may be delivered pursuant to Incentive Stock Options granted under the Plan. If and to the extent an Award under the Plan or any Prior Plan expires, terminates or is canceled or forfeited for any reason whatsoever, the Shares covered by such Award shall again become available for other Awards under the Plan.

(d) Shares delivered by the Company in settlement of Awards may be authorized and unissued Shares, Shares held in the treasury of the Company, Shares purchased on the open market or by private purchase or a combination of the foregoing. Following the Effective Date, no further awards shall be granted under any Prior Plan.

(e) Awards may, in the sole discretion of the Committee, be granted under the Plan in assumption of, or in substitution for, outstanding awards previously granted by an entity directly or indirectly acquired by the Company or with which the Company combines (“Substitute Awards”). Substitute Awards shall not be counted against the Absolute Share Limit; provided, that Substitute Awards issued in connection with the assumption of, or in substitution for, outstanding options intended to qualify as “incentive stock options” within the meaning of Section 422 of the Code shall be counted against the aggregate number of Shares available for Awards of Incentive Stock Options under the Plan. Subject to applicable stock exchange requirements, available shares under a stockholder approved plan of an entity directly or indirectly acquired by the Company or with which the Company combines (as appropriately adjusted to reflect the acquisition or combination transaction) may be used for Awards under the Plan and shall not reduce the number of Shares available for delivery under the Plan.

**6. Eligibility.** Participation shall be limited to Eligible Persons.

**7. Options.** (a) Generally. Each Option granted under the Plan shall be evidenced by an Award agreement. Each Option so granted shall be subject to the conditions set forth in this Section 7 and to such other conditions not inconsistent with the Plan as may be reflected in the applicable Award agreement. All Options granted under the Plan shall be Nonqualified Stock Options unless the applicable Award agreement expressly states that the Option is intended to be an Incentive Stock Option. Incentive Stock Options shall be granted only to Eligible Persons who are employees of a member of the Combined Group or any Subsidiary of such member, and no Incentive Stock Option shall be granted to any Eligible Person who is ineligible to receive an Incentive Stock Option under the Code. No Option shall be treated as an Incentive Stock Option unless the Plan has been approved by the stockholders of the Company in a manner intended to comply with the stockholder approval requirements of Section 422(b)(1) of the Code, provided, that any Option intended to be an Incentive Stock Option shall not fail to be effective solely on account of a failure to obtain such approval, but rather such Option shall be treated as a Nonqualified Stock Option unless and until such approval is obtained. In the case of an Incentive Stock Option, the terms and conditions of such grant shall be subject to and comply with such rules as may be prescribed by Section 422 of the Code. If for any reason an Option intended to be an Incentive Stock Option (or any portion thereof) shall not qualify as an Incentive Stock Option, then, to the extent of such nonqualification, such Option or portion thereof shall be regarded as a Nonqualified Stock Option appropriately granted under the Plan.

(b) Exercise Price. Except as otherwise provided by the Committee in the case of Substitute Awards, the exercise price (“Exercise Price”) per Share for each Option shall not be less than 100% of the Fair Market Value of such share (determined as of the Date of Grant). Any modification to the Exercise Price of an outstanding Option shall be subject to the prohibition on repricing set forth in Section 14(b).

(c) Vesting and Expiration. Options shall vest and become exercisable in such manner and on such date or dates determined by the Committee and shall expire after such period, not to exceed ten years, as may be determined by the Committee (the “Option Period”); provided, however, that notwithstanding any vesting dates set by the Committee, the Committee may, in its sole discretion, accelerate the exercisability of any Option, which acceleration shall not affect the terms and conditions of such Option other than with respect to exercisability; provided, further, that if the Option Period (other than in the case of an Incentive Stock Option) would expire at a time when trading in the Shares is prohibited by the Company’s insider trading policy (or Company-imposed “blackout period”), the Option Period shall be automatically extended until the 30<sup>th</sup> day following the expiration of such prohibition; provided, however, that in no event shall the Option Period exceed five years from the Date of Grant in the case of an Incentive Stock Option granted to a Participant who on the Date of Grant owns stock representing more than 10% of the voting power of all classes of stock of the Company or any Affiliate.

Unless otherwise stated in the applicable Award agreement, an Option shall expire earlier than the end of the Option Period in the following circumstances:

(i) If prior to the end of the Option Period, the Participant’s employment or service with each member of the Combined Group and all Affiliates is terminated without Cause or by the Participant for any reason other than Retirement, the Option shall expire on the earlier of the last day of the Option Period or the date that is three months after the date of such termination; provided, however, that any Participant whose employment or service with a member of the Combined Group or any Affiliate is terminated and who is subsequently rehired or reengaged by a member of the Combined Group or any Affiliate within three months following such termination and prior to the expiration of the Option shall not be considered to have undergone a termination. In the event of a termination described in this clause (i), the Option shall remain exercisable by the Participant until its expiration only to the extent the Option was exercisable at the time of such termination.

(ii) If the Participant dies or is terminated on account of Disability prior to the end of the Option Period and while still in the employ or service of a member of the Combined Group or an Affiliate, or dies following a termination described in clause (i) above but prior to the expiration of an Option, the Option shall expire on the earlier of the last day of the Option Period or the date that is one year after the date of death or termination on account of Disability of the Participant, as applicable. In such event, the Option shall remain exercisable by the Participant or his or her beneficiary determined in accordance with Section 15(g), as applicable, until its expiration only to the extent the Option was exercisable by the Participant at the time of such event.

(iii) If the Participant ceases employment or service with a member of the Combined Group or any Affiliates due to a termination for Cause, the Option shall expire immediately upon such cessation of employment or service.

(iv) If the Participant terminates by reason of Retirement prior to the end of the Option Period, the Option shall (i) expire at the end of the Option Period and (ii) continue vesting in accordance with the vesting schedule set forth in the Award agreement, without regard to any requirement in such vesting schedule that the Participant remain employed with a member of the Combined Group or an Affiliate as a condition to vesting.

(v) If the Participant's employment or service ceases on account of Disability at a time when the Participant has attained the age and service requirements for Retirement, the Participant shall receive the better of the treatment under clause (ii) and clause (iv) above.

(vi) Notwithstanding (i), (ii), (iii), (iv) or (v) above, if a Participant is a member of the Board, upon the Participant's ceasing to be a member of the Board due to death or Disability, all unvested Options shall immediately vest and become exercisable and all vested Options (including after giving effect to such accelerated vesting) shall continue to be exercisable by the Participant or the Participant's estate, as applicable, until the earlier to occur of (i) the original expiration date of such Option, and (ii) one year from such cessation, provided, however, that upon a Participant's ceasing to be a member of the Board for any reason other than death or Disability, all unvested Options shall continue to vest in accordance with their initial terms, and all vested Options shall continue to be exercisable until the original expiration date of such Option; provided, further, that if the Participant ceases to be a member of the Board prior to serving in such capacity for one year, all of such Participant's Options shall immediately expire upon such termination.

(d) Other Terms and Conditions. Except as specifically provided otherwise in an Award agreement, each Option granted under the Plan shall be subject to the following terms and conditions:

(i) Each Option or portion thereof that is exercisable shall be exercisable for the full amount or for any part thereof.

(ii) Each Share purchased through the exercise of an Option shall be paid for in full at the time of the exercise. Each Option shall cease to be exercisable, as to any Share, when the Participant purchases the Share or when the Option expires.

(iii) Subject to Section 15(b), Options shall not be transferable by the Participant except by will or the laws of descent and distribution and shall be exercisable during the Participant's lifetime only by the Participant.

(iv) At the time of any exercise of an Option, the Committee may, in its sole discretion, require a Participant to deliver to the Committee a written representation that the Shares to be acquired upon such exercise are to be acquired for investment and not for resale or with a view to the distribution thereof. Upon such a request by the Committee, delivery of such representation prior to the delivery of any Shares issued upon exercise of an Option shall be a condition precedent to the right of the Participant or such other person to purchase any Shares. In the event certificates for Shares are delivered under the Plan with respect to which such investment representation has been obtained, the Committee may cause a legend or legends to be placed on such certificates to make appropriate reference to such representation and to restrict transfer in the absence of compliance with applicable federal or state securities laws.

(v) Except as specifically provided otherwise in an Award agreement, any Participant who is classified as a "shipboard employee," and who has not otherwise evidenced a specific intent to permanently terminate his employment with each member of the Combined Group and all Affiliates (as reasonably determined by the Committee) shall not be considered to have terminated employment with each member of the Combined Group and all Affiliates until a six-month period has expired from his signing off of a ship without physically signing on to another ship.

(e) Method of Exercise and Form of Payment. No Shares shall be delivered pursuant to any exercise of an Option until payment in full of the Exercise Price therefor is received by the Company and the Participant has paid to the Company an amount equal to any Federal, state, local and non-U.S. income and employment taxes required to be withheld. Options which have become exercisable may be exercised by delivery of written notice (or electronic notice or telephonic instructions to the extent provided by the Committee) of exercise to the Company or its designee (including a third party administrator) in accordance with the terms of the Option accompanied by payment of the Exercise Price. The Exercise Price shall be payable (i) in cash, check, cash equivalent and/or Shares valued at the Fair Market Value at the time the Option is exercised (including, pursuant to procedures approved by the Committee, by means of attestation of ownership of a sufficient number of Shares in lieu of actual delivery of such shares to the Company or such other method as determined by the Committee); provided, that such Shares are not subject to any pledge or other security interest; or (ii) by such other method as the Committee may permit in its sole discretion, including without limitation: (A) in other property having a fair market value on the date of exercise equal to the Exercise Price or (B) if there is a public market for the Shares at such time, by means of a broker-assisted "cashless exercise" pursuant to which the Company is delivered (including telephonically to the extent permitted by the Committee) a copy of irrevocable instructions to a stockbroker to sell the Shares otherwise deliverable upon the exercise of the Option and to deliver promptly to the Company an amount equal to the Exercise Price or (C) a "net exercise" procedure effected by withholding the minimum number of Shares otherwise deliverable in respect of an Option that are needed to pay the Exercise Price and all applicable required withholding taxes.

(f) Notification upon Disqualifying Disposition of an Incentive Stock Option. Each Participant awarded an Incentive Stock Option under the Plan shall notify the Company in writing immediately after the date he or she makes a disqualifying disposition of any Shares acquired pursuant to the exercise of such Incentive Stock Option. A disqualifying disposition is

any disposition (including, without limitation, any sale) of such Shares before the later of (A) two years after the Date of Grant of the Incentive Stock Option or (B) one year after the date of exercise of the Incentive Stock Option. The Company may, if determined by the Committee and in accordance with procedures established by the Committee, retain possession, as agent for the applicable Participant, of any Shares acquired pursuant to the exercise of an Incentive Stock Option until the end of the period described in the preceding sentence, subject to complying with any instructions from such Participant as to the sale of such Share.

(g) Compliance With Laws, etc. Notwithstanding the foregoing, in no event shall a Participant be permitted to exercise an Option in a manner which the Committee determines would violate the Sarbanes-Oxley Act of 2002, or any other applicable law or the applicable rules and regulations of the Securities and Exchange Commission or the applicable rules and regulations of any securities exchange or inter-dealer quotation system on which the securities of the Company are listed or traded.

(h) Incentive Stock Option Grants to 10% Shareholders. Notwithstanding anything to the contrary in this Section 7, if an Incentive Stock Option is granted to a Participant who owns stock representing more than ten percent of the voting power of all classes of stock of the Company or of a Subsidiary or a parent of the Company, the Option Period shall not exceed five years from the Date of Grant of such Option and the Option Price shall be at least 110 percent of the Fair Market Value (on the Date of Grant) of the Shares subject to the Option.

(i) \$100,000 Per Year Limitation for Incentive Stock Options. To the extent the aggregate Fair Market Value (determined as of the Date of Grant) of Shares for which Incentive Stock Options are exercisable for the first time by any Participant during any calendar year (under all plans of the Company) exceeds \$100,000, such excess Incentive Stock Options shall be treated as Nonqualified Stock Options.

**8. Stock Appreciation Rights.** (a) Generally. Each SAR granted under the Plan shall be evidenced by an Award agreement. Each SAR so granted shall be subject to the conditions set forth in this Section 8, and to such other conditions not inconsistent with the Plan as may be reflected in the applicable Award agreement. Any Option granted under the Plan may include tandem SARs. The Committee also may award SARs to Eligible Persons independent of any Option.

(b) Strike Price. Except as otherwise provided by the Committee in the case of Substitute Awards, the strike price ("Strike Price") per Share for each SAR shall not be less than 100% of the Fair Market Value of such share (determined as of the Date of Grant). Notwithstanding the foregoing, a SAR granted in tandem with (or in substitution for) an Option previously granted shall have a Strike Price equal to the Exercise Price of the corresponding Option. Any modification to the Strike Price of an outstanding SAR shall be subject to the prohibition on repricing set forth in Section 14(b).

(c) Vesting and Expiration. A SAR granted in connection with an Option shall become exercisable and shall expire according to the same vesting schedule and expiration provisions as the corresponding Option. A SAR granted independent of an Option shall vest and become exercisable and shall expire in such manner and on such date or dates determined by the Committee and shall expire after such period, not to exceed ten years, as may be determined by the Committee (the "SAR Period"); provided, that if the SAR Period would expire at a time when trading in the Shares is prohibited by a member of the Combined Group's insider trading policy (or a member of the Combined Group's-imposed "blackout period"), the SAR Period shall be automatically extended until the 30<sup>th</sup> day following the expiration of such prohibition.

Unless otherwise stated in the applicable Award agreement, a SAR shall expire earlier than the end of the SAR Period in the following circumstances:

(i) If prior to the end of the SAR Period, the Participant's employment or service with each member of the Combined Group and all Affiliates is terminated without Cause or by the Participant for any reason other than Retirement, the SAR shall expire on the earlier of the last day of the SAR Period or the date that is three months after the date of such termination; provided, however, that any Participant whose employment or service with a member of the Combined Group or any Affiliate is terminated and who is subsequently rehired or reengaged by a member of the Combined Group or any Affiliate within three months following such termination and prior to the expiration of the SAR shall not be considered to have undergone a termination. In the event of a termination described in this clause (i), the SAR shall remain exercisable by the Participant until its expiration only to the extent the SAR was exercisable at the time of such termination.

(ii) If the Participant dies or is terminated on account of Disability prior to the end of the SAR Period and while still in the employ or service of a member of the Combined Group or an Affiliate, or dies following a termination described in clause (i) above but prior to the expiration of an SAR, the SAR shall expire on the earlier of the last day of the SAR Period or the date that is one year after the date of death or termination on account of Disability of the Participant, as applicable. In such event, the SAR shall remain exercisable by the Participant or his or her beneficiary determined in accordance with Section 15(g), as applicable, until its expiration only to the extent the SAR was exercisable by the Participant at the time of such event.

(iii) If the Participant ceases employment or service with a member of the Combined Group or any Affiliates due to a termination for Cause, the SAR shall expire immediately upon such cessation of employment or service.

(iv) If the Participant terminates by reason of Retirement prior to the end of the SAR Period, the SAR shall (i) expire at the end of the SAR Period and (ii) continue vesting in accordance with the vesting schedule set forth in the Award agreement, without regard to any requirement in such vesting schedule that the Participant remain employed with a member of the Combined Group or an Affiliate as a condition to vesting.

(v) If the Participant's employment or service ceases on account of Disability at a time when the Participant has attained the age and service requirements for Retirement, the Participant shall receive the better of the treatment under clause (ii) and clause (iv) above.

(vi) Notwithstanding (i), (ii), (iii), (iv) or (v) above, if a Participant is a member of the Board, upon the Participant's ceasing to be a member of the Board due to death or Disability, all unvested SARs shall immediately vest and become exercisable and all vested SARs (including after giving effect to such accelerated vesting) shall continue to be exercisable by the Participant or the Participant's estate, as applicable, until the earlier to occur of (i) the original expiration date of such SAR, and (ii) one year from such cessation, provided, however, that upon a Participant's ceasing to be a member of the Board for any reason other than death or Disability, all unvested SARs shall continue to vest in accordance with their initial terms, and all vested

SARs shall continue to be exercisable until the original expiration date of such SAR; provided, further, that if the Participant ceases to be a member of the Board prior to serving in such capacity for one year, all of such Participant's SARs shall immediately expire upon such termination.

(d) Method of Exercise. SARs which have become exercisable may be exercised by delivery of written notice (or electronic notice or telephonic instructions to the extent provided by the Committee) of exercise to the Company or its designee (including a third party administrator) in accordance with the terms of the Award, specifying the number of SARs to be exercised and the date on which such SARs were awarded.

(e) Payment. Upon the exercise of a SAR, a member of the Combined Group shall pay to the Participant an amount equal to the number of shares subject to the SAR that are being exercised multiplied by the excess, if any, of the Fair Market Value of one Share on the exercise date over the Strike Price, less an amount equal to any Federal, state, local and non-U.S. income and employment taxes required to be withheld. A member of the Combined Group shall pay such amount in cash, in Shares valued at Fair Market Value, or any combination thereof, as determined by the Committee.

(f) Substitution of SARs for Nonqualified Stock Options. The Committee shall have the authority in its sole discretion to substitute, without the consent of the affected Participant or any holder or beneficiary of SARs, SARs settled in Shares (or settled in shares or cash in the sole discretion of the Committee) for outstanding Nonqualified Stock Options, provided that (i) the substitution shall not otherwise result in a modification of the terms of any such Nonqualified Stock Option, (ii) the number of Shares underlying the substituted SARs shall be the same as the number of shares of Shares underlying such Nonqualified Stock Options and (iii) the Strike Price of the substituted SARs shall be equal to the Exercise Price of such Nonqualified Stock Options; provided, however, that if, in the opinion of the Company's independent public auditors, the foregoing provision creates adverse accounting consequences for a member of the Combined Group, such provision shall be considered null and void.

**9. Restricted Stock and Restricted Stock Units.** (a) Generally. Each grant of Restricted Stock and Restricted Stock Units shall be evidenced by an Award agreement. Each Restricted Stock and Restricted Stock Unit grant shall be subject to the conditions set forth in this Section 9, and to such other conditions not inconsistent with the Plan as determined by the Committee and may be reflected in the applicable Award agreement. The Committee shall establish restrictions applicable to such Restricted Stock and Restricted Stock Units, including the Restricted Period, which may differ with respect to each Participant, and the time or times at which Restricted Stock or Restricted Stock Units shall be granted or become vested.

(b) Stock Certificates and Book Entry; Escrow or Similar Arrangement. Upon the grant of Restricted Stock, the Committee shall cause a stock certificate registered in the name of the Participant to be issued or shall cause Shares to be registered in the name of the Participant and held in book-entry form subject to the Company's directions and, if the Committee determines that the Restricted Stock shall be held by the Company or in escrow rather than delivered to the Participant pending the release of the applicable restrictions, the Committee may require the Participant to additionally execute and deliver to the Company (i) an escrow agreement satisfactory to the Committee, if applicable, and (ii) the appropriate stock power (endorsed in blank) with respect to the Restricted Stock covered by such agreement. If a Participant shall fail to execute and deliver (in a manner permitted under Section 15(a) or as otherwise determined by the Committee) an agreement evidencing an Award of Restricted Stock and, if applicable, an escrow agreement and blank stock power within the amount of time



specified by the Committee, the Award shall be null and void. Subject to the restrictions set forth in this Section 9 and the applicable Award agreement, the Participant generally shall have the rights and privileges of a stockholder as to such Restricted Stock, including without limitation the right to vote such Restricted Stock. Subject to Section 15(c), at the discretion of the Committee, cash dividends and stock dividends with respect to the Restricted Stock may be either currently paid to the Participant or withheld by the Company for the Participant's account, and interest may be credited on the amount of cash dividends withheld at a rate and subject to such terms as determined by the Committee. The cash dividends or stock dividends so withheld by the Committee and attributable to any particular share of Restricted Stock (and earnings thereon, if applicable) shall be distributed to the Participant upon the release of restrictions on such share. To the extent shares of Restricted Stock are forfeited, any stock certificates issued to the Participant evidencing such shares shall be returned to the Company, and all rights of the Participant to such shares and as a stockholder with respect thereto, including, but not limited to, the right to any cash dividends and stock dividends, shall terminate without further obligation on the part of the Company.

(c) Restricted Stock Units: No Shares shall be issued at the time an Award of Restricted Stock Units is made, and the Company will not be required to set aside a fund for the payment of any such Award. At the discretion of the Committee, each Restricted Stock Unit (representing one Share) awarded to a Participant may be credited with cash and stock dividends paid in respect of one Share ("Dividend Equivalents"). Subject to Section 15(c), at the discretion of the Committee, Dividend Equivalents may be either currently paid to the Participant or withheld by the Company for the Participant's account, and interest may be credited on the amount of cash Dividend Equivalents withheld at a rate and subject to such terms as determined by the Committee. Dividend Equivalents credited to a Participant's account and attributable to any particular Restricted Stock Unit (and earnings thereon, if applicable) shall be distributed to the Participant upon settlement of such Restricted Stock Unit and, if such Restricted Stock Unit is forfeited, the Participant shall have no right to such Dividend Equivalents.

(d) Restrictions; Forfeiture: (i) Restricted Stock awarded to a Participant shall be subject to the following restrictions until the expiration of the Restricted Period and the attainment of any other vesting criteria established by the Committee, and to such other terms and conditions as may be set forth in the applicable Restricted Stock Agreement: (A) if an escrow arrangement is used, the Participant shall not be entitled to delivery of the stock certificate; (B) the Shares shall be subject to the restrictions on transferability set forth in the Restricted Stock Agreement; (C) the Shares shall be subject to forfeiture to the extent provided in the applicable Restricted Stock Agreement and, with respect to a Participant who has not been a member of the Board, if the Participant ceases to be a member of the Board for any reason other than death or Disability prior to the one-year anniversary of his or her initial election to the Board such award shall be forfeited. In the event of any forfeiture, the stock certificates shall be returned to the Company, and all rights of the Participant to such Shares and as a shareholder shall terminate without further obligation on the part of the Company.

(i) Restricted Stock Units awarded to any Participant shall be subject to (1) forfeiture until the expiration of the Restricted Period and the attainment of any other vesting criteria established by the Committee, to the extent provided in the applicable Restricted Stock Unit agreement and, with respect to a Participant who has not been a member of the Board, if the Participant ceases to be a member of the Board for any reason other than death or Disability prior to the one-year anniversary of his or her initial election to the Board such award shall be forfeited. In the event of any forfeiture, all rights of the Participant to such

Restricted Stock Units shall terminate without further obligation on the part of the Company and (2) such other terms and conditions as may be set forth in the applicable Restricted Stock Unit agreement.

(ii) The Committee shall have the authority to remove any or all of the restrictions on the Restricted Stock and Restricted Stock Units whenever it may determine that, by reason of changes in applicable laws or other changes in circumstances arising after the date of the Restricted Stock Award or Restricted Stock Unit Award, such action is appropriate.

(e) Delivery of Restricted Stock and Settlement of Restricted Stock Units. (i) Upon the expiration of the Restricted Period with respect to any shares of Restricted Stock, the restrictions set forth in the applicable Restricted Stock Agreement shall be of no further force or effect with respect to such shares, except as set forth in the applicable Restricted Stock Agreement. If an escrow arrangement is used, upon such expiration, the Company shall deliver to the Participant, or his or her beneficiary, without charge, the stock certificate (or, if applicable, a notice evidencing a book entry notation) evidencing the shares of Restricted Stock which have not then been forfeited and with respect to which the Restricted Period has expired (rounded down to the nearest full share). Dividends, if any, that may have been withheld by the Committee and attributable to any particular share of Restricted Stock shall be distributed to the Participant in cash or, at the sole discretion of the Committee, in Shares having a Fair Market Value (on the date of distribution) equal to the amount of such dividends, upon the release of restrictions on such share and, if such share is forfeited, the Participant shall have no right to such dividends.

(ii) Unless otherwise provided by the Committee in an Award agreement, upon the expiration of the Restricted Period and the attainment of any other vesting criteria established by the Committee, with respect to any outstanding Restricted Stock Units covered by a Restricted Stock Unit Award, the Company shall deliver to the Participant, or his or her beneficiary, without charge, one Share (or other securities or other property, as applicable) for each such outstanding Restricted Stock Unit which has not then been forfeited and with respect to which the Restricted Period has expired and any other such vesting criteria are attained ("Released Unit"); provided, however, that the Committee may, in its sole discretion, elect to (i) pay cash or part cash and part Shares in lieu of delivering only Shares in respect of such Released Units or (ii) defer the delivery of Shares (or cash or part Shares and part cash, as the case may be) beyond the expiration of the Restricted Period if such extension would not cause adverse tax consequences under Section 409A of the Code. If a cash payment is made in lieu of delivering Shares, the amount of such payment shall be equal to the Fair Market Value of the Shares as of the date on which the Restricted Period lapsed with respect to such Restricted Stock Units. To the extent provided in an Award agreement, the holder of Released Units shall be entitled to be credited with dividend equivalent payments (upon the payment by the Company of dividends on Shares) either in cash or, at the sole discretion of the Committee, in Shares having a Fair Market Value equal to the amount of such dividends (and interest may, at the sole discretion of the Committee, be credited on the amount of cash dividend equivalents at a rate and subject to such terms as determined by the Committee), which accumulated dividend equivalents (and interest thereon, if applicable) shall be payable at the same time as the underlying Restricted Stock Units are settled following the release of restrictions on such Restricted Stock Units, and, if such Restricted Stock Units are forfeited, the Participant shall have no right to such dividend equivalent payments.

(f) Legends on Restricted Stock. Each certificate representing Restricted Stock awarded under the Plan, if any, shall bear a legend substantially in the form of the following, in addition to any other information the Company deems appropriate, until the lapse of all restrictions with respect to such Shares:

TRANSFER OF THIS CERTIFICATE AND THE SHARES REPRESENTED HEREBY IS RESTRICTED PURSUANT TO THE TERMS OF THE CARNIVAL CORPORATION 2011 STOCK PLAN, AS AMENDED FROM TIME TO TIME, AND A RESTRICTED STOCK AWARD AGREEMENT, DATED AS OF \_\_\_\_\_ BETWEEN CARNIVAL CORPORATION AND \_\_\_\_\_. COPIES OF SUCH PLAN AND AWARD AGREEMENTS ARE ON FILE AT THE PRINCIPAL EXECUTIVE OFFICES OF CARNIVAL CORPORATION.

**10. Other Stock-Based Awards.** The Committee may issue unrestricted Shares, rights to receive grants of Awards at a future date, the grant of securities convertible into Shares, the grant of other Awards denominated in Shares (including, without limitation, performance shares, or performance units), or valued with reference to Shares, under the Plan to Eligible Persons, alone or in tandem with other Awards, in such amounts as the Committee shall from time to time in its sole discretion determine. Each Other Stock-Based Award granted under the Plan shall be evidenced by an Award agreement. Each Other Stock-Based Award so granted shall be subject to such conditions not inconsistent with the Plan as may be reflected in the applicable Award agreement including, without limitation, the payment by the Participant of the Fair Market Value of such Shares on the Date of Grant.

**11. Performance Compensation Awards.** (a) Generally. The Committee shall have the authority, at or before the time of grant of any Award, to designate such Award as a Performance Compensation Award intended to qualify as “performance-based compensation” under Section 162(m) of the Code. The Committee shall also have the authority to make an award of a cash bonus to any Participant and designate such Award as a Performance Compensation Award intended to qualify as “performance-based compensation” under Section 162(m) of the Code. Notwithstanding anything in the Plan to the contrary, if the Company determines that a Participant who has been granted an Award designated as a Performance Compensation Award is not (or is no longer) a “covered employee” (within the meaning of Section 162(m) of the Code), the terms and conditions of such Award may be modified without regard to any restrictions or limitations set forth in this Section 11 (but subject otherwise to the provisions of Section 13 of the Plan).

(b) Discretion of Committee with Respect to Performance Compensation Awards. With regard to a particular Performance Period, the Committee shall have sole discretion to select the length of such Performance Period, the type(s) of Performance Compensation Awards to be issued, the Performance Criteria that will be used to establish the Performance Goal(s), the kind(s) and/or level(s) of the Performance Goals(s) that is (are) to apply and the Performance Formula. Within the first 90 days of a Performance Period (or, within any other maximum period allowed under Section 162(m) of the Code), the Committee shall, with regard to the Performance Compensation Awards to be issued for such Performance Period, exercise its discretion with respect to each of the matters enumerated in the immediately preceding sentence and record the same in writing.

(c) Performance Criteria. The Performance Criteria that will be used to establish the Performance Goal(s) may be based on the attainment of specific levels of performance of Carnival Corporation & plc (and/or in respect of Carnival Corporation, Carnival plc or one or more cruise brands or reporting units, administrative departments, or any combination of the

foregoing) and shall be limited to the following: (i) income before taxes or net income (calculated with or without asset impairments and/or gains or losses on sale of ships or other assets); (ii) basic or fully diluted earnings per share (calculated with or without asset impairments and/or gains or losses on sale of ships or other assets); (iii) net revenue, net revenue yield or the growth of either in current or constant dollars; (iv) net passenger revenue, net passenger revenue yield or the growth of either in current or constant dollars; (v) net ticket revenue, net ticket revenue yield or the growth of either in current or constant dollars; (vi) net onboard revenue, net onboard revenue yield or the growth of either in current or constant dollars; (vii) net other revenue, net other revenue yield or the growth of either in current or constant dollars; (viii) net cruise costs excluding fuel, net cruise costs excluding fuel per available lower berth day (“ALBD”), or the change of either in current or constant dollars (calculated with or without asset impairments and/or gains or losses on sale of ships or other assets); (ix) operating income, operating income per ALBD or the growth of either in current or constant dollars and/or at constant fuel prices (calculated with or without asset impairments and/or gains or losses on sale of ships or other assets); (x) fuel consumption, fuel consumption in tons per ALBD (x 1,000) or the change of either or any other metric of fuel efficiency; (xi) occupancy percentage; (xii) return measures (including, but not limited to, returns on investment, assets, or equity) calculated with or without asset impairments, gains and/or losses on sale of ships or other assets, construction-in-progress, goodwill and/or intangibles; (xiii) cash flow measures (including, but not limited to, cash provided by operating activities, free cash flow, and cash flow return on capital), which may, but are not required to be, measured on a per share or per ALBD basis, in current or constant dollars and/or at constant fuel prices (calculated with or without asset impairments and/or gains or losses on sale of ships or other assets); (xiv) earnings before or after taxes, interest, depreciation and/or amortization (including EBIT and EBITDA) which may, but are not required to be, measured on a per share or per ALBD basis, in current or constant dollars and/or at constant fuel prices (calculated with or without asset impairments and/or gains or losses on sale of ships or other assets); (xv) share price (including, but not limited to, growth measures and total shareholder return); (xvi) expense targets or cost reduction goals and general and administrative expense savings; (xvii) measures of economic value added or other ‘value creation’ metrics; (xviii) inventory control; (xix) enterprise value; (xx) employee recruitment and retention; (xxi) timely introduction of new ships or facilities; (xxii) objective measures of personal targets, goals or completion of projects (including, but not limited to, succession and hiring projects, completion of specific acquisitions, reorganizations or other corporate transactions or capital-raising transactions, expansions of specific business operations and meeting cruise brand, reporting unit or project budgets); (xxiii) cost of capital, debt leverage, cash and liquidity positions or book value; (xxiv) health, environmental, safety, security or other enterprise risk management initiatives; (xxv) increase in passengers (including, but not limited to, increase in international source passengers, and increase percentage of first time cruisers); (xxvi) cross selling cruises on other Carnival corporation & plc brands; (xxvii) reduction in ship incidents; (xxviii) expansion into new markets; (xxix) strategic objectives; or (xxx) any combination of the foregoing. Any one or more of the Performance Criteria may be stated as a percentage of another Performance Criteria, or used on an absolute or relative basis to measure the performance of the Company and/or one or more Affiliates as a whole or any divisions or operational and/or business units, product lines, brands, business segments, administrative departments of the Company and/or one or more Affiliates or any combination thereof, as the Committee may deem appropriate, or any of the above Performance Criteria may be compared to the performance of a selected group of comparison companies, or a published or special index that the Committee, in its sole discretion, deems appropriate, or as compared to various stock market indices. The Committee also has the authority to provide for accelerated vesting of any Award based on the achievement of Performance Goals pursuant to the Performance Criteria specified in this paragraph. To the extent required under Section 162(m)

of the Code, the Committee shall, within the first 90 days of a Performance Period (or, within any other maximum period allowed under Section 162(m) of the Code), define in an objective fashion the manner of calculating the Performance Criteria it selects to use for such Performance Period.

(d) Modification of Performance Goal(s). In the event that applicable tax and/or securities laws change to permit Committee discretion to alter the governing Performance Criteria without obtaining stockholder approval of such alterations, the Committee shall have sole discretion to make such alterations without obtaining stockholder approval. Unless otherwise determined by the Committee at the time a Performance Compensation Award is granted, the Committee shall, during the first 90 days of a Performance Period (or, within any other maximum period allowed under Section 162(m) of the Code), or at any time thereafter to the extent the exercise of such authority at such time would not cause the Performance Compensation Awards granted to any Participant for such Performance Period to fail to qualify as “performance-based compensation” under Section 162(m) of the Code, specify adjustments or modifications to be made to the calculation of a Performance Goal for such Performance Period, based on and in order to appropriately reflect the following events: (i) asset impairments; (ii) litigation or claim judgments or settlements; (iii) the effect of changes in tax laws, accounting principles, or other laws or regulatory rules affecting reported results; (iv) any reorganization and restructuring programs; (v) extraordinary nonrecurring items as described in Accounting Standards Codification Topic 225-20 (or any successor pronouncement thereto) and/or in management’s discussion and analysis of financial condition and results of operations appearing in the Company’s annual report to stockholders for the applicable year; (vi) acquisitions or divestitures; (vii) any other specific, unusual or nonrecurring events, or objectively determinable category thereof; (viii) foreign exchange gains and losses; (ix) discontinued operations and nonrecurring charges; (x) gains or losses on the sale of ships or other assets; and (xi) a change in the Company’s fiscal year.

(e) Payment of Performance Compensation Awards. (i) Condition to Receipt of Payment. Unless otherwise provided in the applicable Award agreement, a Participant must be employed by the Company on the last day of a Performance Period to be eligible for payment in respect of a Performance Compensation Award for such Performance Period.

(ii) Limitation. Unless otherwise provided in the applicable Award agreement, a Participant shall be eligible to receive payment in respect of a Performance Compensation Award only to the extent that: (A) the Performance Goals for such period are achieved; and (B) all or some of the portion of such Participant’s Performance Compensation Award has been earned for the Performance Period based on the application of the Performance Formula to such achieved Performance Goals; provided, however, that in the event of (x) the termination of a Participant’s employment or service due to Retirement, or by the Company other than for Cause (and other than due to death or Disability), in each case within 12 months following a Change in Control, or (y) the termination of a Participant’s employment or service due to death or Disability, the Participant shall receive payment in respect of a Performance Compensation Award based on (1) actual performance through the date of termination as determined by the Committee, or (2) if the Committee determines that measurement of actual performance cannot be reasonably assessed, the assumed achievement of target performance as determined by the Committee (but not to the extent that application of this clause (2) would cause Section 162(m) of the Code to result in the loss of the deduction of the compensation payable in respect of such Performance Compensation Award for any Participant reasonably expected to be a “covered employee” within the meaning of Section 162(m) of the Code), in each case prorated based on the time elapsed from the date of grant to the date of termination of employment or service.

(iii) Certification. Following the completion of a Performance Period, the Committee shall review and certify in writing whether, and to what extent, the Performance Goals for the Performance Period have been achieved and, if so, calculate and certify in writing that amount of the Performance Compensation Awards earned for the period based upon the Performance Formula. The Committee shall then determine the amount of each Participant's Performance Compensation Award actually payable for the Performance Period and, in so doing, may apply Negative Discretion.

(iv) Use of Negative Discretion. In determining the actual amount of an individual Participant's Performance Compensation Award for a Performance Period, the Committee may reduce or eliminate the amount of the Performance Compensation Award earned under the Performance Formula in the Performance Period through the use of Negative Discretion. Unless otherwise provided in the applicable Award agreement, the Committee shall not have the discretion to (A) grant or provide payment in respect of Performance Compensation Awards for a Performance Period if the Performance Goals for such Performance Period have not been attained; or (B) increase a Performance Compensation Award above the applicable limitations set forth in Section 5 of the Plan.

(f) Timing of Award Payments. Unless otherwise provided in the applicable Award agreement, Performance Compensation Awards granted for a Performance Period shall be paid to Participants as soon as administratively practicable following completion of the certifications required by this Section 11. Any Performance Compensation Award that has been deferred shall not (between the date as of which the Award is deferred and the payment date) increase (i) with respect to a Performance Compensation Award that is payable in cash, by a measuring factor for each fiscal year greater than a reasonable rate of interest set by the Committee or (ii) with respect to a Performance Compensation Award that is payable in Shares, by an amount greater than the appreciation of a share of Common Stock from the date such Award is deferred to the payment date. Unless otherwise provided in an Award agreement, any Performance Compensation Award that is deferred and is otherwise payable in Shares shall be credited (during the period between the date as of which the Award is deferred and the payment date) with dividend equivalents (in a manner consistent with the methodology set forth in the last sentence of Section 9(c)).

**12. Changes in Capital Structure and Similar Events.** In the event of (a) any dividend (other than regular cash dividends) or other distribution (whether in the form of cash, Shares, other securities or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, split-off, spin-off, combination, repurchase or exchange of Shares or other securities of the Company, issuance of warrants or other rights to acquire Shares or other securities of the Company, an unpairing of the shares of Common Stock from the Trust Shares, or other similar corporate transaction or event that affects the Shares, or (b) unusual or nonrecurring events affecting the Combined Group, any Affiliate, or the financial statements of the Combined Group or any Affiliate, or changes in applicable rules, rulings, regulations or other requirements of any governmental body or securities exchange or inter-dealer quotation system, accounting principles or law, such that in either case an adjustment is determined by the Committee in its sole discretion to be necessary or appropriate, then the Committee shall make any such adjustments in such manner as it may deem equitable, including without limitation, any or all of the following:

(i) adjusting any or all of (A) the number of Shares or other securities of the Company (or number and kind of other securities or other property) which may be delivered in respect of Awards or with respect to which Awards may be granted under the Plan (including, without limitation, adjusting any or all of the limitations under Section 5 of the Plan) and (B) the terms of any outstanding Award, including, without limitation, (1) the number of Shares or other securities of the Company (or number and kind of other securities or other property) subject to outstanding Awards or to which outstanding Awards relate, (2) the Exercise Price with respect to any Award or (3) any applicable performance measures (including, without limitation, Performance Criteria and Performance Goals);

(ii) providing for a substitution or assumption of Awards (or awards of an acquiring company), accelerating the exercisability of, lapse of restrictions on, or termination of, Awards or providing for a period of time (which shall not be required to be more than ten (10) days) for Participants to exercise outstanding Awards prior to the occurrence of such event (and any such Award not so exercised shall terminate upon the occurrence of such event); and

(iii) cancelling any one or more outstanding Awards and causing to be paid to the holders thereof, in cash, Shares, other securities or other property, or any combination thereof, the value of such Awards, if any, as determined by the Committee (which if applicable may be based upon the price per Share received or to be received by other stockholders of the Company in such event), including without limitation, in the case of an outstanding Option or SAR, a cash payment in an amount equal to the excess, if any, of the Fair Market Value (as of a date specified by the Committee) of the Shares subject to such Option or SAR over the aggregate Exercise Price or Strike Price of such Option or SAR, respectively (it being understood that, in such event, any Option or SAR having a per share Exercise Price or Strike Price equal to, or in excess of, the Fair Market Value of a Share subject thereto may be canceled and terminated without any payment or consideration therefor);

provided, however, that in the case of any “equity restructuring” (within the meaning of the Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor pronouncement thereto) (“ASC 718”)), the Committee shall make an equitable or proportionate adjustment to outstanding Awards to reflect such equity restructuring. Except as otherwise determined by the Committee, any adjustment in Incentive Stock Options under this Section 12 (other than any cancellation of Incentive Stock Options) shall be made only to the extent not constituting a “modification” within the meaning of Section 424(h) (3) of the Code, and any adjustments under this Section 12 shall be made in a manner which does not adversely affect the exemption provided pursuant to Rule 16b-3 under the Exchange Act. Any such adjustment shall be conclusive and binding for all purposes.

**13. Effect of Change of Control:** Except to the extent a particular Award Agreement otherwise provides:

(a) In the event a Participant’s employment with the Combined Group is terminated by the Combined Group without Cause (and other than due to death or disability) on or within 12 months following a Change of Control, notwithstanding any provision of the Plan to the contrary, all Options and SARs held by such Participant shall become immediately exercisable with respect to 100 percent of the Shares subject to such Options and SARs, and the Restricted Period shall expire immediately with respect to 100 percent of the shares of Restricted Stock and Restricted Stock Units and any other Awards held by such Participant (including a waiver of any applicable

Performance Goals); provided that in the event the vesting or exercisability of any Award would otherwise be subject to the achievement of performance conditions, a portion of any such Award that shall become fully vested and immediately exercisable shall be based on (a) actual performance through the date of termination as determined by the Committee or (b) if the Committee determines that measurements of actual performance cannot be reasonably assessed, the assumed achievement of target performance as determined by the Committee.

(b) In addition, in the event of a Change of Control, the Committee may in its discretion and upon at least 10 days' advance notice to the affected persons, cancel any outstanding Award and pay to the holders thereof, in cash or stock, or any combination thereof, the value of such Awards based upon the price per Share received or to be received by other shareholders of the Company in the event. Notwithstanding the above, the Committee shall exercise such discretion over any Award subject to Code Section 409A at the time such Award is granted.

(c) The obligations of the Company under the Plan shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company. The Company agrees that it will make appropriate provisions for the preservation of Participants' rights under the Plan in any agreement or plan which it may enter into or adopt to effect any such merger, consolidation, reorganization or transfer of assets.

**14. Amendments and Termination.** (a) Amendment and Termination of the Plan. The Board may amend, alter, suspend, discontinue, or terminate the Plan or any portion thereof at any time; provided, that no such amendment, alteration, suspension, discontinuation or termination shall be made without stockholder approval if (i) such approval is necessary to comply with any regulatory requirement applicable to the Plan (including, without limitation, as necessary to comply with any rules or regulations of any securities exchange or inter-dealer quotation system on which the securities of the Company may be listed or quoted) or for changes in GAAP to new accounting standards, (ii) it would materially increase the benefits accruing to participants under the Plan, (iii) it would materially increase the number of securities which may be issued under the Plan (except for increases pursuant to Section 5 or 12), or (iv) it would materially modify the requirements for participation in the Plan; provided, further, that any such amendment, alteration, suspension, discontinuance or termination that would materially and adversely affect the rights of any Participant or any holder or beneficiary of any Award theretofore granted shall not to that extent be effective without the consent of the affected Participant, holder or beneficiary. Notwithstanding the foregoing, no amendment shall be made to the last proviso of Section 14(b) without stockholder approval.

(b) Amendment of Award Agreements. The Committee may, to the extent consistent with the terms of any applicable Award agreement, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any Award theretofore granted or the associated Award agreement, prospectively or retroactively (including after a Participant's termination of employment or service with the Company); provided, that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely affect the rights of any Participant with respect to any Award theretofore granted shall not to that extent be effective without the consent of the affected Participant; provided, further, that without stockholder approval, except as otherwise permitted under Section 12 of the Plan, (i) no amendment or modification may reduce the Exercise Price of any Option or the Strike Price of any SAR, (ii) the Committee may not cancel any outstanding



Option or SAR and replace it with a new Option or SAR (with a lower Exercise Price or Strike, as the case may be) or other Award or cash and (iii) the Committee may not take any other action which is considered a “repricing” for purposes of the stockholder approval rules of any securities exchange or inter-dealer quotation system on which the securities of the Company are listed or quoted.

**15. General.** (a) Award Agreements. Each Award under the Plan shall be evidenced by an Award agreement, which shall be delivered to the Participant and shall specify the terms and conditions of the Award and any rules applicable thereto, including without limitation, the effect on such Award of the death, Disability or termination of employment or service of a Participant, or of such other events as may be determined by the Committee. For purposes of the Plan, an Award agreement may be in any such form (written or electronic) as determined by the Committee (including, without limitation, a Board or Committee resolution, an employment agreement, a notice, a certificate or a letter) evidencing the Award. The Committee need not require an Award agreement to be signed by the Participant or a duly authorized representative of the Company.

(b) Nontransferability. (i) Each Award shall be exercisable only by a Participant during the Participant’s lifetime, or, if permissible under applicable law, by the Participant’s legal guardian or representative. No Award may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant other than by will or by the laws of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or an Affiliate; provided that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

(ii) Notwithstanding the foregoing, the Committee may, in its sole discretion, permit Awards (other than Incentive Stock Options) to be transferred by a Participant, without consideration, subject to such rules as the Committee may adopt consistent with any applicable Award agreement to preserve the purposes of the Plan, to: (A) any person who is a “family member” of the Participant, as such term is used in the instructions to Form S-8 under the Securities Act or any successor form of registration statement promulgated by the Securities and Exchange Commission (collectively, the “Immediate Family Members”); (B) a trust solely for the benefit of the Participant and his or her Immediate Family Members; or (C) a partnership or limited liability company whose only partners or stockholders are the Participant and his or her Immediate Family Members; or (D) any other transferee as may be approved either (I) by the Board or the Committee in its sole discretion, or (II) as provided in the applicable Award agreement;

(each transferee described in clauses (A), (B), (C) and (D) above is hereinafter referred to as a “Permitted Transferee”); provided, that the Participant gives the Committee advance written notice describing the terms and conditions of the proposed transfer and the Committee notifies the Participant in writing that such a transfer would comply with the requirements of the Plan.

(iii) The terms of any Award transferred in accordance with the immediately preceding sentence shall apply to the Permitted Transferee and any reference in the Plan, or in any applicable Award agreement, to a Participant shall be deemed to refer to the Permitted Transferee, except that (A) Permitted Transferees shall not be entitled to transfer any Award, other than by will or the laws of descent and distribution; (B) Permitted Transferees shall not be entitled to exercise any transferred Option unless there shall be in effect a registration

statement on an appropriate form covering the Shares to be acquired pursuant to the exercise of such Option if the Committee determines, consistent with any applicable Award agreement, that such a registration statement is necessary or appropriate; (C) the Committee or the Company shall not be required to provide any notice to a Permitted Transferee, whether or not such notice is or would otherwise have been required to be given to the Participant under the Plan or otherwise; and (D) the consequences of the termination of the Participant's employment by, or services to, the Company or an Affiliate under the terms of the Plan and the applicable Award agreement shall continue to be applied with respect to the Participant, including, without limitation, that an Option shall be exercisable by the Permitted Transferee only to the extent, and for the periods, specified in the Plan and the applicable Award agreement.

(c) **Dividends and Dividend Equivalents.** The Committee in its sole discretion may provide a Participant as part of an Award with dividends or dividend equivalents, payable in cash, Shares, other securities, other Awards or other property, on a current or deferred basis, on such terms and conditions as may be determined by the Committee in its sole discretion, including without limitation, payment directly to the Participant, withholding of such amounts by the Company subject to vesting of the Award or reinvestment in additional Shares, Restricted Stock or other Awards; provided, that no dividends or dividend equivalents shall be payable in respect of outstanding (i) Options or SARs or (ii) unearned Performance Compensation Awards or other unearned Awards subject to performance conditions (other than or in addition to the passage of time) (although dividend equivalents may be accumulated in respect of unearned Awards and paid as soon as administratively practicable (but not more than 60 days) after such Awards are earned and become payable or distributable).

(d) **Tax Withholding.** (i) A Participant shall be required to pay a member of the Combined Group or any Affiliate, and each member of the Combined Group or any Affiliate shall have the right and is hereby authorized to withhold, from any cash, Shares, other securities or other property deliverable under any Award or from any compensation or other amounts owing to a Participant, the amount (in cash, Shares, other securities or other property) of any required withholding taxes in respect of an Award, its exercise, or any payment or transfer under an Award or under the Plan and to take such other action as may be necessary in the opinion of the Committee or the Company to satisfy all obligations for the payment of such withholding and taxes.

(ii) Without limiting the generality of clause (i) above, the Committee may, in its sole discretion, permit a Participant to satisfy, in whole or in part, the foregoing withholding liability (but no more than the minimum required statutory withholding liability, if required to avoid adverse accounting treatment of the Award as a liability award under ASC 718) by (A) payment in cash; (B) the delivery of Shares (which Shares must be owned by a Participant which are not subject to any pledge or other security interest and have either been held by the Participant for six months, previously acquired by the Participant on the open market or that meet such other requirements as the Committee may determine are necessary in order to avoid an accounting earnings charge on account of the use of such Shares to pay the Exercise Price or satisfy a withholding obligation in respect of an Option) owned by the Participant having a Fair Market Value equal to such withholding liability or (C) having the Company withhold from the number of Shares otherwise issuable or deliverable pursuant to the exercise or settlement of the Award a number of Shares with a Fair Market Value equal to such withholding liability.

(e) No Claim to Awards; No Rights to Continued Employment; Waiver. No employee of a member of a Combined Group or an Affiliate, or other person, shall have any claim or right to be granted an Award under the Plan or, having been selected for the grant of an Award, to be selected for a grant of any other Award. There is no obligation for uniformity of treatment of Participants or holders or beneficiaries of Awards. The terms and conditions of Awards and the Committee's determinations and interpretations with respect thereto need not be the same with respect to each Participant and may be made selectively among Participants, whether or not such Participants are similarly situated. Neither the Plan nor any action taken hereunder shall be construed as giving any Participant any right to be retained in the employ or service of a member of the Combined Group or an Affiliate, nor shall it be construed as giving any Participant any rights to continued service on the Board. A member of the Combined Group or any of its Affiliates may at any time dismiss a Participant from employment or discontinue any consulting relationship, free from any liability or any claim under the Plan, unless otherwise expressly provided in the Plan or any Award agreement. By accepting an Award under the Plan, a Participant shall thereby be deemed to have waived any claim to continued exercise or vesting of an Award or to damages or severance entitlement related to non-continuation of the Award beyond the period provided under the Plan or any Award agreement, except to the extent of any provision to the contrary in any written employment contract or other agreement between a member of the Combined Group and its Affiliates and the Participant, whether any such agreement is executed before, on or after the Date of Grant.

(f) International Participants. Without limiting the generality of Section 4(d), with respect to Participants who reside or work outside of the United States of America and who are not (and who are not expect to be) "covered employees" within the meaning of Section 162(m) of the Code, the Committee may in its sole discretion amend the terms of the Plan or subplans or appendices thereto, or outstanding Awards, with respect to such Participants in order to conform such terms with the requirements of local law or to obtain more favorable tax or other treatment for a Participant, a member of the Combined Group or its Affiliates.

(g) Designation and Change of Beneficiary. Each Participant may file with the Company a written designation of one or more persons as the beneficiary(ies) who shall be entitled to receive the amounts payable with respect to an Award, if any, due under the Plan upon his or her death. A Participant may, from time to time, revoke or change his or her beneficiary designation without the consent of any prior beneficiary by filing a new designation with the Committee. The last such designation received by the Committee shall be controlling; provided, however, that no designation, or change or revocation thereof, shall be effective unless received by the Committee prior to the Participant's death, and in no event shall it be effective as of a date prior to such receipt. If no beneficiary designation is filed by a Participant, the beneficiary shall be deemed to be his or her spouse (or domestic partner if such status is recognized by the Company according to the procedures established by the Company and in such jurisdiction), or if the Participant is otherwise unmarried at the time of death, his or her estate. After receipt of Options in accordance with this paragraph, beneficiaries will only be able to exercise such Options in accordance with Section 7(c) (ii) of this Plan.

(h) Termination of Employment. Except as otherwise provided in an Award agreement or an employment, severance, consulting, letter or other agreement with a Participant, unless determined otherwise by the Committee at any point following such event, neither a temporary absence from employment or service due to illness, vacation or leave of absence (including, without limitation, a call to active duty for military service through a Reserve or National Guard unit) nor a transfer from employment or service with a member of the Combined Group to employment or service with another member of the Combined Group or an Affiliate (or vice-versa) shall be considered a termination of employment or service of such Participant with a member of the Combined Group or an Affiliate.

(i) No Rights as a Stockholder. Except as otherwise specifically provided in the Plan or any Award agreement, no person shall be entitled to the privileges of ownership in respect of Shares which are subject to Awards hereunder until such Shares have been issued or delivered to that person.

(j) Government and Other Regulations. (i) The obligation of the Company to settle Awards in Shares or other consideration shall be subject to all applicable laws, rules, and regulations, and to such approvals by governmental agencies as may be required. Notwithstanding any terms or conditions of any Award to the contrary, the Company shall be under no obligation to offer to sell or to sell, and shall be prohibited from offering to sell or selling, any Shares pursuant to an Award unless such shares have been properly registered for sale pursuant to the Securities Act with the Securities and Exchange Commission or unless the Company has received an opinion of counsel, satisfactory to the Company, that such shares may be offered or sold without such registration pursuant to an available exemption therefrom and the terms and conditions of such exemption have been fully complied with. The Company shall be under no obligation to register for sale under the Securities Act any Shares to be offered or sold under the Plan. The Committee shall have the authority to provide that all Shares or other securities of the Company or any Affiliate delivered under the Plan shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan, the applicable Award agreement, the Federal securities laws, or the rules, regulations and other requirements of the Securities and Exchange Commission, any securities exchange or inter-dealer quotation system on which the securities of the Company are listed or quoted and any other applicable Federal, state, local or non-U.S. laws, rules, regulations and other requirements, and, without limiting the generality of Section 9 of the Plan, the Committee may cause a legend or legends to be put on certificates representing Shares or other securities of the Company or any Affiliate delivered under the Plan to make appropriate reference to such restrictions or may cause such Shares or other securities of the Company or any Affiliate delivered under the Plan in book-entry form to be held subject to the Company's instructions or subject to appropriate stop-transfer orders. Notwithstanding any provision in the Plan to the contrary, the Committee reserves the right to add any additional terms or provisions to any Award granted under the Plan that it in its sole discretion deems necessary or advisable in order that such Award complies with the legal requirements of any governmental entity to whose jurisdiction the Award is subject.

(ii) The Committee may cancel an Award or any portion thereof if it determines, in its sole discretion, that legal or contractual restrictions and/or blockage and/or other market considerations would make the Company's acquisition of Shares from the public markets, the Company's issuance of Shares to the Participant, the Participant's acquisition of Shares from the Company and/or the Participant's sale of Shares to the public markets, illegal, impracticable or inadvisable. If the Committee determines to cancel all or any portion of an Award in accordance with the foregoing, the Company shall pay to the Participant an amount equal to the excess of (A) the aggregate Fair Market Value of the shares of Shares subject to such Award or portion thereof canceled (determined as of the applicable exercise date, or the date that the shares would have been vested or delivered, as applicable), over (B) the aggregate Exercise Price (in the case of an Option) or any amount payable as a condition of delivery of Shares (in the case of any other Award). Such amount shall be delivered to the Participant as soon as practicable following the cancellation of such Award or portion thereof.

(k) No Section 83(b) Elections Without Consent of Company. No election under Section 83(b) of the Code or under a similar provision of law may be made unless expressly permitted by the terms of the applicable Award agreement or by action of the Committee in writing prior to the making of such election. If a Participant, in connection with the acquisition

of Shares under the Plan or otherwise, is expressly permitted to make such election and the Participant makes the election, the Participant shall notify the Company of such election within ten days of filing notice of the election with the Internal Revenue Service or other governmental authority, in addition to any filing and notification required pursuant to Section 83(b) of the Code or other applicable provision.

(l) Payments to Persons Other Than Participants. If the Committee shall find that any person to whom any amount is payable under the Plan is unable to care for his or her affairs because of illness or accident, or is a minor, or has died, then any payment due to such person or his or her estate (unless a prior claim therefor has been made by a duly appointed legal representative or a beneficiary designation form has been filed with the Company) may, if the Committee so directs the Company, be paid to his or her spouse, child, relative, an institution maintaining or having custody of such person, or any other person deemed by the Committee to be a proper recipient on behalf of such person otherwise entitled to payment. Any such payment shall be a complete discharge of the liability of the Committee and the Company therefor.

(m) Nonexclusivity of the Plan. Neither the adoption of this Plan by the Board nor the submission of this Plan to the stockholders of the Company for approval shall be construed as creating any limitations on the power of the Board to adopt such other incentive arrangements as it may deem desirable, including, without limitation, the granting of stock options otherwise than under this Plan, and such arrangements may be either applicable generally or only in specific cases.

(n) No Trust or Fund Created. Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate, on the one hand, and a Participant or other person or entity, on the other hand. No provision of the Plan or any Award shall require the Company, for the purpose of satisfying any obligations under the Plan, to purchase assets or place any assets in a trust or other entity to which contributions are made or otherwise to segregate any assets, nor shall the Company maintain separate bank accounts, books, records or other evidence of the existence of a segregated or separately maintained or administered fund for such purposes. Participants shall have no rights under the Plan other than as unsecured general creditors of the Company, except that insofar as they may have become entitled to payment of additional compensation by performance of services, they shall have the same rights as other employees under general law.

(o) Reliance on Reports. Each member of the Committee and each member of the Board shall be fully justified in acting or failing to act, as the case may be, and shall not be liable for having so acted or failed to act in good faith, in reliance upon any report made by the independent public accountant of the Combined Group and its Affiliates and/or any other information furnished in connection with the Plan by any agent of the Combined Group or the Committee or the Board, other than himself.

(p) Relationship to Other Benefits. No payment under the Plan shall be taken into account in determining any benefits under any pension, retirement, profit sharing, group insurance or other benefit plan of the Combined Group except as otherwise specifically provided in such other plan.

(q) Purchase for Investment. Whether or not the Options and Shares covered by the Plan have been registered under the Securities Act, each person exercising an Option under the Plan may be required by the Company to give a representation in writing that such person is acquiring such Shares for investment and not with a view to, or for sale in connection with, the

distribution of any part thereof. The Company will endorse any necessary legend referring to the foregoing restriction upon the certificate or certificates representing any Shares issued or transferred to the Participant upon the exercise of any Option granted under the Plan.

(r) Governing Law. The Plan shall be governed by and construed in accordance with the internal laws of the State of Florida without regard to the principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of Florida.

(s) Severability. If any provision of the Plan or any Award or Award agreement is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any person or entity or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award, such provision shall be construed or deemed stricken as to such jurisdiction, person or entity or Award and the remainder of the Plan and any such Award shall remain in full force and effect.

(t) Obligations Binding on Successors. The obligations of the Company under the Plan shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company.

(u) 409A of the Code. (i) Notwithstanding any provision of the Plan to the contrary, it is intended that the provisions of this Plan comply with Section 409A of the Code, and all provisions of this Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A of the Code. Each Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or in respect of such Participant in connection with this Plan or any other plan maintained by the Company (including any taxes and penalties under Section 409A of the Code), and neither any member of the Combined Group nor any Affiliate shall have any obligation to indemnify or otherwise hold such Participant (or any beneficiary) harmless from any or all of such taxes or penalties. With respect to any Award that is considered “deferred compensation” subject to Section 409A of the Code, references in the Plan to “termination of employment” (and substantially similar phrases) shall mean “separation from service” within the meaning of Section 409A of the Code. For purposes of Section 409A of the Code, each payment that may be made in respect of any Award granted under the Plan is designated as a separate payment.

(ii) Notwithstanding anything in the Plan to the contrary, if a Participant is a “specified employee” within the meaning of Section 409A(a)(2)(B)(i) of the Code, no payments in respect of any Awards that are “deferred compensation” subject to Section 409A of the Code shall be made to such Participant prior to the date that is six months after the date of such Participant’s “separation from service” (as defined in Section 409A of the Code) or, if earlier, the Participant’s date of death. Following any applicable six month delay, all such delayed payments will be paid in a single lump sum on the earliest date permitted under Section 409A of the Code that is also a business day.

(iii) Unless otherwise provided by the Committee, in the event that the timing of payments in respect of any Award (that would otherwise be considered “deferred compensation” subject to Section 409A of the Code) would be accelerated upon the occurrence of (A) a Change in Control, no such acceleration shall be permitted unless the event giving rise to

the Change in Control satisfies the definition of a change in the ownership or effective control of a corporation, or a change in the ownership of a substantial portion of the assets of a corporation pursuant to Section 409A of the Code and any Treasury Regulations promulgated thereunder or (B) a Disability, no such acceleration shall be permitted unless the Disability also satisfies the definition of "Disability" pursuant to Section 409A of the Code and any Treasury Regulations promulgated thereunder.

(v) Clawback/Forfeiture. Notwithstanding anything to the contrary contained herein, an Award agreement may provide that the Committee may in its sole discretion cancel such Award if the Participant, without the consent of a member of the Combined Group, while employed by or providing services to a member of the Combined Group or any Affiliate or after termination of such employment or service, violates a non-competition, non-solicitation or non-disclosure covenant or agreement or otherwise has engaged in or engages in Detrimental Activity that is in conflict with or adverse to the interest of a member of the Combined Group or any Affiliate, including fraud or conduct contributing to any financial restatements or irregularities, as determined by the Committee in its sole discretion. The Committee may also provide in an Award agreement that if the Participant otherwise has engaged in or engages in any activity referred to in the preceding sentence, the Participant will forfeit any gain realized on the vesting or exercise of such Award, and must repay the gain to the Company. The Committee may also provide in an Award agreement that if the Participant receives any amount in excess of what the Participant should have received under the terms of the Award for any reason (including without limitation by reason of a financial restatement, mistake in calculations or other administrative error), then the Participant shall be required to repay any such excess amount to the Company.

(w) Code Section 162(m) Re-approval. If so determined by the Committee, the provisions of the Plan regarding Performance Compensation Awards shall be submitted for re-approval by the stockholders of the Company no later than the first stockholder meeting that occurs in the fifth year following the year in which stockholders previously approved such provisions, in each case for purposes of exempting certain Awards granted after such time from the deduction limitations of Section 162(m) of the Code. Nothing in this subsection, however, shall affect the validity of Awards granted after such time if such stockholder approval has not been obtained.

(x) Expenses; Gender; Titles and Headings. The expenses of administering the Plan shall be borne by the Company and its Affiliates. Masculine pronouns and other words of masculine gender shall refer to both men and women. The titles and headings of the sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings shall control.

Approved by Board: January 28, 2011

Approved by Shareholders: April 13, 2011

**CARNIVAL CORPORATION**  
**2011 STOCK PLAN**  
**NON-EMPLOYEE DIRECTOR**  
**RESTRICTED STOCK UNIT AGREEMENT**

THIS AGREEMENT (the “**Agreement**”) is made effective as of [GRANT DATE], (hereinafter the “**Grant Date**”) between Carnival Corporation, a corporation organized under the laws of the Republic of Panama (the “**Company**”), and [DIRECTOR NAME] (the “**Director**”), pursuant to the Carnival Corporation 2011 Stock Plan (the “**Plan**”).

R E C I T A L S:

WHEREAS, the Company has adopted the Plan pursuant to which awards of restricted stock units may be granted; and

WHEREAS, the Company desires to grant Director an award of restricted stock units pursuant to the terms of this Agreement and the Plan.

NOW, THEREFORE, for and in consideration of the premises and the covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Grant of Restricted Stock Units.

Grant. The Company hereby grants to the Director [NUMBER GRANTED] restricted stock units (the “**RSUs**”) on the terms and conditions set forth in this Agreement and as otherwise provided in the Plan. Each RSU represents the right to receive payment in respect of one Share as of the Settlement Date (as defined below), to the extent the Director is vested in such RSUs as of the Settlement Date, subject to the terms of this Agreement and the Plan. The RSUs are subject to the restrictions described herein, including forfeiture under the circumstances described in Section 4 hereof (the “**Restrictions**”). The Restrictions shall lapse and the RSUs shall become nonforfeitable in accordance with Section 3 and Section 4 hereof.

2. Incorporation by Reference, Etc. The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any interpretations, amendments, rules and regulations promulgated by the Committee from time to time pursuant to the Plan. Any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. The Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon the Director and his legal representative in respect of any questions arising under the Plan or this Agreement.

3. Terms and Conditions.

(a) Vesting. Except as otherwise provided in Section 4 hereof, the RSUs shall vest on the third anniversary of the Grant Date. Notwithstanding the foregoing, the Committee shall have the authority to remove the Restrictions on the RSUs whenever it may determine that, by reason of changes in applicable laws or other changes in circumstances arising after the Grant Date, such action is appropriate.

(b) Settlement. The obligation to make payments and distributions with respect to RSUs shall be satisfied through the issuance of one Share for each vested RSU (the “**settlement**”), and the settlement of the RSUs may be subject to such conditions, restrictions and contingencies as the Committee shall determine. The RSUs shall be settled as soon as practicable after the RSUs vest (as applicable, the “**Settlement Date**”), but in no event later than March 15 of the year following the calendar year in which the RSUs vested. Notwithstanding the foregoing, the payment dates set forth in this Section 3(b) have been specified for the purpose of complying with the provisions



of Section 409A of the Code (“**Section 409A**”). To the extent payments are made during the periods permitted under Section 409A (including any applicable periods before or after the specified payment dates set forth in this Section 3(b)), the Company shall be deemed to have satisfied its obligations under the Plan and shall be deemed not to be in breach of its payments obligations hereunder.

(c) Dividends and Voting Rights. Each outstanding RSU shall be credited with dividend equivalents equal to the dividends (including extraordinary dividends if so determined by the Committee) declared and paid to other shareholders of the Company in respect of one Share. Dividend equivalents shall not bear interest. On the Settlement Date, such dividend equivalents in respect of each vested RSU shall be settled by delivery to the Director of a number of Shares equal to the quotient obtained by dividing (i) the aggregate accumulated value of such dividend equivalents by (ii) the Fair Market Value of a Share on the applicable vesting date, rounded down to the nearest whole share, less any applicable withholding taxes. No dividend equivalents shall be accrued for the benefit of the Director with respect to record dates occurring prior to the Grant Date, or with respect to record dates occurring on or after the date, if any, on which the Director has forfeited the RSUs. The Director shall have no voting rights with respect to the RSUs or any dividend equivalents.

4. Effect of Termination of Service. Upon termination of Director’s service as a member of the Board, the RSUs shall be treated according to the following:

(a) In the event the Director’s service terminates by reason of death or Disability, all outstanding RSUs shall vest on the date of Director’s death or Disability.

(b) In the event the Director’s service terminates other than by reason of death or Disability, prior to the first anniversary of the Director’s initial election to the Board, all outstanding RSUs shall immediately be forfeited on the date of termination of service.

(c) In the event the Director’s service terminates other than by reason of death or Disability, on or after the first anniversary of the Director’s initial election to the Board, all outstanding RSUs shall vest in accordance with the schedule set forth in Section 3.

5. No Rights as Stockholder. The Director shall not be deemed for any purpose to be the owner of any Shares subject to the RSUs. The Company shall not be required to set aside any fund for the payment of the RSUs.

6. Compliance with Legal Requirements. The granting and settlement of the RSUs, and any other obligations of the Company under this Agreement, shall be subject to all applicable federal, state, local and foreign laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. If the settlement of the RSUs would be prohibited by law or the Company’s dealing rules, the settlement shall be delayed until the earliest date on which the settlement would not be so prohibited.

7. Transferability. Unless otherwise provided by the Committee in writing, the RSUs shall not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Director other than by will or the laws of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company; provided, that, the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

8. Tax Withholding. All distributions under the Plan are subject to withholding of all applicable federal, state, local and foreign taxes, and the Committee may condition the settlement of the RSUs on satisfaction of the applicable withholding obligations. The Company, Carnival plc or any Affiliate of the Company or Carnival plc has the right, but not the obligation, to withhold or retain any Shares or other property deliverable to the Director in connection with the grant of RSUs or from any compensation or other amounts owing to the Director the amount (in cash, Shares or other property) of any required tax withholding in respect of the Shares and to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such taxes.

9. Clawback/Forfeiture. Notwithstanding anything to the contrary contained herein, in the event of a material restatement of the Company’s issued financial statements, the Committee shall review the facts and circumstances underlying the restatement (including, without limitation any potential wrongdoing by the Director and whether the

restatement was the result of negligence or intentional or gross misconduct) and may in its sole discretion direct the Company to recover all or a portion of any income or gain realized on the settlement of the RSUs or the subsequent sale of Shares acquired upon settlement of the RSUs with respect to any fiscal year in which the Company's financial results are negatively impacted by such restatement. If the Committee directs the Company to recover any such amount from the Director, then the Director agrees to and shall be required to repay any such amount to the Company within 30 days after the Company demands repayment. In addition, if the Company is required by law to include an additional "clawback" or "forfeiture" provision to outstanding awards, under the Dodd-Frank Wall Street Reform and Consumer Protection Act or otherwise, then such clawback or forfeiture provision shall also apply to this Agreement as if it had been included on the Grant Date and the Company shall promptly notify the Director of such additional provision.

#### 10. Miscellaneous.

(a) Waiver. Any right of the Company contained in this Agreement may be waived in writing by the Committee. No waiver of any right hereunder by any party shall operate as a waiver of any other right, or as a waiver of the same right with respect to any subsequent occasion for its exercise, or as a waiver of any right to damages. No waiver by any party of any breach of this Agreement shall be held to constitute a waiver of any other breach or a waiver of the continuation of the same breach.

(b) Notices. Any written notices provided for in this Agreement or the Plan shall be in writing and shall be deemed sufficiently given if either hand delivered or if sent by fax or overnight courier, or by postage paid first class mail. Notices sent by mail shall be deemed received three business days after mailing but in no event later than the date of actual receipt. Notices shall be directed, if to the Director, at the Director's address indicated by the Company's records, or if to the Company, at the Company's principal executive office.

(c) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(d) No Rights to Continued Service. Nothing in the Plan or in this Agreement shall confer upon Director any right to continue to serve as a member of the Board or shall interfere with or restrict in any way the right of the Company, which are hereby expressly reserved, to remove, terminate or discharge Director at any time for any reason.

(e) Beneficiary. The Director may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. If no designated beneficiary survives the Director, the Director's estate shall be deemed to be the Director's beneficiary.

(f) Bound by Plan. By signing this Agreement, Director acknowledges that he has received a copy of the Plan and has had an opportunity to review the Plan and agrees to be bound by all the terms and provisions of the Plan.

(g) Successors. The terms of this Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and of the Director and the beneficiaries, executors, administrators, heirs and successors of the Director.

(h) Entire Agreement. This Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto. No change, modification or waiver of any provision of this Agreement shall be valid unless the same be in writing and signed by the parties hereto, except for any changes permitted without consent under Section 14 of the Plan.

(i) Governing Law; JURY TRIAL WAIVER. This Agreement shall be construed and interpreted in accordance with the laws of the State of Florida without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of Florida. THE PARTIES EXPRESSLY AND KNOWINGLY WAIVE ANY RIGHT TO A JURY TRIAL IN THE EVENT ANY ACTION ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT IS LITIGATED OR HEARD IN ANY COURT.

(j) Data Protection. By accepting the grant of the RSUs the Director agrees and consents:

(i) to the collection, use, processing and transfer by the Company of certain personal information about the Director, including the Director's name, home address and telephone number, date of birth, other employee information, details of the RSUs granted to the Director, and of Stock issued or transferred to the Director pursuant to this Agreement ("**Data**"); and

(ii) to the Company transferring Data to any subsidiary or Affiliate of the Company for the purposes of implementing, administering and managing this Agreement; and

(iii) to the use of such Data by any person for such purposes; and

(iv) to the transfer to and retention of such Data by third parties in connection with such purposes.

(k) Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

(l) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first written above.

CARNIVAL CORPORATION

By: \_\_\_\_\_

ACCEPTED AND AGREED THIS \_\_\_ DAY  
OF \_\_\_\_\_.

\_\_\_\_\_  
Director

**CARNIVAL CORPORATION  
2011 STOCK PLAN**

**NON-EMPLOYEE DIRECTOR  
RESTRICTED STOCK AWARD AGREEMENT**

THIS AGREEMENT (the “**Agreement**”) is made effective as of [GRANT DATE], (hereinafter the “**Grant Date**”) between Carnival Corporation, a corporation organized under the laws of the Republic of Panama (the “**Company**”), and [DIRECTOR NAME] (the “**Director**”), pursuant to the Carnival Corporation 2011 Stock Plan (the “**Plan**”).

R E C I T A L S:

WHEREAS, the Company has adopted the Plan pursuant to which awards of restricted Shares may be granted; and

WHEREAS, the Company desires to grant Director an award of restricted Shares pursuant to the terms of this Agreement and the Plan.

NOW, THEREFORE, for and in consideration of the premises and the covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Grant of Restricted Stock.

Subject to the terms and conditions set forth in the Plan and in this Agreement, the Company hereby grants to Director a Restricted Stock Award consisting of [NUMBER GRANTED] Shares (the “**Restricted Stock**”). The Restricted Stock is subject to the restrictions described herein, including forfeiture under the circumstances described in Section 5 hereof (the “**Restrictions**”). The Restrictions shall lapse and the Restricted Stock shall become nonforfeitable in accordance with Section 3 and Section 5 hereof.

2. Incorporation by Reference, Etc.

The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any interpretations, amendments, rules and regulations promulgated by the Committee from time to time pursuant to the Plan. Any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. The Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon the Director and his legal representative in respect of any questions arising under the Plan or this Agreement.

3. Lapse of Restriction.

Except as otherwise provided in Section 5 hereof, the Restrictions with respect to the Restricted Stock shall lapse on the third anniversary of the Grant Date. Notwithstanding the foregoing, the Committee shall have the authority to remove the Restrictions on the Restricted Stock whenever it may determine that, by reason of changes in applicable laws or other changes in circumstances arising after the Grant Date, such action is appropriate.

Any shares of Restricted Stock for which the Restrictions have lapsed or been removed shall be referred to hereunder as “**released Restricted Stock.**”

#### 4. Certificates.

Certificates evidencing the Restricted Stock shall be issued by the Company and shall be registered in Director's name on the stock transfer books of the Company promptly after the date hereof. Subject to Section 6 hereof, the certificates evidencing the Restricted Stock shall remain in the physical custody of the Company at all times prior to the date such Restricted Stock becomes released Restricted Stock. Pending the release of the Restrictions, the Committee may require the Director to additionally execute and deliver to the Company (i) an escrow agreement satisfactory to the Committee and (ii) the appropriate stock power (endorsed in blank) with respect to the Restricted Stock.

#### 5. Effect of Termination of Service.

Upon the termination of Director's service as a member of the Board, the Restrictions on the unreleased Restricted Stock shall be released according to the following:

(a) In the event the Director's service terminates by reason of death or Disability, the Restrictions on the Restricted Stock shall lapse on the date of Director's death or Disability and the Restricted Stock shall become released Restricted Stock.

(b) In the event the Director's service terminates other than by reason of death or Disability, prior to the first anniversary of the Director's initial election to the Board, no release of Restricted Stock shall be made, and all unreleased Restricted Stock issued hereunder and all rights under this Agreement shall be forfeited.

(c) In the event the Director's service terminates other than by reason of death or Disability, on or after the first anniversary of the Director's initial election to the Board, the Restrictions on the Restricted Stock shall lapse (and the Restricted Stock shall become released Restricted Stock) in accordance with the schedule set forth in Section 3.

#### 6. Rights as a Shareholder.

Director shall not be deemed for any purpose to be the owner of any Restricted Stock unless and until (i) the Company shall have issued the Restricted Stock in accordance with Section 4 hereof and (ii) the Director's name shall have been entered as a stockholder of record with respect to the Restricted Stock on the books of the Company. Upon the fulfillment of the conditions in (i) and (ii) of this Section 6, Director shall be the record owner of the Restricted Stock unless and until such shares are forfeited pursuant to Section 5 hereof or sold or otherwise disposed of, and as record owner shall be entitled to all rights of a common stockholder of the Company, including, without limitation, voting rights and rights to receive currently the dividends, if any, with respect to the Restricted Stock; provided, that the Restricted Stock shall be subject to the limitations on transfer and encumbrance set forth in this Agreement. As soon as practicable following the lapse or removal of Restrictions on any Restricted Stock, the Company shall deliver the certificate representing such released Restricted Stock to the Director with the restrictive legend removed. In the event the Restricted Stock is forfeited pursuant to Section 5 hereof, the Director's name shall be removed from the stock transfer books of the Company and all rights of the Participant to such shares and as a stockholder with respect thereto, including, but not limited to, the right to any cash dividends and stock dividends, shall terminate without further obligation on the part of the Company.

#### 7. Restrictive Legend; Compliance with Legal Requirements.

All certificates representing Restricted Stock shall have affixed thereto a legend in substantially the following form, in addition to any other legends that may be required under federal or state securities laws:

TRANSFER OF THIS CERTIFICATE AND THE SHARES REPRESENTED HEREBY IS RESTRICTED PURSUANT TO THE TERMS OF THE CARNIVAL CORPORATION 2011 STOCK PLAN, AS AMENDED FROM TIME TO TIME, AND A RESTRICTED STOCK AWARD AGREEMENT, DATED AS OF [GRANT DATE], BETWEEN CARNIVAL CORPORATION AND [DIRECTOR NAME], COPIES OF SUCH PLAN AND AGREEMENT ARE ON FILE AT THE OFFICES OF CARNIVAL CORPORATION.

The granting and delivery of the Restricted Stock, and any other obligations of the Company under this Agreement, shall be subject to all applicable federal, state, local and foreign laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. If the delivery of the Restricted Stock would be prohibited by law or the Company's dealing rules, the delivery shall be delayed until the earliest date on which the delivery would not be so prohibited. Upon the expiration of the Restricted Period of any Restricted Stock, Director agrees to enter into such written representations, warranties and agreements as the Committee may reasonably request in order to comply with applicable securities laws or with the Plan or this Agreement.

#### 8. Transferability.

The Restricted Stock may not, at any time prior to becoming released Restricted Stock, be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by Director, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company; provided, that, the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance. Notwithstanding the foregoing, unreleased Restricted Stock may be transferred by the Director, without consideration, to a Permitted Transferee in accordance with Section 15(b) of the Plan.

#### 9. Withholding; Section 83(b) Election.

All distributions under the Plan are subject to withholding of all applicable federal, state, local and foreign taxes, and the Committee may condition the grant and/or delivery of Restricted Stock on satisfaction of the applicable withholding obligations. The Company, Carnival plc or any Affiliate of the Company or Carnival plc has the right, but not the obligation, to withhold or retain any Restricted Stock or other property deliverable to the Director in connection with the Award of Restricted Stock or from any compensation or other amounts owing to the Director the amount (in cash, Shares or other property) of any required tax withholding in respect of the Restricted Stock and to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such taxes. Director may make an election pursuant to Section 83(b) of the Code in respect of the Restricted Stock and, if he does so, he shall timely notify the Company of such election and send the Company a copy thereof. Director shall be solely responsible for properly and timely completing and filing any such election.

#### 10. UK Income Tax Election.

(a) If the Director is a resident of the UK, the Director and the Company agree that if either of them so elects, they will each enter into an irrevocable election either jointly or separately pursuant to section 431 of the UK Income Tax (Earnings and Pensions) Act 2003 (in such form as is approved by the Commissioners for Her Majesty's Revenue and Customs) not later than 14 days after the Grant Date of this award of Restricted Shares.

(b) Upon the expiration of the Restricted Period of any Restricted Shares, the Director agrees to enter into such written representations, warranties and agreements as the Committee may reasonably request in order to comply with applicable securities laws or with the Plan or this Agreement.

#### 11. Clawback/Forfeiture.

Notwithstanding anything to the contrary contained herein, in the event of a material restatement of the Company's issued financial statements, the Committee shall review the facts and circumstances underlying the restatement (including, without limitation any potential wrongdoing by Director and whether the restatement was the result of negligence or intentional or gross misconduct) and may in its sole discretion direct the Company to recover all or a portion of any income or gain realized on the vesting of the Restricted Stock or the subsequent sale of shares of released Restricted Stock with respect to any fiscal year in which the Company's financial results are negatively impacted by such restatement. If the Committee directs the Company to recover any such amount from the Director, then the Director agrees to and shall be required to repay any such amount to the Company within 30 days after the Company demands

repayment. In addition, if the Company is required by law to include an additional “clawback” or “forfeiture” provision to outstanding awards, under the Dodd-Frank Wall Street Reform and Consumer Protection Act or otherwise, then such clawback or forfeiture provision shall also apply to this Agreement as if it had been included on the Grant Date and the Company shall promptly notify the Director of such additional provision.

## 12. Miscellaneous.

(a) Waiver. Any right of the Company contained in this Agreement may be waived in writing by the Committee. No waiver of any right hereunder by any party shall operate as a waiver of any other right, or as a waiver of the same right with respect to any subsequent occasion for its exercise, or as a waiver of any right to damages. No waiver by any party of any breach of this Agreement shall be held to constitute a waiver of any other breach or a waiver of the continuation of the same breach.

(b) Notices. Any written notices provided for in this Agreement or the Plan shall be in writing and shall be deemed sufficiently given if either hand delivered or if sent by fax or overnight courier, or by postage paid first class mail. Notices sent by mail shall be deemed received three business days after mailing but in no event later than the date of actual receipt. Notices shall be directed, if to the Director, at the Director’s address indicated by the Company’s records, or if to the Company, at the Company’s principal executive office.

(c) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(d) No Right to Continued Service. Nothing in the Plan or in this Agreement shall confer upon Director any right to continue to serve as a member of the Board or shall interfere with or restrict in any way the right of the Company, which are hereby expressly reserved, to remove, terminate or discharge Director at any time for any reason.

(e) Beneficiary. The Director may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. If no designated beneficiary survives the Director, the Director’s estate shall be deemed to be the Director’s beneficiary.

(f) Bound by Plan. By signing this Agreement, Director acknowledges that he has received a copy of the Plan and has had an opportunity to review the Plan and agrees to be bound by all the terms and provisions of the Plan.

(g) Successors. The terms of this Agreement shall be binding upon and inure to the benefit of the Company, its successors and assigns, and on Director and the beneficiaries, executors, administrators, heirs and successors of Director.

(h) Entire Agreement. This Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto. No change, modification or waiver of any provision of this Agreement shall be valid unless the same be in writing and signed by the parties hereto, except for any changes permitted without consent under Section 14 of the Plan.

(i) Governing Law; JURY TRIAL WAIVER. This Agreement shall be construed and interpreted in accordance with the laws of the State of Florida without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of Florida. THE PARTIES EXPRESSLY AND KNOWINGLY WAIVE ANY RIGHT TO A JURY TRIAL IN THE EVENT ANY ACTION ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT IS LITIGATED OR HEARD IN ANY COURT.

(j) Data Protection. By accepting the grant of the Restricted Stock the Participant agrees and consents:

(i) to the collection, use, processing and transfer by the Company of certain personal information about the Director, including the Director's name, home address and telephone number, date of birth, other employee information, details of the Restricted Stock granted to the Participant ("Data"); and

(ii) to the Company transferring Data to any subsidiary or Affiliate of the Company for the purposes of implementing, administering and managing this Agreement; and

(iii) to the use of such Data by any person for such purposes; and

(iv) to the transfer to and retention of such Data by third parties in connection with such purposes.

(k) Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

(l) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first written above.

CARNIVAL CORPORATION

By: \_\_\_\_\_

ACCEPTED AND AGREED THIS \_\_ DAY  
OF \_\_\_\_\_.

\_\_\_\_\_  
Director



**DATED: 18 MAY 2011**

**Carnival Corporation**

**Carnival plc**

**The companies listed in Part A of Schedule 1**

**Arranged by**

**Banc of America Securities Limited**

**BNP Paribas**

**Goldman Sachs Bank USA**

**Intesa Sanpaolo S.p.A.**

**J.P. Morgan Limited**

**Lloyds TSB Bank plc**

**Mizuho Corporate Bank, Ltd.**

**The Royal Bank of Scotland plc**

**UniCredit S.p.A. London Branch**

**With**

**Banc of America Securities Limited**

**as Facilities Agent**

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**FACILITIES AGREEMENT**

**for US\$1,600,000,000**

**£150,000,000**

**€450,000,000**

**Multicurrency Revolving Facilities**

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**FRESHFIELDS BRUCKHAUS DERINGER**

Freshfields Bruckhaus Deringer LLP

65 Fleet Street

London EC4Y 1HS

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THIS AGREEMENT is dated 18 May 2011 and made

**BETWEEN:**

- (1) **CARNIVAL CORPORATION** (a Panamanian corporation having its principal place of business at Carnival Place, 3655 N.W. 87th Avenue, Miami, Florida, 33178-2428) (the *Company*);
- (2) **CARNIVAL PLC** (a company incorporated under the laws of England and Wales with registered number 04039524) (*Carnival plc*);
- (3) **THE SUBSIDIARIES OF THE COMPANY** and of **CARNIVAL PLC** listed in Part A of Schedule 1 as original borrowers (in this capacity and together with the Company and Carnival plc, the *Original Borrowers*);
- (4) **CARNIVAL CORPORATION** and **CARNIVAL PLC** as guarantors of their respective Subsidiaries (each a *Guarantor*);
- (5) **BANC OF AMERICA SECURITIES LIMITED, BNP PARIBAS, GOLDMAN SACHS BANK USA, INTESA SANPAOLO S.P.A., J.P. MORGAN LIMITED, LLOYDS TSB BANK PLC, MIZUHO CORPORATE BANK, LTD., THE ROYAL BANK OF SCOTLAND PLC and UNICREDIT S.P.A. LONDON BRANCH** as bookrunners and mandated lead arrangers (in this capacity the *Arrangers*);
- (6) **THE FINANCIAL INSTITUTIONS** listed in Part B and Part C of Schedule 1 as lenders (the *Original Lenders*);
- (7) **BANC OF AMERICA SECURITIES LIMITED** as facilities agent of the other Finance Parties (the *Facilities Agent*); and
- (8) **THE FINANCIAL INSTITUTIONS** listed in Part D of Schedule 1 as fronting banks for the Bonds (the *Original Fronting Banks*).

**IT IS AGREED as follows:**

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Agreement:

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

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

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

**Additional Borrower** means a company which becomes an Additional Borrower in accordance with Clause 29 (*Changes to the Obligors*).

**Additional Cost Rate** has the meaning given to it in Schedule 4 (*Mandatory Cost formulae*).

**Affected Lender** has the meaning given to that term in Clause 28.7(c) (*Downgrading of a Lender's rating*).

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

**Approved Jurisdiction** means:

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

**Australian Dollar, AUD** and **\$A** means the lawful currency of Australia from time to time.

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

**Available Bond Facility** means an amount equal to US\$500,000,000 minus:

- (a) the Base Currency Amount for Tranche A of any outstanding Bonds; and
- (b) in relation to any proposed Bond Utilisation, the Base Currency Amount for Tranche A of any Bonds which are due to be made under the Bonding Facility on or before the proposed Utilisation Date,

other than any Bond Utilisations that are due to be repaid or prepaid on or before the proposed Utilisation Date.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Bank Levy** means the U.K. Bank Levy and any of the bank levies announced by the French and German governments in a joint statement dated 22 June 2010, the financial crisis responsibility fee announced by the United States government on 14 January 2010 or any other bank levy, or a levy or Tax of similar nature imposed by reference to the assets or liabilities of a financial institution in any relevant jurisdiction which has been announced or implemented on or before the date of this Agreement.

**Base Currency** means:

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

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

**Basel III Framework** means the global regulatory standards on bank capital adequacy and liquidity referred to by the BCBS as "Basel III" or "the Basel III Framework" published in December 2010, together with any further guidance or standards in relation to "Basel III" or "the Basel III Framework" published or to be published by the BCBS.

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

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

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

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

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

**Bonding Facility** means the bonding facility made available under Tranche A of this Agreement as described in Clause 6 (*Utilisation - Bonds*) in a maximum amount of US\$500,000,000.

**Borrower** means an Original Borrower or an Additional Borrower unless it has ceased to be a Borrower in accordance with Clause 29 (*Changes to the Obligors*).

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

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



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

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

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

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

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

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

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

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

- (a) Tranche A Commitment;  
(b) Tranche B Commitment (for the purpose only of calculating the utilisation fee pursuant to Clause 16.4 converted into US Dollars at the Facilities Agent's Spot Rate of Exchange at that time); and  
(c) Tranche C Commitment (for the purpose only of calculating the utilisation fee pursuant to Clause 16.4 converted into US Dollars at the Facilities Agent's Spot Rate of Exchange at that time).

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

**Compliance Certificate** means a certificate substantially in the form set out in Schedule 8 (*Form of Compliance Certificate*).

**Confidentiality Undertaking** means a confidentiality undertaking substantially in the form set out in Schedule 9 (*Confidentiality Undertaking*).

**CP Programme** means:

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

of a member of the Carnival Corporation & plc Group.

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

**Deeds of Guarantee** means:

- (a) the deed of guarantee issued by the Company in favour of the Facilities Agent on behalf of the Finance Parties in respect of Carnival plc dated on or about the Signing Date; and
- (b) the deed of guarantee issued by Carnival plc in favour of the Facilities Agent on behalf of the Finance Parties in respect of the Company dated on or about the Signing Date.

**Default** means:

- (a) an Event of Default; or
- (b) any event or circumstance specified in Clause 27 (*Events of Default*) which would (with the expiry of a grace period, or the giving of notice, or any combination of them) be an Event of Default.

**Defaulting Lender** means any Lender:

- (a) which has failed to make its participation in a Loan available or has notified the Facilities Agent that it will not make its participation in a Loan available by the Utilisation Date of that Loan in accordance with Clause 5.4 (*Lenders' participation*) or 8.5 (*Swingline Lenders' participation*) or has failed to provide cash collateral (or has notified the relevant Fronting Bank that it will not provide cash collateral) in accordance with Clause 28.7(f) (*Downgrading of a Lender's rating*);
- (b) which has otherwise rescinded or repudiated a Finance Document; or
- (c) with respect to which an Insolvency Event has occurred and is continuing,

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

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

**Disruption Event** means either or both of:

- (a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facilities (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or

- (b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing that, or any other, Party:
  - (i) from performing its payment obligations under the Finance Documents; or
  - (ii) from communicating with other Parties in accordance with the terms of the Finance Documents,

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

**DLC Documents** means the agreements, deeds, instruments and constituent documents related to the Company and Carnival plc, as amended from time to time, establishing the dual listed company structure between the Company and Carnival plc entered into as contemplated by the Offer and Implementation Agreement between the Company and Carnival plc dated 8th January 2003 namely the SVE Special Voting Deed, Carnival Corporation's Articles and By-Laws, Carnival plc's Memorandum and Articles, the Carnival Corporation Deed of Guarantee, the P&O Princess Guarantee (as each such expression is defined in the Equalisation and Governance Agreement), the deed between the Company and P&O Princess Cruises plc dated 17th April 2003, the pairing agreement between the Company, The Law Debenture Trust Corporation (Cayman) Limited and SunTrust Bank dated 17th April 2003, the P&O Princess special voting trust deed made between the Company and the Law Debenture Trust Corporation (Cayman) Limited dated 17th April 2003 and the Equalisation and Governance Agreement.

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

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

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

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

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

**EURIBOR** means, in relation to any Loan in euro:

- (a) the applicable Screen Rate; or
- (b) (if no Screen Rate is available for the Interest Period of that Loan) the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Facilities Agent at its request quoted by the Reference Banks to leading banks in the European interbank market,

as of the Specified Time on the Quotation Day for the offering of deposits in euro for a period comparable to the Interest Period of the relevant Loan.

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

**Event of Default** means any event or circumstance specified as such in Clause 27 (*Events of Default*).

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

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

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

**Facilities Agent's Spot Rate of Exchange** means the Facilities Agent's spot rate of exchange for the purchase of a relevant currency with US Dollars, euro or Sterling, as the case may be, in the London foreign exchange market at or about 11:00 a.m. on a particular day.

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

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

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

**Fee Letter** means any letter or letters dated on or about the Signing Date between the Arrangers and the Company, the Facilities Agent and the Company, the active bookrunners (as such term is used in the Commitment Letter) and the Company or the Original Fronting Banks and the Company, setting out any of the fees referred to in Clause 16 (*Fees*).

**Finance Document** means:

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

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

**Fronting Bank** means:

- (a) any Original Fronting Bank;
- (b) any Lender appointed by the Company in the capacity of a Fronting Bank under Clause 28.1(d); and
- (c) any bank or financial institution which has become a Party in accordance with Clause 28 (*Changes to the Lenders*) in the capacity of Fronting Bank,

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

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

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

**Impaired Agent** means the Facilities Agent at any time when:

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

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

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

**Increase Confirmation** means a confirmation substantially in the form set out in Schedule 11 (*Form of Increase Confirmation*).

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

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

**Increased Cost** means:

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

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

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

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

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

**Interest Period** means:

- (a) in relation to a Loan (other than a Swingline Loan), each period determined in accordance with Clause 14 (*Interest Periods*);
- (b) in relation to a Swingline Loan, each period determined in accordance with Clause 9.7 (*Interest Period*); and
- (c) in relation to an Unpaid Sum, each period determined in accordance with Clause 13.3 (*Interest on overdue amounts*).

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

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

**Lender** means:

- (a) any Original Lender; and
- (b) any bank or financial institution which has become a Party in accordance with Clause 2.2 (*Increase*) or Clause 28 (*Changes to the Lenders*) in the capacity of Lender,

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

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

- (a) the applicable Screen Rate; or
- (b) (if no Screen Rate is available for the currency or Interest Period of that Loan) the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Facilities Agent at its request quoted by the Reference Banks to leading banks in the London interbank market,

as of the Specified Time on the Quotation Day for the offering of deposits in the currency of that Loan and for a period comparable to the Interest Period for that Loan.

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

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

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

**Majority Lenders** means, at any time, a Lender or Lenders whose Commitments aggregate more than 66 <sup>2</sup>/<sub>3</sub>% of the Total Commitments (or, if the Total Commitments have been reduced to zero and there are no Utilisations then outstanding, aggregated more than 66 <sup>2</sup>/<sub>3</sub>% of the Total Commitments immediately prior to the reduction).

**Mandatory Cost** means the percentage rate per annum calculated by the Facilities Agent in accordance with Schedule 4 (*Mandatory Cost formulae*).

**Margin** means at any time the percentage rate per annum determined at such time to be the margin in accordance with Clause 13.5 (*Margin*).

**Material Adverse Effect** means a material and adverse effect on:

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

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

For this purpose:

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



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

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

**New Lender** has the meaning given to that term in Clause 28.1 (*Assignments and transfers by the Lenders*)

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

**Obligor** means a Borrower or a Guarantor.

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

**OFAC** has the meaning given to that term in Clause 23.9 (*United States law*).

**Optional Currency** means a currency (other than the Base Currency for the relevant Tranche) which complies with the conditions set out in Clause 10.3 (*Conditions relating to Optional Currencies*).

**Original Financial Statements** means the audited consolidated financial statements of the Carnival Corporation & plc Group for the financial year ended 30 November 2010.

**Original Obligor** means an Original Borrower or a Guarantor.

**Overall Tranche A Commitment** of a Lender means:

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

**Overall Tranche B Commitment** of a Lender means:

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

**Overall Tranche C Commitment** of a Lender means:

- (a) its Tranche C Commitment; or

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

**Participating Member State** means any member state of the European Communities that adopts or has adopted the euro as its lawful currency in accordance with legislation of the European Community relating to Economic and Monetary Union.

**Party** means a party to this Agreement.

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

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

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

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

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

**Reference Banks** means the principal London offices of Bank of America N.A, BNP Paribas, J.P. Morgan Limited, The Royal Bank of Scotland plc and/or such other banks or financial institutions agreed to by the Company and the Facilities Agent.

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

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

**Repeating Representations** means the representations which are deemed to be repeated under Clause 23.10 (*Times for making representations*).

**Resignation Letter** means a letter substantially in the form set out in Schedule 7 (*Form of Resignation Letter*).

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

- (a) made or to be made on the same day that a maturing Loan is due to be repaid;
- (b) the aggregate amount of which is equal to or less than the maturing Loan;

- (c) in the same currency as the maturing Loan (unless it arose as a result of the operation of Clause 10.2 (*Unavailability of a currency*)); and
- (d) made or to be made to the same Borrower for the purpose of refinancing a maturing Loan.

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

**Screen Rate** means:

- (a) in relation to LIBOR, the British Bankers Association Interest Settlement Rate for the relevant currency and period; and
- (b) in relation to EURIBOR, the percentage rate per annum determined by the Banking Federation of the European Union for the relevant period,

displayed on the appropriate page of the Reuters screen. If the relevant page is replaced or the service ceases to be available, the Facilities Agent may, after consultation with the Company and the Lenders, specify another page or service displaying the appropriate rate.

**SEC** means the United States Securities Exchange Commission.

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

**Separate Loan** has the meaning given to that term in Clause 11 (*Repayment*).

**Signing Date** means the date of this Agreement.

**Specified Time** means, for any purpose, a time determined for that purpose in accordance with Schedule 10 (*Timetables*).

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

**Subsidiary** means a subsidiary within the meaning of section 1159 of the Companies Act 2006 and, for the purposes of Clause 25 (*Financial Covenants*) and in relation to financial statements of the Carnival Corporation & plc Group, a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

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

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

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

**Swingline Lender** means:

- (a) an Original Lender listed in Part C of Schedule 1 (*The Original Parties*) as a swingline lender; or

(b) any other person that becomes a swingline lender after the Signing Date in accordance with Clause 28 (*Changes to Lenders*),

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

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

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

**Swingline Tranche A Commitment** means:

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

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

**Swingline Tranche B Commitment** means:

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

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

**Swingline Tranche C Commitment** means:

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

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

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

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

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

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

**Tax Deduction** means a deduction or withholding for or on account of Tax from a payment under a Finance Document.

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

**Term** means, in respect of a Bond, the period for which a Fronting Bank is under a liability under that Bond.

**Termination Date** means the date which falls five (5) years after the Signing Date.

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

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

**Total Bond Commitments** means US\$500,000,000 at the date of this Agreement.

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

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

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

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

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

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

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

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

**Tranche** means:

- (a) Tranche A;
- (b) Tranche B; or
- (c) Tranche C.

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

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

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

**Tranche A Commitment** means:

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

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

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

**Tranche B Commitment** means:

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

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

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

**Tranche C Commitment** means:

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

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

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

**Transfer Certificate** means a certificate substantially in the form set out in Schedule 5 (*Form of Transfer Certificate*) or any other form agreed between the Facilities Agent and the Company.

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

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

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

**U.K. Bank Levy** means the bank levy imposed by the UK government as set out in the Finance (No.3) Bill published by Her Majesty's Treasury on 31 March 2011, but only to the extent that such levy as enacted in the U.K. by any law or regulation is materially the same (including in form, scope and rate) as that contained in such Bill.

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

**USA Patriot Act** has the meaning given to that term in Clause 23.9(a)(i) (*United States Law*).

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

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

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

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

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

**VAT** means value added tax as provided for in the Council Directive 2006/112/EC of November 28, 2006 on the common system of the value added tax, and any EU Member State legislation on this tax, including the U.K. Value Added Tax Act 1994 or any regulations promulgated thereunder, as well as any other tax of a similar nature.

## 1.2 Construction

- (a) The following definitions have the meanings given to them in Clause 25.1 (*Definitions*):
- (i) Borrowed Money;
  - (ii) Capital Lease;
  - (iii) Consolidated Capital;
  - (iv) Consolidated Net Interest Charges;
  - (v) EBITDA;
  - (vi) Excluded Indebtedness;
  - (vii) GAAP;
  - (viii) Indebtedness;
  - (ix) Interest;
  - (x) Interest Payable;
  - (xi) Interest Receivable;
  - (xii) Issued Capital and Consolidated Reserves;
  - (xiii) Measurement Period; and
  - (xiv) Testing Date.
- (b) In this Agreement, unless the contrary intention appears, a reference to:
- (i) an **amendment** includes a supplement, novation, restatement or re-enactment and amended will be construed accordingly;
  - (ii) **assets** includes present and future properties, revenues and rights of every description;



- (iii) an **authorisation** includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarization;
  - (iv) **consolidation** in relation to the Carnival Corporation & plc Group means a combination of the relevant financial items of the Carnival Corporation Group and the Carnival plc Group and **consolidated** will be construed accordingly;
  - (v) **disposal** means a sale, transfer, grant, lease or other disposal, whether voluntary or involuntary, and dispose will be construed accordingly;
  - (vi) **indebtedness** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money whether present or future, actual or contingent;
  - (vii) a **person** includes any individual, company, corporation, partnership, business trust, joint venture, association, joint stock company, trust or other unincorporated organization whether or not a legal entity, or any governmental or agency or political subdivision thereof;
  - (viii) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which any Party to which it applies is accustomed to comply) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organization with authority to regulate the business of any affected Party;
  - (ix) a currency is a reference to the lawful currency for the time being of the relevant country;
  - (x) a Default being **outstanding** means that it has not been remedied or waived;
  - (xi) a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;
  - (xii) a clause, a subclause or a schedule is a reference to a clause or subclause of, or a schedule to, this Agreement;
  - (xiii) a Party or any other person includes its successors in title, permitted assigns and permitted transferees;
  - (xiv) a Finance Document or another document is a reference to that Finance Document or other document as amended including any amendment providing for an increase in the amount of a facility or any additional facility; and
  - (xv) a time of day is a reference to London time.
- (c) Unless the contrary intention appears, a reference to a **month** or **months** is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month or the calendar month in which it is to end, except that:
- (i) if the numerically corresponding day is not a Business Day, the period will end on the next Business Day in that month (if there is one) or the preceding Business Day (if there is not);

- (ii) if there is no numerically corresponding day in that month, that period will end on the last Business Day in that month; and
  - (iii) notwithstanding sub-paragraph (i) above, a period which commences on the last Business Day of a month will end on the last Business Day in the next month or the calendar month in which it is to end, as appropriate.
- (d) Unless expressly provided to the contrary in a Finance Document, a person who is not a party to a Finance Document may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 (the **Third Parties Act**) and, notwithstanding any term of any Finance Document, no consent of any third party is required for any variation (including any release or compromise of any liability) or termination of that Finance Document.
- (e) Unless the contrary intention appears:
- (i) a reference to a party will not include that Party if it has ceased to be a Party under this Agreement;
  - (ii) a word or expression used in any other Finance Document or in any notice given in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement; and
  - (iii) any obligation of an Obligor under the Finance Documents which is not a payment obligation remains in force for so long as any payment obligation of an Obligor is or may be outstanding under the Finance Documents.
- (f) The headings in this Agreement do not affect its interpretation.
- (g) Any reference in this Agreement to:
- (i) the Interest Period of a Bond will be construed, notwithstanding Clause 14.1(b), as a reference to the Term of that Bond;
  - (ii) a Utilisation made or to be made to a Bond Borrower includes a Bond issued on its behalf;
  - (iii) an outstanding amount of a Bond at any time is the maximum amount that is or may be payable by the Bond Borrower in respect of that Bond at that time;
  - (iv) amounts outstanding under this Agreement includes amounts outstanding under or in respect of a Bond;
  - (v) a Borrower **repaying** or **prepaying** a Bond means:
    - (A) that Borrower providing cash cover for that Bond;
    - (B) the maximum amount payable under that Bond being reduced in accordance with its terms; or

- (C) the relevant Fronting Bank being satisfied that it has no further liability under that Bond,
- and the amount by which a Bond is repaid or prepaid under Clauses 1.2(g)(v)(A) and (g)(v)(B) above is the amount of the relevant cash cover or reduction; and
- (vi) a Bond Borrower providing **cash cover** for a Bond means a Bond Borrower (or another Obligor on its behalf) paying an amount in the currency of the Bond or, in relation to cash cover provided under Clause 6.9(b)(ii), US Dollars, into an interest-bearing account in the name of the Bond Borrower and the following conditions being met:
- (A) the account is with the Facilities Agent (or an Affiliate of the Facilities Agent) or the relevant Fronting Bank (if the cash cover is to be provided for that Fronting Bank) or with a Lender (if the cash cover is to be provided for that Lender);
  - (B) subject to Clause 28.7(l) (*Downgrading of a Lender's rating*), withdrawals from the account may only be made to pay a Finance Party amounts due and payable to it under this Agreement in respect of that Bond until no amount is or may be outstanding under that Bond; and
  - (C) the Bond Borrower (or relevant Obligor) has executed a security document over that account, in form and substance satisfactory to the Facilities Agent or the Fronting Bank or the Lender with which that account is held, creating a first ranking security interest over that account.
- (h) Any reference in this Agreement to:
- (i) an **Affiliate** in relation to The Royal Bank of Scotland plc, shall not include (i) the UK government or any member or instrumentality thereof, including Her Majesty's Treasury and UK Financial Investments Limited (or any directors, officers, employees or entities thereof); or (ii) any persons or entities controlled by or under common control with the U.K. government or any member or instrumentality thereof (including Her Majesty's Treasury and UK Financial Investments Limited) and which are not part of The Royal Bank of Scotland Group plc and its subsidiaries or subsidiary undertakings;
  - (ii) an **Interest Period** includes each period determined under this Agreement by reference to which interest on a Swingline Loan is calculated; and
  - (iii) a **Lender** includes a Swingline Lender unless the context otherwise requires.
- (i) In this Agreement, where it relates to a Borrower incorporated in The Netherlands, a reference to:
- (i) an **administration, winding up or dissolution** includes a Dutch entity being declared bankrupt (*failliet verklaard*) or dissolved (*ontbonden*);
  - (ii) a **moratorium** means *surséance van betaling* and **granted a moratorium** means *surséance verleend*;

- (iii) a **trustee** includes a *curator*;
- (iv) an **administrator** or **receiver** means a *bewindvoerder* or *curator*;
- (v) an **attachment** means a *beslag*;
- (vi) **necessary corporate action to authorise**, where applicable, includes without limitation, to the extent a works council (*ondernemingsraden*) is established and to the extent that any rights to consult (*in de gelegenheid stellen tot advies uitbrengen*) the works council or for the works council to approve (*instemming met*) are triggered under the Dutch Works Council Act, any action required to comply with the Dutch Works Council Act; and
- (vii) a **security interest** includes a mortgage (*hypotheek*), pledge (*pandrecht*), retention of title arrangement (*eigendomsvoorbehoud*), privilege (*voorrecht*), right of retention (*recht van retentie*), right to reclaim goods (*recht van reclame*) and in general any right *in rem* (*beperkt recht*) created for the purposes of granting security (*goederenrechtelijk zekerheidsrecht*).

## 2. THE FACILITIES

### 2.1 The Facilities

- (a) Subject to the terms of this Agreement, the Lenders make available to the Borrowers multicurrency revolving facilities in three (3) tranches being:
  - (i) a US Dollar facility in an aggregate amount equal to the Total Tranche A Commitments;
  - (ii) a Sterling facility in an aggregate amount equal to the Total Tranche B Commitments; and
  - (iii) a euro facility in an aggregate amount equal to the Total Tranche C Commitments.
- (b) Each Lender under Tranche C which lends to Borrowers resident in Italy must be a Qualifying Lender (as defined in Clause 17.10) unless such Lender has ceased to be a Qualifying Lender by reason of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or double taxation agreement or any published practice or concession of any relevant taxing authority.
- (c) If a Borrower is resident in Italy, that Borrower may only request a Loan under Tranche C.

### 2.2 Increase

- (a) The Company may by giving prior notice to the Facilities Agent after the effective date of a cancellation of:
  - (i) the Available Commitment and/or the Available Swingline Commitment of a Defaulting Lender (or its Affiliate) in accordance with Clause 12.6(g) (*Involuntary prepayment and cancellation and replacement of Lender*); or

- (ii) the Commitments of a Lender (or its Affiliate) in accordance with Clause 12.1 (*Mandatory prepayment - illegality*), request that the Total Commitments or the relevant Swingline Commitments be increased (and the Total Commitments under that Facility or the relevant Swingline Commitments shall be so increased) in an aggregate amount in the Base Currency of up to the amount of the Available Commitments or Available Swingline Commitment so cancelled as follows:
- (iii) the increased Commitments and/or relevant Swingline Commitments will be assumed by one or more Lenders or other banks or financial institutions which, in respect of an assumption of a Tranche A Commitment, meets the Rating Requirements at the time of such assumption (each an **Increase Lender**) selected by the Company (each of which shall not be a member of the Carnival Corporation & plc Group) and each of which confirms its willingness to assume and does assume all the obligations of a Defaulting Lender corresponding to that part of the increased Commitments and/or relevant Swingline Commitments which it is to assume, as if it had been an Original Lender;
  - (iv) each of the Obligors and any Increase Lender shall assume obligations towards one another and/or acquire rights against one another as the Obligors and the Increase Lender would have assumed and/or acquired had the Increase Lender been an Original Lender;
  - (v) each Increase Lender shall become a Party as a “Lender” and (where appropriate) “Swingline Lender” and any Increase Lender and each of the other Finance Parties shall assume obligations towards one another and acquire rights against one another as that Increase Lender and those Finance Parties would have assumed and/or acquired had the Increase Lender been an Original Lender;
  - (vi) the Commitments and Swingline Commitments of the other Lenders shall continue in full force and effect; and
  - (vii) any increase in the Total Commitments and/or the relevant Swingline Commitments shall take effect on the date specified by the Company in the notice referred to above or any later date on which the conditions set out in paragraph (b) below are satisfied.
- (b) An increase in the Total Commitments and/or the relevant Swingline Commitments will only be effective on:
- (i) the execution by the Facilities Agent of an Increase Confirmation from the relevant Increase Lender; and
  - (ii) in relation to an Increase Lender which is not a Lender immediately prior to the relevant increase the performance by the Facilities Agent of all necessary “know your customer” or other similar checks under all applicable laws and regulations in relation to the assumption of the increased Commitments and/or the relevant Swingline Commitments by that Increase Lender, the completion of which the Facilities Agent shall promptly notify to the Company, the Increase Lender and the Fronting Banks.

- (c) No Swingline Commitment of a Lender may exceed the Commitment of that Lender or its Affiliate pursuant to the operation of this Clause 2.2. Accordingly where the Swingline Commitments are to be increased pursuant to this Clause to replace Swingline Commitments of a Swingline Lender that have been cancelled pursuant to Clause 12.6(g) (*Involuntary prepayment and cancellation and replacement of Lender*) or Clause 12.1 (*Mandatory prepayment - illegality*) without a commensurate cancellation of the Commitments of that Swingline Lender's Affiliate being required at the time of such cancellation, that Affiliate shall (to the extent of its Commitments at the time of the increase in Swingline Commitments) be required to transfer its Commitments to the relevant Increase Lender (or its Affiliate) on the terms provided for in Clause 39.4 (*Replacement of a Defaulting Lender*) to the extent necessary to ensure that the Commitments of the Increase Lender (or its Affiliate) are at least equal to each of the Swingline Commitments assumed by that Increase Lender.
- (d) Each Increase Lender, by executing the Increase Confirmation, confirms (for the avoidance of doubt) that the Facilities Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the increase becomes effective.
- (e) Unless the Facilities Agent otherwise agrees or the increased Commitment and/or Swingline Commitment is assumed by an existing Lender, the Company shall, on the date upon which the increase takes effect, pay to the Facilities Agent (for its own account) a fee of USD3,500 and promptly on demand pay to the Facilities Agent the amount of all reasonable costs and expenses (including legal fees) reasonably incurred by it in connection with any increase in Commitments under this Clause 2.2.
- (f) The Company may pay to the Increase Lender a fee in the amount and at the times agreed between the Company and the Increase Lender in a letter between the Company and the Increase Lender setting out that fee. A reference in this Agreement to a Fee Letter shall include any letter referred to in this paragraph.
- (g) Clause 28.3 (*Limitation of responsibility of Existing Lenders*) shall apply *mutatis mutandis* in this Clause 2.2 in relation to an Increase Lender as if references in that Clause to:
  - (i) an **Existing Lender** were references to all the Lenders immediately prior to the relevant increase;
  - (ii) the **New Lender** were references to that **Increase Lender**; and
  - (iii) a **re-transfer** and **re-assignment** were references to respectively a **transfer** and **assignment**.

### 2.3 Finance Parties' rights and obligations

- (a) The obligations of each Finance Party under the Finance Documents are several. Failure by a Finance Party to perform its obligations under the Finance Documents does not affect the obligations of any other Party under the Finance Documents. No Finance Party is responsible for the obligations of any other Finance Party under the Finance Documents.

- (b) The rights of each Finance Party under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to a Finance Party from an Obligor shall be a separate and independent debt.
- (c) A Finance Party may, except as otherwise stated in the Finance Documents, separately enforce its rights under the Finance Documents.

## **2.4 Obligors' Agent**

- (a) Each Obligor (other than the Company, Costa Crociere S.p.A. and any other Obligor incorporated in Italy) by its execution of this Agreement or an Accession Letter irrevocably appoints the Company to act on its behalf as its agent in relation to the Finance Documents and irrevocably authorises:
  - (i) the Company on its behalf to supply all information concerning itself contemplated by this Agreement to the Finance Parties and to give all notices and instructions (including, in the case of a Borrower, Utilisation Requests), to execute on its behalf any Accession Letter, to make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Obligor notwithstanding that they may affect the Obligor, without further reference to or the consent of that Obligor; and
  - (ii) each Finance Party to give any notice, demand or other communication to that Obligor pursuant to the Finance Documents to the Company, and in each case the Obligor shall be bound as though the Obligor itself had given the notices and instructions (including without limitation, any Utilisation Requests) or executed or made the agreements or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication.
- (b) Every act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication given or made by the Obligors' Agent or given to the Obligors' Agent under any Finance Document on behalf of another Obligor or in connection with any Finance Document (whether or not known to any other Obligor and whether occurring before or after such Obligor became an Obligor under any Finance Document) shall be binding for all purposes on that Obligor as if that Obligor had expressly made, given or concurred with it. In the event of any conflict between any notices or other communications of the Obligors' Agent and any other Obligor, those of the Obligors' Agent shall prevail.

## **3. PURPOSE**

### **3.1 Purpose**

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

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

### **3.2 Monitoring**

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

## **4. CONDITIONS OF UTILISATION**

### **4.1 Initial conditions precedent**

No Borrower may deliver a Utilisation Request unless the Facilities Agent has received all of the documents and other evidence listed in Part A of Schedule 2 (*Conditions precedent*) in form and substance satisfactory to the Facilities Agent. The Facilities Agent shall notify the Company and the Lenders promptly upon being so satisfied.

## **5. UTILISATION - LOAN**

### **5.1 Delivery of a Loan Utilisation Request**

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

### **5.2 Completion of a Loan Utilisation Request**

- (a) Each Loan Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:
  - (i) it identifies the Tranche to be utilised;
  - (ii) the proposed Utilisation Date is a Business Day falling within the Availability Period;
  - (iii) the currency and amount of the Loan Utilisation comply with Clause 5.3 (*Currency and amount*); and
  - (iv) the proposed Interest Period complies with Clause 14 (*Interest Periods*).
- (b) Only one Loan Utilisation may be requested in each Loan Utilisation Request.
- (c) Subject to Clause 5.2(d), a Borrower may not deliver a Loan Utilisation Request for a Loan Utilisation if as a result of the proposed Loan Utilisation more than twelve (12) Loan Utilisations would be outstanding.
- (d) For the purposes of Clause 5.2(c), the following shall not be taken into account:
  - (i) a Loan Utilisation made pursuant to Clause 7.1(b) to repay a Bond Utilisation or any amount outstanding under a Bond;
  - (ii) a Loan Utilisation made pursuant to Clause 9.3(b) to repay a Swingline Loan that has become due and payable;



- (iii) any Utilisation made by a single Lender under Clause 10.2 (*Unavailability of a currency*); and
- (iv) any Separate Loan.

### 5.3 Currency and amount

- (a) The currency specified in a Loan Utilisation Request given under Clause 5.1 must be the Base Currency for the Tranche requested or an Optional Currency.
- (b) The amount of the proposed Loan Utilisation must be:
  - (i) if the currency selected is the Base Currency:
    - (A) in respect of Tranche A, a minimum of US\$2,000,000 or, if less, the Available Tranche A Facility;
    - (B) in respect of Tranche B, a minimum of £1,000,000 or, if less, the Available Tranche B Facility; or
    - (C) in respect of Tranche C, a minimum of €1,500,000 or, if less, the Available Tranche C Facility;
  - (ii) if the currency selected is an Optional Currency and does not require the approval of the Facilities Agent under Clause 10.3(a)(i):
    - (A) in respect of Tranche A, a minimum of US\$2,000,000 or, if less, the Available Tranche A Facility (where the amount of the proposed Loan Utilisation is converted into US Dollars at the Facilities Agent's Spot Rate of Exchange on the date of the Loan Utilisation Request);
    - (B) in respect of Tranche B, a minimum of £1,000,000 or, if less, the Available Tranche B Facility (where the amount of the proposed Loan Utilisation is converted into Sterling at the Facilities Agent's Spot Rate of Exchange on the date of the Loan Utilisation Request); or
    - (C) in respect of Tranche C, a minimum of €1,500,000 or, if less, the Available Tranche C Facility (where the amount of the proposed Loan Utilisation is converted into euro at the Facilities Agent's Spot Rate of Exchange on the date of the Loan Utilisation Request); and
  - (iii) if the currency selected is an Optional Currency and it has been approved by the Facilities Agent under Clause 10.3(a)(i), the minimum amount (and, if required, integral multiple) specified by the Facilities Agent pursuant to Clause 10.3(b) (*Conditions relating to Optional Currencies*).

### 5.4 Lenders' participation

- (a) Subject to Clause 5.4(b), the Lenders will only be obliged to comply with this Clause 5.4 (*Lenders' participation*) if on the proposed Utilisation Date:
  - (i) in the case of a Rollover Loan no Event of Default is outstanding or would result from the proposed Rollover Loan and, in the case of any other Loan Utilisation, no Default is outstanding or would result from the proposed Loan Utilisation; and

- (ii) the Repeating Representations to be made by each Obligor are correct in all material respects.
- (b) The Lenders shall be obliged to comply with this Clause 5.4 in relation to any Loan Utilisation made pursuant to Clause 7.1(b) or Clause 9.3(b) provided that Clause 5.4(a) shall not apply to any such Loan Utilisation, and the conditions referred to in Clauses 5.4(f) and 5.4(g) shall be deemed satisfied in relation to any such Loan Utilisation.
- (c) The Facilities Agent must promptly notify each Lender of the details of the requested Loan Utilisation (including the amount, currency and Base Currency Amount) and the amount of each Lender's share in that Loan Utilisation, in each case by the Specified Time.
- (d) The amount of each Lender's share in:
  - (i) each Loan Utilisation under Tranche A will be equal to the proportion which its Available Tranche A Commitment bears to the Available Tranche A Facility immediately prior to making the Loan Utilisation;
  - (ii) each Loan Utilisation under Tranche B will be equal to the proportion which its Available Tranche B Commitment bears to the Available Tranche B Facility immediately prior to making the Loan Utilisation; and
  - (iii) each Loan Utilisation under Tranche C will be equal to the proportion which its Available Tranche C Commitment bears to the Available Tranche C Facility immediately prior to making the Loan Utilisation.
- (e) Each Original Lender represents (and each other Lender will represent, upon becoming party as a Lender in accordance with Clause 28 (*Changes to the Lenders*)) that it is a "professional market party" (*professionele marktpartij*), as that term is used in the Netherlands Financial Supervision Act (*wet op het financieel toezicht*).
- (f) If the conditions set out in this Agreement have been satisfied or waived and subject to Clause 11(g) (*Repayment*), each Lender must make its share in each Loan Utilisation available to the Facilities Agent for the relevant Borrower through its Facility Office on the proposed Utilisation Date.
- (g) If, on the proposed Utilisation Date, the Facilities Agent is satisfied that all conditions precedent have been satisfied or waived it shall pay the proceeds of each Loan Utilisation received pursuant to Clause 5.4(f) above in accordance with the payment directions set out in the relevant Loan Utilisation Request (or, if relevant, in accordance with Clause 7.1(b) or Clause 9.3(b)).

## **6. UTILISATION - BONDS**

### **6.1 General**

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

## **6.2 Tranche A**

A Bond Utilisation may only be made under Tranche A.

## **6.3 Delivery of a Bond Utilisation Request**

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

## **6.4 Completion of a Bond Utilisation Request**

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

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

## **6.5 Currency and amount**

- (a) The currency specified in a Bond Utilisation Request given under Clause 6.3 must be the Base Currency for Tranche A or an Optional Currency.
- (b) The amount of the proposed Bond must be an amount whose Base Currency Amount for Tranche A is not more than the lesser of the Available Tranche A Facility and the Available Bond Facility.

## **6.6 Form and Type of Bond**

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

## **6.7 Issue of Bonds**

- (a) If the conditions set out in Clause 6.4 have been met, the relevant Fronting Bank shall issue the Bond on the proposed Utilisation Date.
- (b) The relevant Fronting Bank will only be obliged to comply with Clause 6.7(a) above if on the date of the Bond Utilisation Request or, as the case may be, Renewal Request and on the proposed Utilisation Date:
  - (i) in the case of a Bond renewed in accordance with Clause 6.8 (*Renewal of a Bond*), no Event of Default is outstanding or would result from the proposed Bond Utilisation and, in the case of any other Bond Utilisation, no Default is outstanding or would result from the proposed Bond Utilisation; and
  - (ii) the Repeating Representations to be made by each Obligor are true in all material respects.
- (c) The amount of each Lender's participation in each Bond will be equal to the proportion borne by its Lender's Available Tranche A Commitment to the Available Tranche A Facility immediately prior to the issue of the Bond.
- (d) The Facilities Agent shall determine the Base Currency Amount of each Bond which is to be issued in an Optional Currency and shall notify the relevant Fronting Bank and each Lender of the details of the requested Bond and its participation in that Bond by the Specified Time.

## **6.8 Renewal of a Bond**

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

## **6.9 Revaluation of Bonds**

- (a) If any outstanding Bond is denominated in an Optional Currency, the Facilities Agent shall on each Test Date - Bonds recalculate the Base Currency Amount for Tranche A of that Bond by notionally converting into US Dollars the outstanding amount of that Bond on the basis of the Facilities Agent's Spot Rate of Exchange on the date of calculation.
- (b) If on any Test Date - Bonds (i) the Test Total - Bonds exceeds (ii) the Total Bond Commitments, each of the Bond Borrowers will, if requested by the Facilities Agent within three Business Days of the Test Date - Bonds, ensure that within three Business Days of receipt of such request either (at the discretion of the Bond Borrowers):
  - (i) sufficient Bonds are cancelled so that the Test Total - Bonds does not exceed the Total Bond Commitments; and/or
  - (ii) the Facilities Agent receives cash cover in US Dollars which when aggregated with all other amounts then held by the Facilities Agent (or any of its Affiliates) as cash cover under this Agreement, will result in the Facilities Agent (or any of its Affiliates) holding cash cover in an amount not less than the amount by which the Test Total - Bonds exceeds the Total Bond Commitments.
- (c) If on any Test Date - Bonds (i) the Total Bond Commitments exceed (ii) the Test Total - Bonds, the Facilities Agent shall to the extent that it (or any of its Affiliates) holds cash cover as a result of the operation of Clause 6.9(b)(ii) repay to the Bond Borrowers (or other relevant Obligors) an amount equal to the lesser of the amount of such excess and the amount of such cash cover held by it (or any of its Affiliates).
- (d) All cash cover held by the Facilities Agent (or any of its Affiliates) under this Clause 6.9 shall be repaid to the Bond Borrowers (or other relevant Obligors) on the Expiry Date of any Bond if upon that expiry no amount is outstanding under such Bond or any other Bond.

## **7. BONDS**

### **7.1 Immediately payable**

- (a) If a claim is made under a Bond, the Bond Borrower which requested that Bond shall pay to the Facilities Agent for the account of the relevant Fronting Bank the amount of that claim promptly and in any event within three Business Days of demand.
- (b) If the relevant Bond Borrower does not repay such amount in full within three Business Days of demand by the relevant Fronting Bank:
  - (i) subject to Subclause (iv) below, the Bond Borrower will on the immediately following Business Day be deemed to have delivered a Loan Utilisation Request under Tranche A for a Loan Utilisation in an amount equal to, and in the same currency as, the amount demanded under Clause 7.1(a) with an Interest Period of two weeks and a Utilisation Date of the Business Day following the deemed date of the Loan Utilisation Request;

- (ii) the amount of each Lender's share in the Loan Utilisation shall be determined in accordance with Clause 5.4;
- (iii) the Facilities Agent will pay to the relevant Fronting Bank the amount deemed requested by the Bond Borrower under paragraph (i) above in full satisfaction of the Bond Borrower's obligations under Clause 7.1(a) and a pro tanto discharge of the Bond Borrower's obligations under Clause 7.3(a); and
- (iv) in any case where the Bond Borrower is not permitted under this Agreement to utilise Tranche A by way of Loan, the Loan Utilisation shall be deemed requested under Tranche C (or another Tranche under which it is permitted to utilise Loans), provided that if the amount of the Utilisation would exceed the Available Tranche C Facility (or other relevant Available Commitment) then the amount of such excess shall constitute a Loan Utilisation by Carnival plc under Tranche A (and then Tranche B to the extent that Loan Utilisation under Tranche A exceeds the Available Tranche A Facility) in each case with an Interest Period of two weeks.

## 7.2 Claims under a Bond

- (a) The Bond Borrower irrevocably and unconditionally authorises the relevant Fronting Bank to pay any claim made or purported to be made under a Bond requested by it and which appears on its face to be in order (a **claim**).
- (b) The relevant Fronting Bank shall examine the claim made under any Bond in accordance with the criteria set out in the Uniform Customs and Practices for Documentary Credits, International Chamber of Commerce, publication No. 600 (or any subsequent revision thereof) (**UCP 600**), whether or not the Bond is or is stated to be governed by UCP 600, and accordingly the responsibility of the relevant Fronting Bank shall be limited to ascertaining that the documents constituting the claim appear on their face to be in accordance with the relevant Bond, properly completed and in compliance with the requirements of this Agreement and, subject to the terms of the Bond, the UCP 600.
- (c) Each Bond Borrower acknowledges that the relevant Fronting Bank:
  - (i) is not obliged to carry out any investigation or seek any confirmation from any other person before paying a claim other than set out in Clause 7.2(b); and
  - (ii) deals in documents only and will not be concerned with the legality of a claim or any underlying transaction or any available set-off, counterclaim or other defence of any person.
- (d) Without prejudice to the limits on the liability of the Borrower under Clause 7.3(a) or against any Fronting Bank at law, the obligations of a Bond Borrower under this Clause 7 will not be affected by:
  - (i) the sufficiency, accuracy or genuineness of any claim or any other document; or
  - (ii) any incapacity of, or limitation on the powers of, any person signing a claim or other document.

### 7.3 Indemnities

- (a) Each Bond Borrower shall immediately on demand indemnify the relevant Fronting Bank against any cost, loss or liability incurred by that Fronting Bank (otherwise than by reason of that Fronting Bank's breach of this Agreement, gross negligence or wilful misconduct) as a direct consequence of, or in the performance of its obligations or the exercise of its rights under, any Bond requested by that Bond Borrower.
- (b) Each Lender shall (according to its Bond Proportion) immediately on demand (such demand to be made no earlier than seven Business Days following a demand on the Bond Borrower under Clause 7.3(a)) indemnify the relevant Fronting Bank against any cost, loss or liability incurred by that Fronting Bank (otherwise than by reason of that Fronting Bank's gross negligence or wilful misconduct) in acting as the relevant Fronting Bank under any Bond (unless that Fronting Bank has been reimbursed by an Obligor pursuant to a Finance Document).
- (c) If any Lender is not permitted (by its constitutional documents or any applicable law) to comply with Clause 7.3(b) above, then that Lender will not be obliged to comply with Clause 7.3(b) and shall instead be deemed to have taken, on the date the Bond is issued (or if later, on the date the Lender's participation in the Bond is transferred or assigned to the Lender in accordance with the terms of this Agreement), an undivided interest and participation in the Bond in an amount equal to its Bond Proportion of that Bond. On receipt of demand from the Facilities Agent, that Lender shall pay to the Facilities Agent (for the account of the relevant Fronting Bank) an amount equal to its Bond Proportion of the amount demanded under Clause 7.3(b) above.
- (d) The relevant Bond Borrower shall immediately on demand reimburse any Lender for any payment it makes to the relevant Fronting Bank under this Clause 7.3 (*Indemnities*) in respect of that Bond.
- (e) The obligations of each Lender or Borrower under this Clause are continuing obligations and will extend to the ultimate balance of sums payable by that Lender or Borrower in respect of any Bond, regardless of any intermediate payment or discharge in whole or in part.
- (f) The obligations of any Lender or Borrower under this Clause will not be affected by any act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Clause (without limitation and whether or not known to it or any other person) including:
  - (i) any time, waiver or consent granted to, or composition with, any Obligor, any beneficiary under a Bond or other person;
  - (ii) the release of any other Obligor or any other person under the terms of any composition or arrangement;
  - (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor, any beneficiary under a Bond or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

- (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor, any beneficiary under a Bond or any other person;
- (v) any amendment (however fundamental) or replacement of a Finance Document, any Bond or any other document or security;
- (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document, any Bond or any other document or security; or
- (vii) any insolvency or similar proceedings.

#### **7.4 Rights of contribution**

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

### **8. UTILISATION - SWINGLINE LOAN**

#### **8.1 General**

- (a) The following provisions do not apply to Swingline Loans:
  - (i) Clause 5 (*Utilisation*);
  - (ii) Clause 10 (*Optional currencies*);
  - (iii) Clause 13 (*Interest*) as it applies to the calculation of interest on a Loan Utilisation (other than in respect of any Separate Loan) but not default interest on an overdue amount;
  - (iv) Clause 14 (*Interest Periods*); and
  - (v) in respect of Swingline Loans under Tranche A, Clause 5 (*Changes to the calculation of interest*).

#### **8.2 Delivery of a Swingline Loan Utilisation Request**

- (a) A Borrower may utilise the Swingline Facilities by delivery to the Facilities Agent of a duly completed Swingline Loan Utilisation Request not later than the Specified Time (unless a shorter period is agreed by the Facilities Agent).
- (b) Each Swingline Loan Utilisation Request must be sent to the Facilities Agent to:
  - (i) the address in Concord, California notified by the Facilities Agent for this purpose (in the case of Tranche A);
  - (ii) the address in London notified by the Facilities Agent for this purpose (in the case of Tranche B); or
  - (iii) the address in London notified by the Facilities Agent for this purpose (in the case of Tranche C),



in each case with a copy to its address referred to in Clause 35 (*Notices*).

### **8.3 Completion of a Swingline Loan Utilisation Request**

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

### **8.4 Currency and amount**

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

## **8.5 Swingline Lenders' participation**

- (a) If the conditions set out in this Agreement have been met, each Swingline Lender shall make its participation in each Swingline Loan available through its Facility Office in the United States, in the case of Tranche A, London, in the case of Tranche B, and London or Milan, in the case of Tranche C, or to the extent that lending out of such Facility Office would result in payments made to that Swingline Lender from the relevant Borrower being subject to a Tax Deduction, that or such other Facility Office as that Swingline Lender may nominate which would (at the date of nomination) allow that Swingline Lender to receive payments from the relevant Borrower without Tax Deduction.
- (b) The Swingline Lenders will only be obliged to comply with Clause 8.5(a) above if on the date of the Swingline Loan Utilisation Request and on the proposed Utilisation Date:
  - (i) no Default is outstanding or would result from the proposed Swingline Loan; and
  - (ii) the Repeating Representations to be made by each Obligor are true in all material respects.
- (c) The amount of each Swingline Lender's participation in:
  - (i) each Swingline Loan under Tranche A will be equal to the proportion which its Available Swingline Tranche A Commitment bears to the Available Swingline Tranche A Facility immediately prior to making the Swingline Loan;
  - (ii) each Swingline Loan under Tranche B will be equal to the proportion which its Available Swingline Tranche B Commitment bears to the Available Swingline Tranche B Facility immediately prior to making the Swingline Loan; and
  - (iii) each Swingline Loan under Tranche C will be equal to the proportion which its Available Swingline Tranche C Commitment bears to the Available Swingline Tranche C Facility immediately prior to making the Swingline Loan,in each case, adjusted to take account of any limit applying under Clause 8.6 (*Relationship with the Facilities*).
- (d) The Facilities Agent shall notify each Lender for a particular Tranche of the amount of each Swingline Loan under that Tranche, and in addition shall notify each Swingline Lender under that Tranche of the amount of its participation in that Swingline Loan, in each case by the Specified Time.

## **8.6 Relationship with the Facilities**

- (a) This Clause applies when a Swingline Loan is outstanding or is to be borrowed following the issue of a Swingline Loan Utilisation Request.
- (b) The Facilities may be used by way of Swingline Loans. The Swingline Facilities are not independent of Tranche A, Tranche B and Tranche C.

- (c) Notwithstanding any other term of this Agreement a Lender is only obliged to participate in:
- (i) a Loan under Tranche A to the extent that it would not result in the Base Currency Amount of its participation and that of a Lender which is its Affiliate in Loans under Tranche A exceeding its Overall Tranche A Commitment;
  - (ii) a Loan under Tranche B to the extent that it would not result in the Base Currency Amount of its participation and that of a Lender which is its Affiliate in Loans under Tranche B exceeding its Overall Tranche B Commitment; and
  - (iii) a Loan under Tranche C to the extent that it would not result in the Base Currency Amount of its participation and that of a Lender which is its Affiliate in Loans under Tranche C exceeding its Overall Tranche C Commitment.
- (d) Where, but for the operation of Clause 8.6(c), the Base Currency Amount of a Lender's participation in Loans and that of a Lender which is its Affiliate:
- (i) under Tranche A would have exceeded its Overall Tranche A Commitment, the excess will be apportioned among the other Lenders participating in the relevant Loan under Tranche A pro rata according to their Tranche A Commitments;
  - (ii) under Tranche B would have exceeded its Overall Tranche B Commitment, the excess will be apportioned among the other Lenders participating in the relevant Loan under Tranche B pro rata according to their Tranche B Commitments; and
  - (iii) under Tranche C would have exceeded its Overall Tranche C Commitment, the excess will be apportioned among the other Lenders participating in the relevant Loan under Tranche C pro rata according to their Tranche C Commitments.

The calculations under this Clause 8.6(d) will be applied as often as necessary until the Loan is apportioned among the relevant Lenders in a manner consistent with Clause 8.6(c) above.

## **9. SWINGLINE LOANS**

### **9.1 Swingline Facilities**

Subject to the terms of this Agreement:

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

## **9.2 Purpose**

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

## **9.3 Repayment**

- (a) Subject to Clause 11(b) (*Repayment*), each Borrower that has drawn a Swingline Loan shall repay that Swingline Loan on the last day of its Interest Period.
- (b) If the Borrower does not comply with Clause 9.3(a):
  - (i) the Borrower will be deemed to have delivered a Loan Utilisation Request (without the need to satisfy any conditions precedent as otherwise required under this Agreement) under the relevant Tranche to which the Swingline Loan relates for a Loan Utilisation in an amount equal to, and in the same currency as, the amount payable under Clause 9.3(a) with an Interest Period of two weeks;
  - (ii) the amount of each Lender's share in the Loan Utilisation shall be determined in accordance with Clause 5.4; and
  - (iii) the Facilities Agent will pay to the relevant Swingline Lenders the amount requested by the Borrower under paragraph (i) above in full satisfaction of its obligations under Clause 9.3(a).

## **9.4 Indemnities**

- (a) Where a Swingline Loan cannot by reason of applicable law be refinanced with a Loan Utilisation under Clause 9.3(b):
  - (i) each Lender under Tranche A shall (according to its Tranche A Indemnified Proportion) immediately on demand indemnify each Swingline Lender under Tranche A against any cost, loss or liability incurred by that Swingline Lender (otherwise than by reason of that Swingline Lender's gross negligence or wilful misconduct) in acting as a Swingline Lender of a Swingline Loan under Tranche A (unless that Swingline Lender has been reimbursed by an Obligor pursuant to a Finance Document);
  - (ii) each Lender under Tranche B shall (according to its Tranche B Indemnified Proportion) immediately on demand indemnify each Swingline Lender under Tranche B against any cost, loss or liability incurred by that Swingline Lender (otherwise than by reason of that Swingline Lender's gross negligence or wilful misconduct) in acting as a Swingline Lender of a Swingline Loan under Tranche B (unless that Swingline Lender has been reimbursed by an Obligor pursuant to a Finance Document); and

- (iii) each Lender under Tranche C shall (according to its Tranche C Indemnified Proportion) immediately on demand indemnify each Swingline Lender under Tranche C against any cost, loss or liability incurred by that Swingline Lender (otherwise than by reason of that Swingline Lender's gross negligence or wilful misconduct) in acting as a Swingline Lender of a Swingline Loan under Tranche C (unless that Swingline Lender has been reimbursed by an Obligor pursuant to a Finance Document).
- (b) The relevant Borrower shall immediately on demand reimburse any Lender for any payment it makes to a Swingline Lender under this Clause 9.4 (*Indemnities*) in respect of that Swingline Loan.
- (c) The obligations of each Lender under this Clause are continuing obligations and will extend to the ultimate balance of sums payable by that Lender in respect of any Swingline Loan, regardless of any intermediate payment or discharge in whole or in part.
- (d) The obligations of any Lender under this Clause will not be affected by any act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Clause (without limitation and whether or not known to it or any other person) including:
  - (i) any time, waiver or consent granted to, or composition with, any Obligor or other person;
  - (ii) the release of any other Obligor or any other person under the terms of any composition or arrangement;
  - (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
  - (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
  - (v) any amendment (however fundamental) or replacement of a Finance Document or any other document or security;
  - (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
  - (vii) any insolvency or similar proceedings.
- (e) No Obligor will be entitled to any right of contribution or indemnity from any Finance Party in respect of any payment it may make under this Clause 9.4.

#### **9.5 Voluntary Prepayment of Swingline Loans**

- (a) The Borrower to which a Swingline Loan has been made may prepay at any time the whole of that Swingline Loan.
- (b) Any prepayment shall be made with accrued interest and without premium or penalty.

- (c) Unless a contrary indication appears in this Agreement, any part of the Swingline Facilities which is prepaid may be reborrowed in accordance with the terms of this Agreement.

## **9.6 Interest**

- (a) The rate of interest on each Swingline Loan for any day during its Interest Period is:
  - (i) for Swingline Loans under Tranche A, the higher of:
    - (A) the prime commercial lending rate in US Dollars announced by the Facilities Agent at the Specified Time and in force on that day; and
    - (B) 0.50 per cent. per annum over the rate per annum determined by the Facilities Agent to be the Federal Funds Rate (as published by the Federal Reserve Bank of New York) for that day;
  - (ii) for Swingline Loans under Tranche B the percentage rate per annum equal to the aggregate of:
    - (A) the applicable Margin;
    - (B) LIBOR; and
    - (C) Mandatory Cost, if any;
  - (iii) for Swingline Loans under Tranche C, the percentage rate per annum equal to the aggregate of:
    - (A) the applicable Margin;
    - (B) the arithmetic mean of the rates (rounded up to four decimal places) as supplied to the Facilities Agent at its request by the Reference Banks to leading banks in the European Interbank Market as of 11:00am (Brussels time) on the Utilisation Date for that Swingline Loan for the offering of deposits in euro for a period comparable to the Interest Period for the relevant Swingline Loan and for settlement on that day; and
    - (C) Mandatory Cost (if any).
- (b) The Facilities Agent shall promptly notify the Swingline Lenders and the relevant Borrower of the determination of the rate of interest under Clause 9.6(a) above.
- (c) Each Borrower shall pay accrued interest on each Swingline Loan made to it on the last day of its Interest Period.

## **9.7 Interest Period**

- (a) Each Swingline Loan has one Interest Period only.
- (b) The Interest Period for a Swingline Loan must be selected in the relevant Swingline Loan Utilisation Request.

## **9.8 Facilities Agent**

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

## **9.9 Conditions of assignment or transfer**

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

## **10. OPTIONAL CURRENCIES**

### **10.1 Selection of currency**

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

## **10.2 Unavailability of a currency**

- (a) If before the Specified Time on any Quotation Day:
- (i) a Lender notifies the Facilities Agent that the Optional Currency requested is not readily available to it in the amount required; or
  - (ii) a Lender notifies the Facilities Agent that compliance with its obligation to participate in a Loan in the proposed Optional Currency would contravene a law or regulation applicable to it,
- the Facilities Agent will give notice to the Company and the relevant Borrower promptly and in any event no later than the Specified Time on that day.
- (b) Any Lender that gives notice pursuant to Clause 10.2(a) will be required to participate in the Loan in the Base Currency for the Tranche requested (in an amount equal to that Lender's proportion of the Base Currency Amount for that Tranche or, in respect of a Rollover Loan, an amount equal to that Lender's proportion of the Base Currency Amount for that Tranche of the Rollover Loan that is due to be made) and its participation will be treated as a separate Loan denominated in the Base Currency for that Tranche during that Interest Period.
- (c) Any part of a Loan treated as a separate Loan under this Clause 10.2 will not be taken into account for the purposes of any limit on the number of Loans outstanding at any one time.
- (d) A Loan will still be treated as a Rollover Loan if it is not denominated in the same currency as the maturing Loan by reason of the operation of this Clause 10.2.

## **10.3 Conditions relating to Optional Currencies**

- (a) A currency will constitute an Optional Currency in relation to any Utilisation if it is not the relevant Base Currency and if either:
- (i) it is readily available and freely convertible into the Base Currency for the relevant Tranche readily available in the amount requested in the Relevant Interbank Market on the Quotation Day and the Utilisation Date for that Utilisation and has been approved by the Facilities Agent (acting on the instructions of all the Lenders on or prior to receipt by the Facilities Agent of the relevant Utilisation Request for that Loan); or
  - (ii) it is US Dollars, euro, Sterling or Australian Dollars.
- (b) If the Facilities Agent has received a written request from a Borrower for a currency to be approved under Clause 10.3(a) above, the Facilities Agent will confirm to that Borrower by the Specified Time:
- (i) whether or not the Lenders have granted their approval; and
  - (ii) if approval has been granted, the minimum amount (and, if required, integral multiples) for any subsequent Utilisation in that currency.

## **11. REPAYMENT**

- (a) Subject to paragraph (b) below, each Borrower which has drawn a Loan shall repay that Loan on the last day of its Interest Period.



- (b) At any time when a Lender becomes a Defaulting Lender, the maturity date of each of the participations of that Lender (and any Affiliate of a Defaulting Lender that is a Lender) in the Loans then outstanding will be automatically extended to the Termination Date in relation to the relevant Tranche and will be treated as separate Loans (the **Separate Loans**) denominated in the currency in which the relevant participations are outstanding.
- (c) A Borrower to whom a Separate Loan is outstanding may prepay that Loan by giving three Business Days' prior notice to the Facilities Agent. The Facilities Agent will forward a copy of a prepayment notice received in accordance with this paragraph (c) to the Defaulting Lender concerned as soon as practicable on receipt.
- (d) Interest in respect of a Separate Loan will accrue for successive Interest Periods selected by the Borrower by the time and date specified by the Facilities Agent (acting reasonably) and will be payable by that Borrower to the Defaulting Lender on the last day of each Interest Period of that Loan. Notwithstanding Clause 8.1 (*General*) and Clause 9.6 (*Interest*), the rate of interest in respect of any Swingline Loan that becomes a Separate Loan in accordance with this Clause 11 shall be calculated in accordance with Clause 13.1 (*Calculation of interest*) with effect from the end of the Interest Period during which such Swingline Loan becomes a Separate Loan.
- (e) The terms of this Agreement relating to Loans generally shall continue to apply to Separate Loans other than to the extent inconsistent with paragraphs (b) to (d) above, in which case those paragraphs shall prevail in respect of any Separate Loan.
- (f) Subject to the other terms of this Agreement, any amounts repaid under paragraph (a) above may be re-borrowed.
- (g) If, pursuant to the terms of this Agreement, the Lenders are obliged to make a Rollover Loan, the maturing loan referred to in the definition of Rollover Loan shall be repaid and the Rollover Loan shall be made without any requirement for an actual exchange of payments (other than to the extent that the amount of the maturing loan is more than the Rollover Loan), but without prejudice to the relevant Borrower's obligation to pay interest on the maturing loan.
- (h) Notwithstanding the provisions of Clause 7, each Bond Borrower shall ensure that each Bond is repaid in full on or before the Termination Date.

## 12. PREPAYMENT AND CANCELLATION

### 12.1 Mandatory prepayment - illegality

- (a) A Lender must notify the Company and the Facilities Agent promptly if it becomes aware that:
  - (i) it will become; or
  - (ii) it is,unlawful in any applicable jurisdiction for that Lender to perform any of its obligations under a Finance Document or to fund or maintain its share in any Utilisation.

- (b) If a Fronting Bank becomes aware of any unlawfulness that may affect its ability to issue a particular Bond, that Fronting Bank shall promptly notify the Company and the Facilities Agent of that event.
- (c) After notification under Clause 12.1(a)(ii) above:
  - (i) each Borrower must repay or prepay the share of that Lender in each Utilisation on the date specified in Clause 12.1(d) below; and
  - (ii) the Tranche A Commitment, the Tranche B Commitment and the Tranche C Commitment of that Lender will be immediately cancelled.
- (d) The date for repayment or prepayment of a Lender's share in an outstanding Utilisation will be:
  - (i) the last day of the current Interest Period for that Utilisation; or
  - (ii) if earlier, the date specified by the Lender in the notification under Clause 12.1(a)(ii) above and which must not be earlier than the last day of any applicable grace period allowed by law.

## 12.2 Mandatory prepayment - change of ownership

- (a) For the purposes of this Clause:

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

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

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

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

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

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

### **12.3 Voluntary Prepayment**

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

### **12.4 Automatic cancellation**

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

### **12.5 Voluntary cancellation**

- (a) The Company may by notice to the Facilities Agent not later than 8:00 am on the date such cancellation is to take effect, cancel without penalty the whole or any part of the Available Tranche A Facility, the Available Tranche B Facility and/or the Available Tranche C Facility.

- (b) Partial cancellation of:
  - (i) the Available Tranche A Facility must be in a minimum amount of US\$10,000,000;
  - (ii) the Available Tranche B Facility must be in a minimum amount of £10,000,000; and
  - (iii) the Available Tranche C Facility must be in a minimum amount of €10,000,000.
- (c) Any cancellation in part will be applied against the relevant Available Tranche A Facility, the Available Tranche B Facility and the Available Tranche C Facility, as the case may be, of each Lender pro rata.

#### **12.6 Involuntary prepayment and cancellation and replacement of Lender**

- (a) If an Obligor is, or will be, required to pay to a Lender a Tax Payment or an Increased Cost, or if any Lender notifies the Facilities Agent that its Additional Cost Rate is greater than zero the Company may, while the requirement continues or following the notification in relation to the Additional Cost Rate, give notice to the Facilities Agent of prepayment and/or cancellation in respect of that Lender or give notice to the Facilities Agent of its intention to replace that Lender in accordance with paragraph (d) below.
- (b) After notification of prepayment and/or cancellation under Clause 12.6(a) above:
  - (i) each Borrower must repay or prepay that Lender's share in each Utilisation under each Tranche made to it on the date specified in Clause 12.6(c) below; and/or, as the case may be
  - (ii) the Commitment and Swingline Commitment of that Lender (or its Affiliate) will be immediately cancelled.
- (c) The date for repayment or prepayment of a Lender's share in an outstanding Utilisation will be the last day of the Interest Period for that Utilisation during which the Company has given notice of prepayment and/or cancellation under Clause 12.6(a) above or, if earlier, the date specified by the Company in its notification.
- (d) The Company may, in the circumstances set out in paragraph (a) above, on three Business Days' prior notice to the Facilities Agent and that Lender, replace that Lender by requiring that Lender to (and, to the extent permitted by law, that Lender shall) transfer pursuant to Clause 28 (*Changes to the Lenders*) all (and not part only) of its rights and obligations under this Agreement to a Lender or other bank or financial institution selected by the Company which confirms its willingness to assume and does assume all the obligations of the transferring Lender in accordance with Clause 28 (*Changes to the Lenders*) for a purchase price in cash or other cash payment payable at the time of the transfer equal to the outstanding principal amount of such Lender's participation in the outstanding Loans and all accrued interest, Break Costs and other amounts payable in relation thereto under the Finance Documents.

- (e) The replacement of a Lender pursuant to paragraph (d) above shall be subject to the following conditions:
  - (i) the Company shall have no right to replace the Facilities Agent;
  - (ii) neither the Facilities Agent nor any Lender shall have any obligation to find a replacement Lender; and
  - (iii) in no event shall the Lender replaced under paragraph (d) above be required to pay or surrender any of the fees received by such Lender pursuant to the Finance Documents.
- (f) If any Lender (or any Affiliates which are Lenders) becomes a Defaulting Lender, the Company may, at any time whilst the Lender (or its Affiliate) continues to be a Defaulting Lender, give the Facilities Agent three Business Days' notice of cancellation of the Available Commitment or Available Swingline Commitment of that Lender (or in each case, its Affiliate).
- (g) On the notice referred to in paragraph (f) above becoming effective, the Available Commitment or Available Swingline Commitment of the Defaulting Lender (or its Affiliate) shall immediately be reduced to zero.
- (h) The Facilities Agent shall as soon as practicable after receipt of a notice referred to in paragraph (f) above, notify all the Lenders.

#### **12.7 Miscellaneous provisions**

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

- (h) Any cancellation of the Commitment of a Lender that is a Swingline Lender or an Affiliate of a Swingline Lender shall not cancel or reduce any Swingline Commitment of that Lender or its Affiliate unless a Swingline Commitment of that Lender or its Affiliate would exceed the Commitment of that Lender immediately following such reduction, in which case the relevant Swingline Commitment of that Lender or its Affiliate shall be reduced by such amount as is necessary to ensure that, after the relevant cancellation, each such Swingline Commitment does not exceed the Commitment of that Lender or its Affiliate.

### **13. INTEREST**

#### **13.1 Calculation of interest**

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

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

#### **13.2 Payment of interest**

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

#### **13.3 Interest on overdue amounts**

- (a) If an Obligor fails to pay any amount payable by it under the Finance Documents, it must immediately on demand by the Facilities Agent pay interest on the overdue amount from its due date up to the date of actual payment, both before, on and after judgment.
- (b) Interest on an overdue amount is payable at a rate determined by the Facilities Agent to be one per cent. per annum above the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted a Loan in the currency of the overdue amount for successive Interest Periods, each of a duration selected by the Facilities Agent (acting reasonably) of up to three months.
- (c) Notwithstanding Clause 13.3(b) above, if the overdue amount consists of all or part of a Loan which became due and payable on a day which was not the last day of an Interest Period for that Loan, then:
  - (i) the first Interest Period for that overdue amount shall have a duration equal to the unexpired portion of the current Interest Period for that Loan; and
  - (ii) the rate of interest on the overdue amount for that first Interest Period will be one per cent. per annum above the rate which would have applied if the overdue amount had not become due.

After the expiry of the first Interest Period for that overdue amount, the rate on the overdue amount will be calculated in accordance with Clause 13.3(b) above.

- (d) Interest (if unpaid) on an overdue amount will be compounded with that overdue amount at the end of each Interest Period applicable to that overdue amount but will remain immediately due and payable.

### 13.4 Notification of rates of interest

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

### 13.5 Margin

- (a) At the Signing Date the Margin will be 0.65 per cent. per annum. Thereafter the Margin will, subject to Clause 13.5(b), be set in accordance with the pricing grid below and Clause 13.5(c) below to be the percentage rate per annum specified in Column 2 as set out opposite the Carnival Credit Rating at the relevant time by Moody's and S&P specified in Column 1 below.

<u>Column 1</u> <u>Carnival Credit Rating</u>	<u>Column 2</u> <u>Margin</u> <u>% p.a.</u>
A+/A1 or higher	0.35
A/A2	0.45
A-/A3	0.60
BBB+/Baa1	0.70
BBB/Baa2	0.85
BBB-/Baa3 or lower	1.05

- (b) During any period in which there is no Carnival Credit Rating assigned by either Moody's or S&P, the Margin shall be 1.05 per cent. per annum.
- (c) If there is a different Carnival Credit Rating assigned by S&P and Moody's, the applicable Margin shall be determined by averaging the Margins for S&P and Moody's as determined in accordance with the pricing grid in Clause 13.5(a) above.
- (d) During any period in which the Carnival Credit Rating comprises rating(s) from only one of Moody's or S&P, the Margin shall be determined in accordance with the pricing grid in Clause 13.5(a) above for that rating only.
- (e) For the purposes of this Agreement, any reduction or increase in the Margin shall be determined on, and shall take effect from, the Business Day immediately following publication of the relevant change to the Carnival Credit Rating.
- (f) Promptly after becoming aware of the same, the Company shall inform the Facilities Agent in writing if either (i) there is any change in the Carnival Credit Rating with either Moody's or S&P which will cause a change to the Margin or (ii) if any of the circumstances contemplated by Clauses 13.5(b) or 13.5(c) above arise.

- (g) For the purposes of this Clause 13.5, **Carnival Credit Rating** means, in respect of Moody's or S&P:
  - (i) the long term senior unsecured debt rating of the Company published by Moody's or, as the case may be, S&P; or
  - (ii) if Moody's or S&P (as the case may be) does not publish a long term senior unsecured debt rating as provided in paragraph (i) above, the long term senior unsecured debt rating of Carnival plc published by Moody's or, as the case may be, S&P.

### **13.6 Maximum Interest Rate**

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

## **14. INTEREST PERIODS**

### **14.1 Selection of Interest Periods**

- (a) A Borrower (or the Company or Carnival plc on behalf of any Borrower not incorporated in Italy) may select an Interest Period for a Loan in the Loan Utilisation Request for that Loan.
- (b) Subject to this Clause 14, a Borrower (or the Company or Carnival plc on behalf of a Borrower not incorporated in Italy) may select an Interest Period of one, two, three or six months or any other period agreed between the Company and the Facilities Agent (acting on the instructions of all the Lenders).
- (c) An Interest Period for a Loan shall not extend beyond the Termination Date.
- (d) Each Interest Period for a Loan shall start on the Utilisation Date in respect of that Loan.
- (e) A Loan has one Interest Period only.

### **14.2 Non-Business Days**

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

## **15. CHANGES TO THE CALCULATION OF INTEREST**

### **15.1 Absence of quotations**

Subject to Clause 15.2 (*Market disruption*), if LIBOR or, if applicable, EURIBOR is to be determined by reference to the Reference Banks but a Reference Bank does not supply a quotation by the Specified Time on the Quotation Day, the applicable LIBOR or EURIBOR shall be determined on the basis of the quotations of the remaining Reference Banks.



## 15.2 Market disruption

- (a) In this Agreement each of the following events is a **Market Disruption Event**:
- (i) at or about noon on the Quotation Day for the relevant Interest Period the Screen Rate is not available and none or only one of the Reference Banks supplies a rate to the Facilities Agent to determine LIBOR or, if applicable, EURIBOR for the relevant currency and Interest Period; or
  - (ii) in respect of a Loan denominated in US Dollars, euro or Sterling, before close of business in London on the Quotation Day for the relevant Interest Period, the Facilities Agent receives notifications from a Lender or Lenders (whose participations in that Loan exceed 66 <sup>2</sup>/<sub>3</sub> per cent. of that Loan) that the cost to it of obtaining matching deposits in the Relevant Interbank Market would be in excess of LIBOR or, if applicable, EURIBOR; or
  - (iii) in respect of a Loan denominated in any currency other than US Dollars, euro or Sterling, before close of business in London on the Quotation Day for the relevant Interest Period, the Facilities Agent receives notifications from a Lender or Lenders (whose participations in that Loan exceed 33 <sup>1</sup>/<sub>3</sub> per cent. of that Loan) that the cost to it of obtaining matching deposits in the Relevant Interbank Market would be in excess of LIBOR.
- (b) The Facilities Agent must promptly notify the Company and the Lenders of a Market Disruption Event.
- (c) After notification under Clause 15.2(b) above, the rate of interest on each Lender's share in the affected Loan for the Interest Period shall be the rate per annum which is the aggregate of:
- (i) the applicable Margin;
  - (ii) in the case of a Lender which has notified the Facilities Agent that its cost of funds is in excess of LIBOR or, if applicable, EURIBOR, in accordance with Clauses 15.2(a)(ii) or (iii) above or where the circumstances set out in Clause 15.2(a)(i) above apply, the rate notified to the Facilities Agent by that Lender as soon as practicable, and in any event before interest is due to be paid in respect of that Interest Period, to be that which expresses as a percentage rate per annum the cost to that Lender of funding its share in that Loan from whatever source it may reasonably select; and
  - (iii) the Mandatory Cost, if any, applicable to that Lender's share in the Loan.

## 15.3 Alternative basis of interest or funding

- (a) If a Market Disruption Event occurs and the Facilities Agent or the Company so requires, the Facilities Agent and the Company must enter into negotiations for a period of not more than thirty days with a view to agreeing an alternative basis for determining the rate of interest and/or funding for the affected Loan and any future Loan.

- (b) Any alternative basis agreed pursuant to Clause 15.3(a) above shall, with the prior consent of all the Lenders and the Company, be binding on all the Parties.

#### **15.4 Break Costs**

- (a) Each Borrower shall, within three Business Days of demand, pay to the Facilities Agent for the account of each Lender such Lender's Break Costs attributable to all or any part of a Loan (other than a Swingline Loan) or Unpaid Sum being paid by that Borrower on a day other than the last day of an Interest Period for that Loan or Unpaid Sum.
- (b) Each Lender must supply to the Facilities Agent (who shall promptly deliver them to the Company and the relevant Borrower) details of the amount of any Break Costs claimed by it under this Clause 15.4.

### **16. FEES**

#### **16.1 Commitment fee**

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

#### **16.2 Arrangement fee**

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

#### **16.3 Agency fee**

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

#### **16.4 Bookrunner fee**

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

### 16.5 Participation fee

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

### 16.6 Utilisation fee

- (a) The Company shall pay to the Facilities Agent (for the account of each Lender) a utilisation fee computed at the rate of:
- (i) for each day on which the aggregate amount of the Utilisations (where each Utilisation is converted into US Dollars at the Facilities Agent's Spot Rate of Exchange on that day) equals or is less than 33 <sup>1</sup>/<sub>3</sub> per cent. of the Total Commitments, zero per cent. per annum;
  - (ii) for each day on which the aggregate amount of the Utilisations (where each Utilisation is converted into US Dollars at the Facilities Agent's Spot Rate of Exchange on that day) exceeds 33 <sup>1</sup>/<sub>3</sub> per cent. but equals or is less than 66 <sup>2</sup>/<sub>3</sub> per cent. of the Total Commitments, 0.15 per cent. per annum; and
  - (iii) for each day on which the aggregate amount of the Utilisations (where each Utilisation is converted into US Dollars at the Facilities Agent's Spot Rate of Exchange on that day) exceeds 66 <sup>2</sup>/<sub>3</sub> per cent. of the Total Commitments, 0.30 per cent. per annum.
- (b) Utilisation fee is payable in US Dollars on the amount of each Lender's share in the Utilisations.
- (c) Accrued utilisation fee is payable quarterly in arrear during the Availability Period and on the last day of the Availability Period and, for a Lender, on the date on which it ceases to be a Lender under this Agreement.

### 16.7 Fronting fee and Bonding fee

- (a) The Bond Borrower shall pay to the relevant Fronting Bank a fronting fee in respect of each Bond issued at its request in the amount and at the times agreed in a Fee Letter between that Fronting Bank and the Company.
- (b) Each Bond Borrower shall pay to the Facilities Agent (for the account of each Lender) for each Bond requested by it a bonding fee in US Dollars computed at the applicable Margin on the daily outstanding amount of that Bond for the period from the issue of that Bond until and including its Expiry Date or, following a claim under such Bond, until and including the date of reimbursement of the full amount of such claim to the relevant Fronting Bank whether pursuant to Clause 7.1(b), 7.3(a) or otherwise or, where the Lenders have made any payment to the relevant Fronting Bank under Clause 7.3, the date on which each such Lender is reimbursed in full by an Obligor pursuant to Clause 7.3(d) or otherwise (the **Reimbursement Date**). This fee shall be distributed according to each Lender's Bond Proportion of that Bond.
- (c) The accrued bonding fee on a Bond (if any) shall be payable quarterly in arrear starting on the date falling three months after the date of the Agreement and the dates falling quarterly thereafter.

- (d) If a Bond Borrower cash covers any part of a Bond then:
  - (i) the fronting fee payable to the relevant Fronting Bank and the bonding fee payable for the account of each Lender shall continue to be payable in accordance with Clause 16.7(b); and
  - (ii) the Bond Borrower will be entitled to withdraw the interest accrued on the cash cover to pay those fees.

### **16.8 Timing of payments**

Notwithstanding any provision to the contrary in any Finance Document, all payments to be made by an Obligor in respect of any fees referred to in Clauses 16.1, 16.4 and 16.7 are due within three Business Days of written demand to the Company by the Facilities Agent (in respect of payments under Clauses 16.1, 16.4 or 16.7(b)) or the relevant Fronting Bank (in respect of payments under Clause 16.7(a)) in each case served no earlier than the times agreed for payment, and attaching a statement of detailed calculations.

## **17. TAXES**

### **17.1 Application of Clauses**

- (a) Clauses 17.2 to 17.7 shall only apply in respect of payments by the following Obligor:
  - (i) Carnival plc; and
  - (ii) any Additional Borrower resident in the United Kingdom.
- (b) Clauses 17.8 to 17.9 shall only apply in respect of payments by the following Obligor:
  - (i) the Company;
  - (ii) CC U.S. Ventures, Inc.;
  - (iii) Princess Cruises and Tours, Inc.;
  - (iv) Holland America Line-USA Inc.;
  - (v) any Additional Borrower incorporated in a state within, and operating in, the U.S.; and
  - (vi) other members of the Carnival Corporation & plc Group who become an Additional Borrower as may be requested by the Company to be covered under this Clause 17.1(b), subject to the consent of the Facilities Agent (such consent not to be unreasonably withheld, delayed or conditioned).
- (c) Clauses 17.10 to 17.15 shall only apply in respect of payments by the following Obligor:
  - (i) Costa Crociere S.p.A.; and
  - (ii) any Additional Borrower resident in Italy.

- (d) Clauses 17.16 to 17.20 shall only apply in respect of payments by the following Obligor:
  - (i) Carnival FC B.V.; and
  - (ii) any Additional Borrower resident in the Netherlands.
- (e) Clauses 17.21 to 17.25 shall apply in respect of payments by any Obligor that does not fall within any of Clauses 17.1(a), 17.1(b), 17.1(c) or 17.1(d).
- (f) Clause 17.26 shall apply in respect of payments made by all Obligors.

## 17.2 General

In Clauses 17.2 to 17.7:

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

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

**Treaty Lender** means a Lender which:

- (a) is resident (as defined in the appropriate double taxation agreement) in a country with which the U.K. has a double taxation agreement giving residents of that country full exemption from U.K. taxation on interest;
- (b) does not carry on a business in the U.K. through a permanent establishment with which the payment is effectively connected; and
- (c) is entitled to receive interest without withholding or, if withheld, is entitled to reclaim that withholding in full, under the terms of the appropriate double taxation agreement.

**Treaty Passport** means a passport under the Treaty Passport Scheme.

**Treaty Passport Scheme** means the Double Taxation Treaty Passport Scheme for overseas corporate lenders introduced by H.M. Revenue & Customs on 1st September 2010.

**U.K. Lender** means a Lender which is:

- (a) within the charge to U.K. corporation tax in respect of, and beneficially entitled to, a payment of interest on a loan made by a person that was a bank for the purposes of section 879 ITA 2007 (as currently defined in section 991 ITA 2007) at the time that loan was made; or
- (b) a U.K. Non-Bank Lender.

**U.K. Non-Bank Lender** means:

- (a) a company resident in the U.K. for U.K. tax purposes;

- (b) a partnership, each member of which is a company resident in the U.K. for U.K. tax purposes or a company not resident in the U.K. for U.K. tax purposes but which carries on a trade in the U.K. through a permanent establishment and brings into account in computing its chargeable profits (for the purpose of section 19 of CTA 2009) the whole of any share of interest payable to it under this Agreement which falls to it by reason of Chapter 9 of Part 5 of CTA 2009; or
- (c) a company not resident in the U.K. for U.K. tax purposes which carries on a trade in the U.K. through a permanent establishment and brings into account interest payable to it under this Agreement in computing its chargeable profits for the purpose of section 19 of CTA 2009,

which, in each case, is beneficially entitled to interest payable to it under this Agreement and which has provided to the Company and not retracted confirmation that it is one of the above in accordance with this Agreement.

### 17.3 Tax gross-up

- (a) Each Obligor must make all payments to be made by it under the Finance Documents without any Tax Deduction, unless a Tax Deduction is required by law.
- (b) If:
  - (i) a Lender is not, or ceases to be, a Qualifying Lender; or
  - (ii) an Obligor or a Lender is aware that an Obligor must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction), it must promptly notify the Facilities Agent. The Facilities Agent must then promptly notify the affected Parties.
- (c) Except as provided below, if a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from the Obligor will be increased to an amount which (after making the Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
- (d) Except as provided below, an Obligor is not required to make an increased payment under paragraph (c) above for a Tax Deduction in respect of tax imposed by the U.K. to a Lender that is not, or has ceased to be on the date on which the payment is due, a Qualifying Lender in excess of the amount that the Obligor would have had to pay under paragraph (c) above had the Lender been, or not ceased to be on the date on which the payment is due, a Qualifying Lender, except that where an amount (the **Claim**) is demanded under the guarantee given by Carnival plc in respect of a default by one of its Subsidiaries (the **Paying Party**), Carnival plc shall not be entitled to the benefit of this paragraph (d) if, but only to the extent that, the amount paid by Carnival plc in respect of the Claim would be thereby reduced to an amount less than the amount which the Lender was entitled to receive from the Paying Party in respect of the Claim.
- (e) Paragraph (d) above will not apply if the Lender has ceased to be a Qualifying Lender by reason of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or double taxation agreement or any published practice or concession of any relevant taxing authority.

- (f) An Obligor is not required to make an increased payment to a Lender under paragraph (c) above for a Tax Deduction in respect of the tax imposed by the U.K. if that Lender is a Treaty Lender and the Obligor making the payment is able to demonstrate that the Tax Deduction would not have been required if the Lender had complied with its obligations under paragraph (j) below.
- (g) An Obligor is not required to make an increased payment under paragraph (c) above if the Lender is a Qualifying Lender solely by virtue of being a UK Non-Bank Lender and an officer of H.M. Revenue & Customs has given (and not revoked) a direction (a **Direction**) under section 931 ITA 2007 which relates to the payment and that Lender has received from the Obligor making the payment a certified copy of that Direction and the payment could have been made to the Lender without any Tax Deduction if that Direction had not been made.
- (h) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction in the minimum amount required by law and must make any payment required in connection with that Tax Deduction within the time allowed by law.
- (i) Within 30 days of making either a Tax Deduction or a payment required in connection with a Tax Deduction, the Obligor making that Tax Deduction or payment must deliver to the Facilities Agent for the relevant Finance Party evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) the appropriate payment has been paid to the relevant taxing authority.
- (j) A Treaty Lender must co-operate with each Obligor by using its commercially reasonable endeavours promptly to complete any procedural formalities necessary for that Obligor to obtain authorisation to make that payment without a Tax Deduction. If a Treaty Lender is registered under the Treaty Passport Scheme and the conditions for its Treaty Passport to be used as a Lender are satisfied, it shall notify to the Company of the same in accordance with paragraph (n) or paragraph (p) below. Nothing in this paragraph (j) shall require a Treaty Lender to:
  - (i) register under the Treaty Passport Scheme; or
  - (ii) file any further forms establishing its Treaty Lender status (including, for the avoidance of doubt any forms applying for relief under an applicable double taxation agreement) if it has notified to the Company that it will use its Treaty Passport in accordance with paragraph (n) or paragraph (p), unless and until the Company determines, acting reasonably, that it has become apparent that HM Revenue & Customs will not give a direction under the Double Taxation Relief (Taxes on Income) (General) Regulations 1970 SI 1970/488 pursuant to the Treaty Passport Scheme in respect of one or more payments to that Treaty Lender or that any direction previously given is or is to be revoked.
- (k) If a Lender is expressed to be a U.K. Non-Bank Lender when it becomes a party to this Agreement as a Lender, it will be deemed to have confirmed its status for the purpose of the definition of U.K. Non-Bank Lender. A U.K. Non-Bank Lender must promptly notify the Company and the Facilities Agent of any change to its status that may affect any confirmation made by it.
- (l) In the event that an Obligor changes its country of residence and a Tax Deduction is imposed by the new country of residence, that Obligor shall pay such additional amounts to ensure that the amounts received by the Facilities Agent and each Lender are no less than the amounts the Facilities Agent and each Lender would have

received but for such change of country of residence by that Obligor provided always that the Obligor shall not be obliged to pay such additional amounts to the extent that such additional amounts would not have been payable under this paragraph had each Lender remained a Qualifying Lender.

- (m) Each Lender which becomes a Party after the date of this Agreement shall notify in the Transfer Certificate (or Increase Confirmation) which it executes whether or not it is a Qualifying Lender. For the avoidance of doubt, a Transfer Certificate (or Increase Confirmation) shall not be invalidated by any failure of a Lender to comply with this paragraph (m).

*Treaty Lenders with a Treaty Passport*

- (n) A Treaty Lender which becomes a Party on the day on which this Agreement is entered into that holds a Treaty Passport the conditions for use of which as a Lender are satisfied shall notify the Company of the same by including its Treaty Passport number, and its jurisdiction of tax residence opposite its name in Schedule 1 (*The Original Parties*).
- (o) If a Lender includes the notification described in paragraph (n) above in Schedule 1 (*The Original Parties*):
- (i) any Original Borrower which is resident in the UK shall be deemed to receive notice that it should file a duly completed form DTTP-2 in respect of such Lender with HM Revenue & Customs within 30 days of the date of this Agreement (or within such other period as required under the Treaty Passport Scheme); and
  - (ii) any Additional Borrower which is resident in the UK shall be deemed to receive notice that it should file a duly completed form DTTP-2 in respect of such Lender with HM Revenue & Customs within 30 days of becoming an Additional Borrower (or within such other period as required under the Treaty Passport Scheme).
- (p) A New Lender (or an Increase Lender which becomes a Party as Lender) that is a Treaty Lender and that holds a Treaty Passport the conditions for use of which as a Lender are satisfied shall:
- (i) notify the Company of the same in the Transfer Certificate (or Increase Confirmation) which it executes by including its Treaty Passport number and its jurisdiction of tax residence in that Transfer Certificate (or Increase Confirmation); and
  - (ii) duly notify the Company of its Treaty Passport number and its jurisdiction of tax residence within seven days of the Transfer Date (or Increase Date).
- (q) If a New Lender (or Increase Lender) includes the notification described in paragraph (p) above in the relevant Transfer Certificate (or Increase Confirmation):
- (i) any Borrower which is resident in the UK which is a Party as a Borrower as at the relevant Transfer Date (or Increase Date) shall be deemed to receive notice that it should file a duly completed form DTTP-2 in respect of such Lender with HM Revenue & Customs within 30 days of that Transfer Date (or Increase Date) (or within such other period as required under the Treaty Passport Scheme); or



- (ii) any Additional Borrower which is resident in the UK which becomes an Additional Borrower after the relevant Transfer Date (or Increase Date) shall be deemed to receive notice that it should file a duly completed form DTTP-2 in respect of such Lender with HM Revenue & Customs within 30 days of becoming an Additional Borrower (or within such other period as required under the Treaty Passport Scheme).
- (r) Any Obligor which files a form DTTP-2 shall provide to the relevant Treaty Lender within a reasonable period (a) a copy of that filing; and (b) copies of any correspondence to or from HM Revenue & Customs relating to (or extracts thereof to the extent relating to) such filing.
- (s) If a Treaty Lender is not required to make a notification to the Company in respect of the Treaty Passport Scheme pursuant to paragraph (n) or (p) no Obligor shall file any form relating to the Treaty Passport Scheme in respect of that Treaty Lender's Commitment(s) or its participation in any Utilisation(s).

#### **17.4 Tax indemnity**

- (a) Except as provided below, the Company must indemnify a Finance Party against any loss or liability which that Finance Party acting reasonably determines will be or has been suffered (directly or indirectly) by that Finance Party for or on account of Tax in relation to a payment received or receivable (or any payment deemed to be received or receivable) under a Finance Document.
- (b) Paragraph (a) above does not apply to any Tax assessed on a Finance Party under the laws of the jurisdiction in which:
  - (i) that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident or as having a permanent establishment for tax purposes; or
  - (ii) that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction,if that Tax is imposed on or calculated by reference to the net income received or receivable by that Finance Party. However, any payment deemed to be received or receivable, including any amount treated as income but not actually received by the Finance Party, such as a Tax Deduction, will not be treated as net income received or receivable for this purpose.
- (c) Paragraph (a) above does not apply to the extent a loss, liability or cost:
  - (i) is compensated for by any increased payment under Clause 17.3 (*Tax gross-up*); or
  - (ii) would have been compensated for by an increased payment under Clause 17.3 (*Tax gross-up*) but was not so compensated solely because one of the exclusions in Clause 17.3(d) and 17.3(f) and the proviso to Clause 17.3(l) applied.

- (d) A Finance Party making, or intending to make, a claim under paragraph (a) above must promptly notify the Company of the event which will give, or has given, rise to the claim.

#### **17.5 Tax Credit**

- (a) Where any payment has been made subject to a Tax Deduction, a Finance Party agrees to use its commercially reasonable endeavours to complete any procedural formalities necessary for the relevant Finance Party to obtain any Tax Credit available as a result of the payment being made subject to a Tax Deduction.
- (b) If an Obligor makes a Tax Payment and the relevant Finance Party in its absolute discretion exercised in good faith determines that:
  - (i) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part, or to that Tax Payment; and
  - (ii) it has used and retained that Tax Credit (on a consolidated basis if relevant to the determination of its allowable credit for foreign taxes paid or accrued),the Finance Party must pay an amount to the Obligor which that Finance Party determines will leave it (after that payment) in the same after-Tax position as it would have been if the Tax Payment had not been required to be made by the Obligor.

#### **17.6 Stamp taxes**

The Company must pay and indemnify each Finance Party against any stamp duty, registration or other similar Tax payable in connection with the entry into, performance or enforcement of any Finance Document, except for any such Tax payable in connection with the entry into a Transfer Certificate.

#### **17.7 Value added taxes**

- (a) Any amount (including costs and expenses) payable under a Finance Document by an Obligor is exclusive of any value added tax or any other Tax of a similar nature which might be chargeable in connection with that amount. If any such Tax is chargeable, the Obligor must pay to the Finance Party (in addition to and at the same time as paying that amount) an amount equal to the amount of that Tax (and such Finance Party shall as soon as reasonably practicable provide an appropriate value added tax invoice to the Obligor).
- (b) The obligation of any Obligor under paragraph (a) above will be reduced to the extent that the Finance Party determines (acting reasonably) that it is entitled to repayment or a credit in respect of the relevant Tax.

#### **17.8 General**

In Clause 17.8 to 17.9:

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

**Excluded Taxes** means, with respect to the Facilities Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of an Obligor under the Finance Documents:

- (a) income, franchise or other similar taxes imposed on, based on or measured by or with respect to its net income by the United States of America, or income, franchise or other similar taxes imposed on, based on or measured by or with respect to its net income, net worth or capital employed, or gross basis business and/or occupational taxes by the jurisdiction under the laws of which such recipient is organized or in which it is resident or, in the case of any Lender, in which its applicable lending office is located;
- (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction described in paragraph (a) above;
- (c) in the case of a Lender (other than an assignee pursuant to a request by an Obligor under Clause 17.9(g)), any withholding tax that:
  - (i) is attributable to such Lender's failure to comply with Clause 17.9(e); or
  - (ii) in the case of a Foreign Lender, is imposed by the United States of America and is in effect and would apply to amounts payable to such Foreign Lender, at the time such Foreign Lender becomes a party to this Agreement (including by assignment) or designates a Facility Office or a new lending office, except to the extent that (x) where the Foreign Lender is an assignee, the assignor was entitled to receive additional amounts with respect to any withholding tax pursuant to Clause 17.9, (y) where the Foreign Lender has designated a new Facility Office or other lending office, the Foreign Lender was entitled to receive additional amounts with respect to any withholding tax pursuant to Clause 17.9 before the designation of a new Facility Office or other lending office or (z) such withholding tax shall have resulted from the making of any payment to a location other than the Facility Office or other lending office designated by the Facilities Agent or such Foreign Lender for the receipt of payments of the applicable type; and
- (d) any tax imposed by a jurisdiction to the extent such tax is attributable to a connection between such jurisdiction and the Facilities Agent, such Lender or such other recipient, as the case may be, other than a connection arising from the transactions contemplated by this Agreement.

**Foreign Lender** means, with respect to an Obligor, any Lender that is organized under the laws of a jurisdiction other than that in which that Obligor is located and, with respect to the Company, outside the United States of America. For purposes of this definition, the United States of America, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

**Governmental Authority** means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

**Indemnified Taxes** means Taxes other than Excluded Taxes.

**Other Taxes** means any and all present or future recording, stamp, documentary, excise, transfer, sales, property or similar taxes, charges or levies arising from any payment made under the Finance Documents or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement other than (1) Excluded Taxes and (2) any Taxes required to be paid solely as a result of the execution or delivery of an instrument effecting an assignment, designation or participation contemplated in Clause 28 (*Changes to the Lenders*) (excluding any designation or assignment initiated pursuant to Clause 17.9(g) (*Taxes*)).

## 17.9 Taxes

- (a) Any and all payments by or on account of any obligation of an Obligor under the Finance Documents shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided that if an Obligor shall be required to deduct any Indemnified Taxes or Other Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Clause 17.9) the Facilities Agent or Lender (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) that Obligor shall make such deductions and (iii) that Obligor shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.
- (b) In addition, an Obligor shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.
- (c) Each Obligor shall indemnify the Facilities Agent and each Lender, within 30 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by the Facilities Agent or such Lender, as the case may be, on or with respect to any payment by or on account of any obligation of that Obligor under the Finance Documents (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Clause 17.9) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto (except to the extent such penalties, interest or expenses result from the gross negligence or wilful misconduct of the Facilities Agent or the applicable Lender), whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Company by a Lender, or by the Facilities Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error, provided that such certificate shall include a description in reasonable detail of the Indemnified Tax or Other Tax for which the indemnity is being demanded and the calculation in reasonable detail of the amount of such indemnity. The Facilities Agent and each Lender agrees to use its reasonable endeavours to complete any procedural formalities necessary for the Facilities Agent and the Lender to obtain a credit against any Indemnified Tax or Other Tax or any relief or remission for an Indemnified Tax or Other Tax (or its repayment). Notwithstanding any contrary provision under the Finance Documents, the Facilities Agent or the Lender, as the case may be, shall have no obligation to contest the imposition or assertion of any Indemnified Tax or Other Tax.
- (d) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by an Obligor to a Governmental Authority, the Obligor shall deliver to the Facilities Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment (if such a receipt is reasonably obtainable from such Governmental Authority), a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Facilities Agent.

- (e) The Facilities Agent will deliver to the Company, and each Lender will deliver to the Facilities Agent and the Company, on or before the first Utilisation Date (or, in the case of a Lender that becomes a Lender after the first Utilisation Date, on or before such later date on which such Lender becomes a Lender) such properly completed and executed Internal Revenue Service form (Form W-8BEN, W-8ECI, W-8EXP, W-8IMY, or W-9, as applicable) as will demonstrate, in accordance with applicable regulations, that payments of interest by an Obligor to the Facilities Agent for the account of such Lender pursuant to this Agreement will be exempt from (or entitled to a reduction in the rate of) United States federal withholding taxes. Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which the Obligor is located, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to the Company (with a copy to the Facilities Agent), at the time or times prescribed by applicable law, such other properly completed and executed documentation prescribed by applicable law or reasonably requested by the Company (including any replacement or successor form) as will permit such payments to be made without withholding or at a reduced rate, provided that such Foreign Lender has received prior written notice from the Company advising it of the availability of such exemption or reduction and containing all applicable documentation. In addition, the Facilities Agent and each Lender will deliver to the Company and to any other appropriate party any form or other documentation required to be delivered pursuant to the Code, the United States Treasury regulations promulgated thereunder or any official interpretations thereof sufficient to permit each Obligor to determine whether it may make payments without an obligation to withhold Tax under sections 1471 to 1474 (inclusive) of the Code.
- (f) If the Facilities Agent or a Lender determines that it has received a refund of or Tax Credit for any Taxes or Other Taxes as to which it has been indemnified by an Obligor or with respect to which an Obligor has paid additional amounts pursuant to this Clause 17.9, it shall pay over such refund or Tax Credit to that Obligor (but only to the extent of indemnity payments made, or additional amounts paid, by the Obligor under this Clause 17.9 with respect to the Taxes or Other Taxes giving rise to such refund or Tax Credit), net of all reasonable out-of-pocket expenses of the Facilities Agent or such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund or Tax Credit); provided, that the Obligor, upon the request of the Facilities Agent or such Lender, agrees to repay the amount paid over to the Obligor (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Facilities Agent or such Lender to the extent that the Facilities Agent or such Lender is required to repay such refund to such Governmental Authority. This Clause 17.9 shall not be construed to require the Facilities Agent or any Lender to make available its tax returns (or any other information relating to its taxes which it deems confidential) to the Obligor or any other person.
- (g) If an Obligor is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to this Clause 17.9, then the Obligor may, at its sole expense and effort, upon notice to such Lender and the Facilities Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Clause 28), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) the Obligor shall have received the prior written consent of the Facilities Agent, which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its share in the Utilisations, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such

outstanding principal and accrued interest and fees) or the Obligor (in the case of all other amounts) and (iii) in the case of any such assignment resulting from payments required to be made pursuant to this Clause 17.9, such assignment will result in a material reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Obligor to require such assignment and delegation cease to apply.

#### **17.10 General**

In Clauses 17.10 to 17.15:

**Italian Lender** means a Lender which is resident in Italy or acting through a Facility Office in Italy and in either case is entitled to receive interest without withholding of tax from the relevant Obligor under the domestic law of Italy.

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

- (a) an Italian Lender; or
- (b) a Treaty Lender.

**Treaty Lender** means a Lender which:

- (a) is resident (as defined in the appropriate double taxation agreement) in a country with which Italy has a double taxation agreement giving residents of that country full exemption from taxation on interest imposed by Italy;
- (b) does not carry on a business in Italy through a permanent establishment, branch or agency with which the payment is effectively connected;
- (c) is entitled to receive interest without withholding or, if withheld, is entitled to reclaim that withholding in full, under the terms of the appropriate double taxation agreement; and
- (d) has agreed with the Company any procedural formalities necessary for each Obligor to make all payments to be made by that Obligor to such Lender under the Finance Documents without any Tax Deduction.

#### **17.11 Tax gross-up**

- (a) Each Obligor must make all payments to be made by it under the Finance Documents without any Tax Deduction, unless a Tax Deduction is required by law.
- (b) If:
  - (i) a Lender is not, or ceases to be, a Qualifying Lender; or
  - (ii) an Obligor or a Lender is aware that an Obligor must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction), it must promptly notify the Facilities Agent. The Facilities Agent must then promptly notify the affected Parties.

- (c) Except as provided below, if a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from the Obligor will be increased to an amount which (after making the Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
- (d) Except as provided below, an Obligor is not required to make an increased payment under paragraph (c) above for a Tax Deduction in respect of the tax imposed by Italy to a Lender that is not, or has ceased to be, a Qualifying Lender in excess of the increase that the Obligor would have had to pay under paragraph (c) above had the Lender been, or not ceased to be, a Qualifying Lender.
- (e) Paragraph (d) above will not apply if the Lender has ceased to be a Qualifying Lender by reason of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or double taxation agreement or any published practice or concession of any relevant taxing authority.
- (f) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and must make any payment required in connection with that Tax Deduction within the time allowed by law.
- (g) Within 46 days of making either a Tax Deduction or a payment required in connection with a Tax Deduction, the Obligor must deliver to the Facilities Agent for the relevant Finance Party evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) the appropriate payment has been paid to the relevant taxing authority.
- (h) In the event that an Obligor changes its country of residence and a Tax Deduction is imposed by the new country of residence, that Obligor shall pay such additional amounts to ensure that the amounts received by the Facilities Agent and each Lender are no less than the amounts the Facilities Agent and each Lender would have received but for such change of country of residence by that Obligor provided always that the Obligor shall not be obliged to pay such additional amounts to the extent that such additional amounts would not have been payable under this paragraph had each Lender remained a Qualifying Lender.
- (i) Paragraph (c) above will not apply if the Lender is a Treaty Lender and the Obligor is able to demonstrate that the payment could have been made to the Lender without the tax deduction had that Lender complied with its obligations under Clause 17.10(d).

#### **17.12 Tax indemnity**

- (a) Except as provided below, the Company must indemnify a Finance Party against any loss or liability which that Finance Party acting reasonably determines will be or has been suffered (directly or indirectly) by that Finance Party for or on account of Tax in relation to a payment received or receivable (or any payment deemed to be received or receivable) under a Finance Document.
- (b) Paragraph (a) above does not apply to any Tax assessed on a Finance Party under the laws of the jurisdiction in which:
  - (i) that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes or as having a permanent establishment for tax purposes; or

(ii) that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction,

if that Tax is imposed on or calculated by reference to the net income (including the "*valore della produzione netta*" for the purposes of Italian regional tax on productive activities or "*IRAP*" provided for by legislative decree no. 451 of 15 December 1997) received or receivable by that Finance Party. However, any payment deemed to be received or receivable, including any amount treated as income but not actually received by the Finance Party, such as a Tax Deduction, will not be treated as net income received or receivable for this purpose.

(c) Paragraph (a) above does not apply to the extent a loss, liability or cost:

(i) is compensated for by any increased payment under Clause 17.11 (*Tax gross-up*); or

(ii) would have been compensated for by an increased payment under Clause 17.11 (*Tax gross-up*) but was not so compensated solely because the exclusion in Clause 17.11(d) or the proviso to Clause 17.11(h) or Clause 17.11(i) applied.

(d) A Finance Party making, or intending to make, a claim under paragraph (a) above must promptly notify the Company of the event which will give, or has given, rise to the claim.

### **17.13 Tax Credit**

(a) Where any payment has been made subject to a Tax Deduction, a Finance Party agrees to use its reasonable endeavours to complete any procedural formalities necessary for the relevant Finance Party to obtain any Tax Credit available as a result of the payment being made subject to a Tax Deduction.

(b) If an Obligor makes a Tax Payment and the relevant Finance Party determines in its absolute discretion exercised in good faith that:

(i) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part, or to that Tax Payment; and

(ii) it has used and retained that Tax Credit (on a consolidated basis if relevant to the determination of its allowable credit for foreign taxes paid or accrued),

the Finance Party must pay an amount to the Obligor which that Finance Party determines will leave it (after that payment) in the same after-Tax position as it would have been if the Tax Payment had not been required to be made by the Obligor.

### **17.14 Stamp taxes**

The Company must pay and indemnify each Finance Party against any stamp duty, registration or other similar Tax payable in connection with the entry into, performance or enforcement of any Finance Document, except for any such Tax payable in connection with the entry into a Transfer Certificate.



### 17.15 Value added taxes

- (a) Any amount (including costs and expenses) payable under a Finance Document by an Obligor is exclusive of any value added tax or any other Tax of a similar nature which might be chargeable in connection with that amount. If any such Tax is chargeable, the Obligor must pay to the Finance Party (in addition to and at the same time as paying that amount) an amount equal to the amount of that Tax (and such Finance Party shall as soon as reasonably practicable provide an appropriate value added tax invoice to the Obligor).
- (b) The obligation of any Obligor under paragraph (a) above will be reduced to the extent that the Finance Party determines (acting reasonably) that it is entitled to repayment or a credit in respect of the relevant Tax.

### 17.16 General

- (a) In Clauses 17.16 to 17.20:

**Protected Party** means a Finance Party which is or will be subject to any liability, or required to make any payment, for or on account of tax in relation to a sum received or receivable (or any sum deemed for the purposes of tax to be received or receivable) under a Finance Document.

**Treaty Lender** means a Lender which:

- (a) is treated as a resident of a Treaty State for the purposes of the relevant Treaty; and
- (b) does not carry on a business in the Netherlands through a permanent establishment, a fixed base or a permanent representative with which that Lender's participation in the Loan is effectively connected;

**Treaty State** means a jurisdiction having a double taxation agreement (a **Treaty**) with the Netherlands which makes provision for full exemption or full refund from tax imposed on interest.

- (b) Unless a contrary indication appears, in Clauses 17.16 to 17.20 (inclusive) a reference to **determines** or **determined** means a determination made in the absolute discretion of the person making the determination.

### 17.17 Tax gross-up

- (a) Each Obligor shall make all payments to be made by it without any Tax Deduction, unless a Tax Deduction is required by law.
- (b) The Company shall promptly upon becoming aware that an Obligor must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Facilities Agent accordingly. Similarly, a Lender shall notify the Facilities Agent on becoming so aware in respect of a payment payable to that Lender. If the Facilities Agent receives such notification from a Lender it shall notify the Company and that Obligor.
- (c) If a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from that Obligor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

- (d) An Obligor is not required to make an increased payment to a Lender under paragraph (c) for a Tax Deduction from a payment of interest on a Utilisation, if on the date on which the payment falls due the relevant Lender is a Treaty Lender and the Obligor making the payment is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under paragraph (g) below.
- (e) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount.
- (f) Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Obligor making that Tax Deduction shall deliver to the Facilities Agent for the Finance Party entitled to the payment evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.
- (g) A Treaty Lender and each Obligor which makes a payment to which that Treaty Lender is entitled shall co-operate in completing any procedural formalities necessary for that Obligor to obtain authorisation to make that payment without a Tax Deduction.

**17.18 Tax indemnity**

- (a) The Company shall (within three Business Days of demand by the Facilities Agent) pay to a Protected Party an amount equal to the loss, liability or cost which that Protected Party determines will be or has been suffered (directly or indirectly) for or on account of tax by that Protected Party in respect of a Finance Document.
- (b) Paragraph (a) shall not apply:
  - (i) with respect to any tax assessed on a Finance Party:
    - (A) under the law of the jurisdiction in which that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident or as having a permanent establishment for tax purposes; or
    - (B) under the law of the jurisdiction in which that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction,  
if that tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Finance Party; or
  - (ii) to the extent a loss, liability or cost:
    - (A) is compensated for by an increased payment under Clause 17.17 (*Tax gross-up*); or

- (B) would have been compensated for by an increased payment under Clause 17.17 (*Tax gross-up*) but was not so compensated solely because the exclusion in paragraph (d) of Clause 17.17 (*Tax gross-up*) applied.
- (c) A Protected Party making, or intending to make a claim under paragraph (a) shall promptly notify the Facilities Agent of the event which will give, or has given, rise to the claim, following which the Facilities Agent shall notify the Parent.
- (d) A Protected Party shall, on receiving a payment from an Obligor under this Clause 17.18, notify the Facilities Agent.

#### **17.19 Tax credit**

If an Obligor makes a Tax Payment and the relevant Finance Party determines in its absolute discretion exercised in good faith that:

- (a) a Tax Credit is attributable to that Tax Payment; and
- (b) that Finance Party has obtained, utilised and retained that Tax Credit,

the Finance Party shall pay an amount to the Obligor which that Finance Party determines will leave it (after that payment) in the same after-tax position as it would have been in had the Tax Payment not been required to be made by the Obligor.

#### **17.20 Value added tax**

- (a) All consideration expressed to be payable under a Finance Document by any party to a Finance Party shall be deemed to be exclusive of any VAT. If VAT is chargeable on any supply made by any Finance Party to any party in connection with a Finance Document, that party shall pay to the Finance Party (in addition to and at the same time as paying the consideration) an amount equal to the amount of the VAT.
- (b) Where a Finance Document requires any party to reimburse a Finance Party for any costs or expenses, that party shall also at the same time pay and indemnify the Finance Party against all VAT incurred by the Finance Party in respect of the costs or expenses to the extent that the Finance Party reasonably determines that it is not entitled to credit or repayment of the VAT.

#### **17.21 Tax gross-up**

- (a) Each Obligor must make all payments to be made by it under the Finance Documents without any Tax Deduction, unless a Tax Deduction is required by law.
- (b) If an Obligor or a Lender is aware that an Obligor must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction), it must promptly notify the Facilities Agent. The Facilities Agent must then promptly notify the affected Parties.
- (c) Except as provided below, if a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from the Obligor will be increased to an amount which (after making the Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

- (d) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and must make any payment required in connection with that Tax Deduction within the time allowed by law.
- (e) Within 30 days of making either a Tax Deduction or a payment required in connection with a Tax Deduction, the Obligor must deliver to the Facilities Agent for the relevant Finance Party evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) the appropriate payment has been paid to the relevant taxing authority.
- (f) Where possible, each Finance Party shall, in consultation with the Company, take all reasonable steps to reduce the risk of a Tax Deduction being required by law or reduce the amount of such Tax Deduction, including, without limitation, transferring its rights and obligations under the Finance Documents to an Affiliate, changing its Facility Office or co-operating with each Obligor by using its commercially reasonable endeavours to complete any procedural formalities necessary for that Obligor to obtain authorisation to make payments without a Tax Deduction.

#### **17.22 Tax indemnity**

- (a) Except as provided below, the Company must indemnify a Finance Party against any loss or liability which that Finance Party acting reasonably determines will be or has been suffered (directly or indirectly) by that Finance Party for or on account of Tax in relation to a payment received or receivable (or any payment deemed to be received or receivable) under a Finance Document.
- (b) Paragraph (a) above does not apply to any Tax assessed on a Finance Party under the laws of the jurisdiction in which:
  - (i) that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes or as having a permanent establishment for tax purposes; or
  - (ii) that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction,if that Tax is imposed on or calculated by reference to the net income received or receivable by that Finance Party. However, any payment deemed to be received or receivable, including any amount treated as income but not actually received by the Finance Party, such as a Tax Deduction, will not be treated as net income received or receivable for this purpose.
- (c) Paragraph (a) above does not apply to the extent a loss, liability or cost is compensated for by any increased payment under Clause 17.21 (*Tax gross-up*).
- (d) A Finance Party making, or intending to make, a claim under paragraph (a) above must promptly notify the Company of the event which will give, or has given, rise to the claim.

#### **17.23 Tax Credit**

- (a) Where any payment has been made subject to a Tax Deduction, a Finance Party agrees to use its reasonable endeavours to complete any procedural formalities necessary for the relevant Finance Party to obtain any Tax Credit available as a result of the payment being made subject to a Tax Deduction.

- (b) If an Obligor makes a Tax Payment and the relevant Finance Party determines in its absolute discretion exercised in good faith that:
- (i) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part, or to that Tax Payment; and
  - (ii) it has used and retained that Tax Credit (on a consolidated basis if relevant to the determination of its allowable credit for foreign taxes paid or accrued),
- the Finance Party must pay an amount to the Obligor which that Finance Party determines will leave it (after that payment) in the same after-Tax position as it would have been if the Tax Payment had not been required to be made by the Obligor.

#### **17.24 Stamp taxes**

The Company must pay and indemnify each Finance Party against any stamp duty, registration or other similar Tax payable in connection with the entry into, performance or enforcement of any Finance Document, except for any such Tax payable in connection with the entry into a Transfer Certificate.

#### **17.25 Value added taxes**

- (a) Any amount (including costs and expenses) payable under a Finance Document by an Obligor is exclusive of any value added tax or any other Tax of a similar nature which might be chargeable in connection with that amount. If any such Tax is chargeable, the Obligor must pay to the Finance Party (in addition to and at the same time as paying that amount) an amount equal to the amount of that Tax (and such Finance Party shall as soon as reasonably practicable provide an appropriate value added tax invoice to the Obligor).
- (b) The obligation of any Obligor under paragraph (a) above will be reduced to the extent that the Finance Party determines (acting reasonably) that it is entitled to repayment or a credit in respect of the relevant Tax.

#### **17.26 US FATCA Withholding Tax Requirements**

In this Clause 17.26:

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

- (a) Notwithstanding the provisions of this Clause 17, no payments by or on account of any obligation of an Obligor under the Finance Documents shall be required to be increased due to a Tax Deduction required under sections 1471 to 1474 (inclusive) of the Code, or any current or future regulations or official interpretations thereof.
- (b) The Facilities Agent and each Lender will deliver to the Company and to any other appropriate party any form or other documentation required to be delivered pursuant to the Code, the United States Treasury regulations promulgated thereunder or any official interpretations thereof sufficient to permit each Obligor to determine whether it may make payments without an obligation to withhold Tax under sections 1471 to 1474 (inclusive) of the Code.

## **18. INCREASED COSTS**

### **18.1 Increased Costs**

Subject to the exceptions set out below, the Company shall, within three Business Days of demand by the Facilities Agent, pay for the account of a Finance Party the amount of any Increased Cost incurred by that Finance Party or any of its Affiliates as a result of:

- (a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the Signing Date; or
- (b) compliance with any law or regulation introduced after the Signing Date.

### **18.2 Claims**

- (a) A Finance Party intending to make a claim for Increased Costs shall notify the Facilities Agent of the event giving rise to the claim, following which the Facilities Agent shall promptly notify the Company. Any such claim must be made on the Company within 6 months from the date on which the Finance Party becomes aware of such claim.
- (b) Each Finance Party shall, as soon as practicable after a demand by the Facilities Agent, provide a certificate confirming the amount of its Increased Costs.

### **18.3 Exceptions**

These provisions do not apply to the extent any Increased Cost is:

- (a) attributable to a Tax Deduction required by law to be made by an Obligor;
- (b) compensated for under another Clause in this Agreement or would have been but for an exception in such Clause;
- (c) compensated for by the payment of the Mandatory Cost;
- (d) attributable to the wilful breach by the relevant Finance Party or its Affiliates of any law or regulation;
- (e) a tax on the overall net income or gains of a Finance Party or any of its Affiliates;
- (f) attributable to the implementation or application of or compliance with the “International Convergence of Capital Measurement and Capital Standards, a Revised Framework” published by the Basel Committee on Banking Supervision (**BCBS**) in June 2004 in the form existing at the date of this Agreement but excluding any amendment taking account of or incorporating any measure from the Basel III Framework (**Basel III**) or any other law or regulation which implements Basel II (whether such implementation, application or compliance is by a government, regulator, Finance Party or any of its Affiliates);  
or
- (g) attributable to the implementation, or application of, or compliance with, any Bank Levy, or any law or regulation which implements any Bank Levy (whether such implementation, application or compliance is by a government, a regulator, or by a Finance Party or any of its Affiliates).

## **19. OTHER INDEMNITIES**

### **19.1 Currency indemnity**

- (a) The Company shall as an independent obligation, within three Business Days of demand, indemnify each Finance Party against any loss or liability which that Finance Party incurs as a consequence of:
- (i) that Finance Party receiving an amount in respect of an Obligor's liability under the Finance Documents; or
  - (ii) that liability being converted into a claim, proof, judgment or order,
- in a currency other than the currency in which the amount is expressed to be payable under the relevant Finance Document.
- (b) Unless otherwise required by law, each Obligor waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency other than that in which it is expressed to be payable.

### **19.2 Other indemnities**

The Company shall, within three Business Days of demand, indemnify each Finance Party against any cost, loss or liability (excluding loss of profit and amounts in respect of Margin) which that Finance Party incurs as a consequence of:

- (a) the occurrence of any Event of Default;
- (b) a failure by an Obligor to pay any amount due under a Finance Document on its due date, including any resulting from any distribution or redistribution of any amount among the Lenders under this Agreement;
- (c) a Utilisation not being made after a Utilisation Request has been delivered for that Utilisation by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of negligence or default by that Finance Party alone); or
- (d) a Utilisation (or part of a Utilisation) not being prepaid in accordance with a notice of prepayment.

The Company's liability in each case includes any loss or expense on account of funds borrowed, contracted for or utilised to fund any amount payable under any Finance Document, any amount repaid or prepaid or any Utilisation.

### **19.3 Indemnity to the Facilities Agent**

The Company shall, within three Business Days of demand, indemnify the Facilities Agent against any loss or liability incurred by the Facilities Agent (acting reasonably) as a result of:

- (a) investigating any event which it reasonably believes to be a Default provided that prior to any such investigation being commenced the Facilities Agent has consulted the Company concerning such event if the Facilities Agent, acting in good faith, considers that it can do so without prejudicing the position of the Finance Parties; or

- (b) acting or relying on any notice which the Facilities Agent reasonably believes to be genuine, correct and appropriately authorised.

## **20. MITIGATION BY THE FINANCE PARTIES**

- (a) Each Finance Party must, in consultation with the Company, take all reasonable steps to mitigate any circumstances which arise and which result or would result in:
  - (i) any Tax Payment or Increased Costs being payable to that Finance Party;
  - (ii) that Finance Party being able to exercise any right of prepayment and/or cancellation under this Agreement by reason of any illegality; or
  - (iii) that Finance Party incurring any cost of complying with the minimum reserve requirements of the European Central Bank, including transferring its rights and obligations under the Finance Documents to an Affiliate or changing its Facility Office.
- (b) Paragraph (a) above does not in any way limit the obligations of any Obligor under the Finance Documents.
- (c) The Company must indemnify each Finance Party for all costs and expenses reasonably incurred by that Finance Party which are directly referable to the Facility as a result of any step taken by it under this Clause 20.
- (d) A Finance Party is not obliged to take any step under this Clause 20 if, in the opinion of that Finance Party (acting reasonably), to do so could reasonably be expected to be prejudicial to it.

## **21. COSTS AND EXPENSES**

### **21.1 Initial costs**

Subject to Clause 21.4 (*Legal fees*), the Company shall, within three Business Days of demand, pay to the Facilities Agent and the Arrangers the amount of all reasonable costs and expenses (including legal fees) reasonably incurred by them in connection with the negotiation, preparation, printing, execution and syndication of the Finance Documents.

### **21.2 Subsequent costs**

- (a) Subject to Clause 21.4 (*Legal fees*), the Company must promptly on demand pay to the Facilities Agent the amount of all reasonable costs and expenses (including legal fees) reasonably incurred by it in connection with:
  - (i) the negotiation, preparation, printing and execution of any Finance Document (other than a Transfer Certificate) executed after the Signing Date; and
  - (ii) any amendment, waiver or consent requested by or on behalf of an Obligor or an amendment required or specifically allowed by this Agreement to any Finance Document.



### **21.3 Enforcement costs**

Subject to Clause 21.4 (*Legal fees*), the Company must promptly on demand pay to each Finance Party the amount of all costs and expenses (including legal fees) properly incurred by it in connection with the enforcement of, or the preservation of any rights under, any Finance Document.

### **21.4 Legal fees**

The Company will only be liable to pay an amount in respect of legal fees under Clauses 21.1 (*Initial costs*) to 21.3 (*Enforcement costs*) for one law firm, and, in the case of Clauses 21.1 (*Initial costs*) and 21.2 (*Subsequent costs*), applicable foreign counsel instructed by such law firm for the purposes of obtaining legal opinions, and, in the case of Clause 21.3 (*Enforcement costs*), applicable foreign counsel instructed by such law firm for the purposes of enforcing or preserving any rights under any Finance Document, representing all of the Finance Parties together.

### **21.5 Acknowledgment of benefit, discount or credit**

The Company acknowledges that each or any of the Facilities Agent and the Arrangers may receive a benefit, including without limitation, a discount, credit or other accommodation, from any relevant legal counsel based on the legal fees such legal counsel may receive on account of their relationship with the Facilities Agent and the Arrangers including, without limitation, fees paid pursuant to the Finance Documents.

## **22. GUARANTEE AND INDEMNITY**

### **22.1 Guarantee and indemnity by the Company**

- (a) The Company irrevocably and unconditionally:
- (i) guarantees to each Finance Party punctual performance by each Borrower that is its Subsidiary of all that Borrower's payment obligations under the Finance Documents;
  - (ii) undertakes with each Finance Party that whenever a Borrower that is its Subsidiary does not pay any amount when due under any Finance Document, it shall immediately on demand by the Facilities Agent pay that amount as if it was the principal obligor; and
  - (iii) indemnifies each Finance Party immediately on demand against any loss or liability suffered by that Finance Party if any payment obligation guaranteed by it hereunder is or becomes unenforceable, invalid or illegal; the amount of the cost, loss or liability under this indemnity shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.
- (b) The guarantee in Clause 22.1(a) is a continuing guarantee and will extend to the ultimate balance of sums payable by any of the Company's Subsidiaries under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

### **22.2 Guarantee and indemnity by Carnival plc**

- (a) Carnival plc irrevocably and unconditionally:

- (i) guarantees to each Finance Party punctual performance by each Borrower that is its Subsidiary of all that Borrower's payment obligations under the Finance Documents;
  - (ii) undertakes with each Finance Party that whenever a Borrower that is its Subsidiary does not pay any amount when due under any Finance Document, it shall immediately on demand by the Facilities Agent pay that amount as if it was the principal obligor; and
  - (iii) indemnifies each Finance Party immediately on demand against any loss or liability suffered by that Finance Party if any payment obligation guaranteed by it hereunder is or becomes unenforceable, invalid or illegal; the amount of the cost, loss or liability under this indemnity shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.
- (b) The guarantee in Clause 22.2(a) is a continuing guarantee and will extend to the ultimate balance of sums payable by any of Carnival plc's Subsidiaries under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

### **22.3 Reinstatement**

- (a) If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation, administration or otherwise without limitation, the liability of each Guarantor under this Clause will continue as if the discharge or arrangement had not occurred.
- (b) Each Finance Party may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

### **22.4 Waiver of defences**

The obligations of each Guarantor under this Clause 22 will not be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Clause 22 (without limitation and whether or not known to it or any Finance Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Carnival Corporation & plc Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person;
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (f) any amendment, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in, any facility or the addition of any new facility under any Finance Document or other document or security;
- (g) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (h) any insolvency or similar proceedings.

## **22.5 Immediate recourse**

Each Guarantor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Guarantor under this Clause 22. This waiver applies irrespective of any law or any provision of the Finance Documents to the contrary.

## **22.6 Appropriations**

- (a) Until all amounts which may be or become payable by any of the Company's Subsidiaries under the Finance Documents have been irrevocably paid in full, each Finance Party (or any trustee or agent on its behalf) may:
  - (i) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts; or
  - (ii) apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Company shall not be entitled to the benefit of the same; and
  - (iii) hold in an interest-bearing suspense account (bearing interest at market rates) any moneys received from the Company or on account of the Company's liability under this Clause 22.
- (b) Until all amounts which may be or become payable by any of Carnival plc's Subsidiaries under the Finance Documents have been irrevocably paid in full, each Finance Party (or any trustee or agent on its behalf) may:
  - (i) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts; or
  - (ii) apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and Carnival plc shall not be entitled to the benefit of the same; and
  - (iii) hold in an interest-bearing suspense account any moneys received from Carnival plc or on account of Carnival plc's liability under this Clause 22.

## 22.7 Non-competition

- (a) The Company shall, until all sums whatsoever payable (or which may become payable) by any of its Subsidiaries under or in connection with the Finance Documents have been irrevocably paid in full, exercise only in accordance with the Facilities Agent's instructions:
- (i) its rights of subrogation, contribution and indemnity against that Subsidiary;
  - (ii) its right to take the benefit of, share in or enforce any security or other guarantee or indemnity for that Subsidiary's obligations under the Finance Documents held by any of the Finance Parties;
  - (iii) its rights to prove or claim in the bankruptcy, liquidation, administration or other insolvency proceedings of that Subsidiary;
  - (iv) its rights to bring legal or other proceedings for an order requiring that Subsidiary to make any payment, or perform any obligation, in respect of which the Company has given a guarantee, undertaking or indemnity under this Clause 22; and
  - (v) its rights to exercise any right of set-off against that Subsidiary.
- (b) Any amount recovered as a result of the exercise of the rights described in Clause 22.7(a) above shall be held on trust for the Facilities Agent on behalf of the Finance Parties and paid to the Facilities Agent for the Finance Parties on demand. The Company warrants to the Finance Parties that it has not taken any security from its Subsidiaries in relation to the Finance Documents and agrees not to do so until the Finance Parties receive all sums payable by those Subsidiaries under the Finance Documents. Any security taken by the Company in breach of this provision and all moneys at any time received in respect thereof shall be held in trust for the Finance Parties.
- (c) Carnival plc shall, until all sums whatsoever payable (or which may become payable) by any of its Subsidiaries under or in connection with the Finance Documents have been irrevocably paid in full, exercise only in accordance with the Facilities Agent's instructions:
- (i) its rights of subrogation, contribution and indemnity against that Subsidiary;
  - (ii) its right to take the benefit of, share in or enforce any security or other guarantee or indemnity for that Subsidiary's obligations under the Finance Documents held by any of the Finance Parties;
  - (iii) its rights to prove or claim in the bankruptcy, liquidation, administration or other insolvency proceedings of that Subsidiary;
  - (iv) its rights to bring legal or other proceedings for an order requiring that Subsidiary to make any payment, or perform any obligation, in respect of which Carnival plc has given a guarantee, undertaking or indemnity under this Clause 22; and
  - (v) its rights to exercise any right of set-off against that Subsidiary.

- (d) Any amount recovered as a result of the exercise of the rights described in Clause 22.7(c) above shall be held on trust for the Facilities Agent on behalf of the Finance Parties and paid to the Facilities Agent for the Finance Parties on demand. Carnival plc warrants to the Finance Parties that it has not taken any security from its Subsidiaries in relation to the Finance Documents and agrees not to do so until the Finance Parties receive all sums payable by those Subsidiaries under the Finance Documents. Any security taken by Carnival plc in breach of this provision and all moneys at any time received in respect thereof shall be held in trust for the Finance Parties.

## **22.8 Additional security**

Each guarantee in Clause 22.1 (*Guarantee and indemnity by the Company*) is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Finance Party.

## **23. REPRESENTATIONS**

### **23.1 Representations**

The representations set out in this Clause are made in accordance with Clause 23.10 (*Times for making representations*).

### **23.2 Status**

Each Obligor is duly incorporated and validly existing under the laws of its jurisdiction of incorporation as a limited liability company, a corporation, or other legal entity and has the power to execute, deliver and perform its obligations under the Finance Documents; all necessary corporate action has been taken by each Obligor to authorise the execution, delivery and performance of, the Finance Documents to which it is or will be a party and each Finance Document to which it is a party constitutes valid and legally binding and enforceable obligations in accordance with its terms (subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)); each Obligor has the power to own its assets and carry on its business as it is being conducted where a lack of such power would have a Material Adverse Effect.

### **23.3 Non-conflict**

The execution, delivery and performance by each Obligor of the Finance Documents will not contravene any existing law, regulation or authorisation to which that Obligor is subject, result in the breach of or default under any agreement or other instrument to which that Obligor is a party or which is binding upon that Obligor or its assets or contravene any provision of that Obligor's constitutional documents.

### **23.4 No default**

- (a) No Default has occurred and is outstanding or will result from the execution of, or the performance of any transaction contemplated by, any Finance Document.
- (b) No Obligor nor any of its respective Subsidiaries is in default under any agreement relating to Borrowed Money to which it or any of its respective Subsidiaries is a party or by which it or any of its respective Subsidiaries may be bound which default would have a Material Adverse Effect.

### 23.5 Financial statements

The Carnival Corporation & plc Group's audited financial statements most recently delivered to the Facilities Agent (which, in the case of the Carnival Corporation & plc Group at the Signing Date, are the Original Financial Statements):

- (a) have been prepared in accordance with GAAP, consistently applied; and
- (b) fairly represent its financial condition (consolidated, if applicable) as at the date to which they were drawn up,

except, in each case, as disclosed to the contrary in those financial statements.

### 23.6 No material adverse change

There has been no adverse change in the business or consolidated financial condition of the Carnival Corporation & plc Group since the date to which the Original Financial Statements were drawn up which would have a Material Adverse Effect.

### 23.7 Litigation

No litigation, arbitration or administrative proceedings is taking place, pending or to its knowledge, threatened against an Obligor or any Material Subsidiary, which is likely to be determined adversely to the relevant member of the Carnival Corporation & plc Group and, if so determined, would be likely to have a Material Adverse Effect.

### 23.8 Pari passu ranking

The obligations of each Obligor under the Finance Documents to which it is a party rank at least pari passu with all its other present unsecured and unsubordinated indebtedness with the exception of any obligations which are mandatorily preferred by law.

### 23.9 United States Law

(a) In this Subclause:

(i) **Anti-Terrorism Law** means each of:

- (A) Executive Order No. 13224 on Terrorist Financing: Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism issued September 23, 2001, as amended by Order 13268 (as so amended, the **Executive Order**);
- (B) the regulations of the Office of Foreign Assets Control (**OFAC**) of the U.S. Department of Treasury, 31 C.F.R., Subtitle B, Chapter V;
- (C) the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56 (commonly known as the USA Patriot Act) (the **USA Patriot Act**); and

- (D) the Money Laundering Control Act of 1986, 18 U.S.C. sect. 1956;
- (ii) **controlled** has the meaning given to it in the United States Investment Company Act of 1940;
- (iii) **investment company** has the meaning given to it in the United States Investment Company Act of 1940;
- (iv) **public utility** has the meaning given to it in the United States Federal Power Act of 1920; and
- (v) **Restricted Party** means any person listed:
  - (A) in the Annex to the Executive Order;
  - (B) on the “Specially Designated Nationals and Blocked Persons” list maintained by the OFAC; or
  - (C) in any successor list to either of the foregoing.
- (b) No Obligor which is incorporated in the United States of America or a state thereof is:
  - (i) an investment company or controlled by an investment company or required to register as an investment company;
  - (ii) a public utility, or subject to regulation, under the United States Federal Power Act of 1920; or
  - (iii) subject to regulation under any United States Federal or State law or regulation that limits its ability to incur indebtedness.
- (c) No Obligor nor any of its respective Affiliates is, or is controlled by, a Restricted Party.
- (d) No Obligor nor any of its respective Subsidiaries, to that Obligor’s knowledge, is in breach of or is the subject of any material action or investigation under any applicable Anti-Terrorism Law.
- (e) Each Obligor and each of its respective Subsidiaries have taken reasonable measures to promote compliance with applicable Anti-Terrorism Laws.

**23.10 Times for making representations**

- (a) The representations set out in this Clause 23 are made by each Original Obligor on the Signing Date in respect of itself (and its respective Subsidiaries if so stated in the representation so concerned) to each Finance Party.
- (b) Unless a representation is expressed to be given at a specific date, each representation (other than Clause 23.4 (*No default*) to Clause 23.7 (*Litigation*) inclusive) is deemed to be repeated by the Company and each Borrower to each Finance Party on the date of each Utilisation Request, each Utilisation Date, the first day of each Interest Period and, in the case of an Additional Borrower, by the Additional Borrower on the day on which the Subsidiary becomes an Additional Borrower.

- (c) When a representation is repeated, it shall be made with reference to the facts and circumstances existing at the time of repetition.

## **24. INFORMATION UNDERTAKINGS**

### **24.1 Financial statements**

- (a) The Company must supply to the Facilities Agent (in sufficient copies for all the Lenders if the Facilities Agent so requests):
- (i) the audited consolidated financial statements of the Carnival Corporation & plc Group for each of its financial years (which will be the Carnival Corporation 10-K as filed with the SEC);
  - (ii) the unaudited consolidated financial statements of the Carnival Corporation & plc Group for each of the first three fiscal quarters in each of its financial years (which will be the Carnival Corporation 10-Q as filed with the SEC); and
  - (iii) the registration statements and reports filed with the SEC (including the Carnival Corporation 10-K) by the Company and Carnival plc.
- (b) All financial statements must be supplied as soon as they are available and:
- (i) in the case of the audited consolidated financial statements of the Carnival Corporation & plc Group, within 120 days;
  - (ii) in the case of unaudited quarterly financial statements of the Carnival Corporation & plc Group, within 75 days; and
  - (iii) in the case of registration statements and reports filed with the SEC, within 15 days,
- of the end of the relevant financial period (or in the case of Clause 24.1(a)(iii) above, of the date of filing with the SEC in accordance with the time periods specified in the rules and regulations of the SEC).

### **24.2 Form of financial statements**

The Company must ensure that each set of financial statements supplied under this Agreement fairly presents the financial condition (consolidated or otherwise) of the relevant person as at the date to which those financial statements were drawn up. The Company shall not be required to produce footnotes to the unaudited financial statements.

### **24.3 Compliance Certificate**

- (a) The Company must supply to the Facilities Agent a Compliance Certificate with each set of financial statements sent to the Facilities Agent under this Agreement.
- (b) A Compliance Certificate must be signed by a senior financial officer of the Company.



#### **24.4 Information - miscellaneous**

- (a) The Company must supply to the Facilities Agent (in sufficient copies for all the Lenders if the Facilities Agent so requests):
  - (i) copies of all documents despatched by the Company or Carnival plc to its creditors generally at the same time as the documents are despatched;
  - (ii) promptly on request, a list of the then current Material Subsidiaries; and
  - (iii) promptly on request, such further information regarding the financial condition and operations of the Carnival Corporation & plc Group as any Finance Party through the Facilities Agent may reasonably require except information which is confidential in relation to third parties or which the Company is prohibited from disclosing by law or by regulatory requirement.
- (b) The Company must provide written notice to the Facilities Agent of any information posted to the website identified in Clause 24.6(a)(ii) for the benefit of its shareholders, and for this purpose only the Facilities Agent agrees that it will accept such notification by email. The Company shall provide such notification as soon as practicable after the relevant information is posted to the website.

#### **24.5 Notification of Default**

The Company must notify the Facilities Agent of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

#### **24.6 Use of websites**

- (a) Except as provided below, the Company may deliver any information under this Agreement to a Lender by posting it on to an electronic website if:
  - (i) the Facilities Agent and the Lender agree, it being understood that, subject to Clause 24.6(b) below, the Facilities Agent and all Original Lenders provide their consent for all of the information under Clause 24.1(a) (*Financial statements*) to be so delivered;
  - (ii) the Company and the Facilities Agent designate an electronic website for this purpose which, for the purpose of Clause 24.1(a) (*Financial statements*) hereof shall be [www.carnivalcorp.com](http://www.carnivalcorp.com), until and unless the Company sends written notice to the Facilities Agent advising of a change to the details of the website;
  - (iii) the Company notifies the Facilities Agent of the address of and password (if any) for the website (other than with respect to the information contemplated by Clause 24.1(a) (*Financial statements*) which shall be posted to the website identified in paragraph (ii) above); and
  - (iv) the information posted is in a format agreed between the Company and the Facilities Agent.

The Facilities Agent must supply each relevant Lender with the address of and password for the website.

- (b) Notwithstanding the above, the Company must supply to the Facilities Agent in paper form a copy of any information posted on the website together with sufficient copies for:
  - (i) any Lender not agreeing to receive information via the website; and
  - (ii) within ten Business Days of request, any other Lender, if that Lender so requests.
- (c) The Company must promptly upon becoming aware of its occurrence, notify the Facilities Agent if:
  - (i) the website cannot be accessed;
  - (ii) the website or any information on the website is infected by any electronic virus or similar software;
  - (iii) the password (if any) for the website is changed; or
  - (iv) any information to be supplied under this Agreement is posted on the website or amended after being posted.

If the circumstances in paragraph (i) or (ii) above occur, the Company must supply any information required under this Agreement in paper form during the time that the website is not available.

#### **24.7 “Know your customer” checks**

- (a) The Company shall promptly upon the written request of the Facilities Agent supply, or procure the supply of, such documentation and other evidence about each Obligor and each Additional Borrower as is reasonably requested by the Facilities Agent, for itself, on behalf of any Lender or on behalf of any prospective New Lender, in order for the Facilities Agent, that Lender or prospective New Lender to carry out and be satisfied with the results of all necessary “know your customer” checks that it is required to carry out by reason of being a party to the transactions contemplated in the Finance Documents, provided that (subject to any change of law, change of regulation or a change in a Lender’s internal compliance procedures, or any change in the interpretation, administration or application thereof, that is made, in each case, in accordance with a Lender’s normal practice in respect of companies which are listed (at all times when the Company is listed) investment grade (at all times when the Company’s debt is of investment grade) and (at all times) of a comparable credit standing to the Company (other than, in each case, on those companies first becoming a customer of that Lender), or any change in status of any Obligor after the Signing Date, that might reasonably result in further documentation or other evidence being required) the Facilities Agent may only make one such request in respect of itself, each Lender and each prospective New Lender.
- (b) Each Lender shall promptly upon the request of the Facilities Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Facilities Agent (for itself) in order for the Facilities Agent to carry out and be satisfied with the results of all necessary “know your customer” checks that it is required to carry out pursuant to the transactions contemplated in the Finance Documents.

## 25. FINANCIAL COVENANTS

### 25.1 Definitions

**Borrowed Money** or **moneys borrowed** means, at any time, all borrowings of the respective members of the Carnival Corporation & plc Group whether secured or unsecured and shall be deemed to include (to the extent that the same would not otherwise fall to be taken into account):

- (a) the principal amount for the time being owing (other than to any member of the Carnival Corporation & plc Group) of all debentures (as defined in section 738 of the Companies Act 2006) notwithstanding that the same may be or have been issued in whole or in part for a consideration other than cash; except that, in the case of a debenture issued at a discount which contains provisions for prepayment or acceleration, the principal amount thereof at any relevant time shall be deemed to be the highest amount which would, if such debenture were then to be repaid in accordance with any such provision for prepayment or acceleration, be repayable in respect of the principal amount thereof;
- (b) the outstanding amount raised by the acceptance of bills (not being acceptances of trade bills in respect of the purchase or sale of goods in the ordinary course of trading) by any member of the Carnival Corporation & plc Group or by any bank or accepting house under any acceptance credit opened on behalf of any member of the Carnival Corporation & plc Group;
- (c) the fixed premium payable on final redemption or repayment of any debentures, share capital or other Borrowed Moneys falling to be taken into account;
- (d) the nominal amount of any issued share capital and the principal amount of any Borrowed Moneys, the redemption or repayment whereof is guaranteed or the subject of any indemnity or otherwise secured (and where part only is so secured to the extent so secured) by any other member of the Carnival Corporation & plc Group except insofar as either the benefit of such guarantee or indemnity or security or the beneficial interest in the right to such redemption or repayment is held by another member of the Carnival Corporation & plc Group or such nominal or principal amount is otherwise taken into account hereunder;

Provided that:

- (i) moneys borrowed by any member of the Carnival Corporation & plc Group for the purpose of repaying or redeeming (with or without premium) in whole or in part any other Borrowed Moneys falling to be taken into account and intended to be applied for such purposes within six months after the borrowing thereof and so applied shall not during such period except to the extent not so applied themselves be taken into account;
- (ii) moneys borrowed by any member of the Carnival Corporation & plc Group and owing to any other member of the Carnival Corporation & plc Group shall not (save to the extent mentioned in (iii) below) be taken into account;
- (iii) moneys borrowed by a member of the Carnival Corporation & plc Group which is a partly owned Subsidiary of the Company and not owing to the Company or another member of the Carnival Corporation & plc Group shall be taken into account subject to the exclusion of that proportion thereof as

equals the minority proportion but the minority proportion of any moneys borrowed by a member of the Carnival Corporation & plc Group from a partly-owned Subsidiary (which would otherwise be excluded by virtue of (ii) above) shall be included; for these purposes minority proportion shall mean that proportion of the issued equity share capital (within the meaning of section 548 of the Companies Act 2006) of the partly-owned Subsidiary which is not attributable directly or indirectly to the Company;

- (iv) moneys borrowed by a member of the Carnival Corporation & plc Group expressed in or calculated by reference to a currency other than US Dollars shall be converted into US Dollars in the manner used in the financial statements filed by the Carnival Corporation & plc Group with the SEC;
- (v) moneys borrowed against the security of an asset in respect of which there is no recourse against any member of the Carnival Corporation & plc Group other than to that asset shall not be taken into account; and
- (vi) Excluded Indebtedness shall not be taken into account.

**Capital Lease** means with respect to any person, any lease of any property (whether real, personal or mixed) by such person as lessee that, in accordance with GAAP, either would be required to be classified and accounted for as a capital lease on a balance sheet of such person or otherwise be disclosed as such in a note to such balance sheet, other than, in the case of the Company and Carnival plc or a Subsidiary, any such lease under which the Company, Carnival plc or such Subsidiary is the lessor.

**Consolidated Capital** means, at any time, the aggregate of the Issued Capital and Consolidated Reserves of the Carnival Corporation & plc Group and all Borrowed Moneys for the time being undischarged.

**Consolidated Net Interest Charges** means Interest Payable less Interest Receivable during the relevant Measurement Period.

**EBITDA** means the consolidated net income of the Carnival Corporation & plc Group for the relevant Measurement Period:

- (a) before any deduction for Taxes;
- (b) before any deduction for Consolidated Net Interest Charges and before any amortisation of upfront fees and expenses in relation to Borrowed Money;
- (c) before any deduction for depreciation or impairment;
- (d) before any deduction for amortisation; and
- (e) excluding exceptional items and separately disclosable items (for the avoidance of doubt, including restructuring items),

but adjusted by deducting any amounts attributable to minority interests.

**Excluded Indebtedness** means any Indebtedness (including Indebtedness pursuant to a U.S. leveraged lease financing including a U.S. lease to service contract under Section 7701(e) of the Internal Revenue Code of 1986 (as amended from time to time)), the payment of which is provided for by the deposit of cash, cash equivalents or letters of credit with one or more investment-grade banks or other financial institutions acting as payment undertaker, irrespective whether any such arrangements constitutes a defeasance under GAAP.

**GAAP** means generally accepted accounting principles in the United States.

**Indebtedness** means (a) any liability of any person (i) for borrowed money, or under any reimbursement obligation related to a letter of credit or bid or performance bond facility, or (ii) evidenced by a bond, note, debenture or other evidence of indebtedness (including a purchase money obligation) representing extensions of credit or given in connection with the acquisition of any business, property, service or asset of any kind, including without limitation, any liability under any commodity, interest rate or currency exchange hedge or swap agreement (other than a trade payable, other current liability arising in the ordinary course of business or commodity, interest rate or currency exchange hedge or swap agreement arising in the ordinary course of business) or (iii) for obligations with respect to (A) an operating lease, or (B) a lease of real or personal property that is or would be classified and accounted for as a Capital Lease; (b) any liability of others either for any lease, dividend or letter of credit, or for any obligation described in the preceding Clause (a) that (i) the person has guaranteed or that is otherwise its legal liability (whether contingent or otherwise or direct or indirect, but excluding endorsements or negotiable instruments for deposit or collection in the ordinary course of business) or (ii) is secured by any Security Interest on any property or asset owned or held by that person, regardless whether the obligation secured thereby shall have been assumed by or is a personal liability of that person; and (c) any amendment, supplement, modification, deferral, renewal, extension or refunding of any liability of the types referred to in Clauses (a) and (b) above; provided however, that **Indebtedness** shall not include Excluded Indebtedness.

**Interest** means the aggregate interest, guarantee commission and amounts in the nature of interest paid or payable in respect of any Borrowed Moneys (other than agency, arrangement, management or participation fees or fees of any other nature).

**Interest Payable** means the aggregate of:

- (a) all Interest attributable to the Carnival Corporation & plc Group and charged to the Carnival Corporation & plc Group's consolidated profit and loss account during the relevant Measurement Period; and
- (b) the interest (or equivalent) element of payments under finance leases attributable to the Carnival Corporation & plc Group and charged to the Carnival Corporation & plc Group's consolidated profit and loss account during that Measurement Period;

in each case and calculated on the basis that:

- (i) the amount of Interest accrued will be increased by an amount equal to any amount payable by any member of the Carnival Corporation & plc Group under interest rate hedging arrangements in relation to that Measurement Period; and
- (ii) the amount of Interest accrued will be reduced by an amount equal to any amount payable to any member of the Carnival Corporation & plc Group under interest rate hedging arrangements in relation to that Measurement Period.

**Interest Receivable** means all interest and amounts in the nature of interest attributable to the Carnival Corporation & plc Group and credited to the Carnival Corporation & plc Group's consolidated profit and loss account during the relevant Measurement Period (whether or not paid).

**Issued Capital and Consolidated Reserves** means at any relevant time the aggregate of:

- (a) the amount paid up or credited as paid up on the issued share capital of the Company and Carnival plc on a combined basis (for which purpose an issue or proposed issue of share capital for cash which has been unconditionally underwritten shall be deemed paid up to the extent that the underwriters are liable therefor and that such capital will be paid up within four months from the date when such underwriting liability became unconditional); and
- (b) the amounts standing to the credit of the consolidated capital and revenue reserves of the Carnival Corporation & plc Group (including any share premium account or capital redemption reserve fund) after adding thereto or deducting therefrom any balance to the credit or debit of the profit and loss account, all determined by reference to the then latest available audited consolidated balance sheet of Carnival Corporation (reflecting the Carnival Corporation & plc Group) but after:
  - (i) deducting an amount equal to any distribution declared, recommended or made by any member of the Carnival Corporation & plc Group (otherwise than attributable directly or indirectly to the Company) out of profits earned up to and including the date of such balance sheet to the extent that such distribution is not provided for in such balance sheet;
  - (ii) excluding amounts attributable to minority interests in the Company's or Carnival plc's Subsidiaries;
  - (iii) excluding any sums set aside for deferred taxation but only to the extent that the reduction in the tax charge represented thereby cannot be seen with reasonable probability to continue for the foreseeable future; and
  - (iv) deducting any amount representing any intangible assets other than goodwill arising on consolidation.

**Measurement Period** means any twelve month period ending on a Testing Date.

**Testing Date** means the last day of each financial quarter of the Carnival Corporation & plc Group.

## 25.2 Interpretation

- (a) Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if the Company notifies the Facilities Agent that the Company requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Signing Date in GAAP or in the application thereof on the operation of such provision (or if the Facilities Agent notifies the Company that the Majority Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

- (b) Any amount in a currency other than US Dollars is to be taken into account at its US Dollars equivalent calculated on the basis of the relevant rates of exchange used by the Carnival Corporation & plc Group in, or in connection with, its financial statements for that period.
- (c) No item must be credited or deducted more than once in any calculation under this Clause.

### 25.3 Issued Capital and Consolidated Reserves

The Company must ensure that on each Testing Date Issued Capital and Consolidated Reserves are in excess of USD5,000,000,000.

### 25.4 Gearing

The Company must ensure that on each Testing Date the aggregate of all Borrowed Moneys (for the time being undischarged) does not exceed 65 per cent. of Consolidated Capital at that time.

### 25.5 Interest cover

The Company must ensure that on each Testing Date the ratio of EBITDA to Consolidated Net Interest Charges, for the Measurement Period ending on the Testing Date, is not less than 3 to 1.

## 26. GENERAL UNDERTAKINGS

### 26.1 General

Each Obligor agrees to be bound by the covenants set out in this Clause relating to it and, where the covenant is expressed to apply to any member of the Carnival Corporation & plc Group and/or Material Subsidiaries, the Company and Carnival plc shall ensure that, in respect of each of their Subsidiaries, the relevant Carnival Corporation & plc Group member performs that covenant.

### 26.2 Authorisations

Each Obligor will obtain and comply with and do all that is necessary to maintain in full force and effect, and shall procure that each of its Subsidiaries obtain and comply with and do all that is necessary to maintain in full force and effect, in all material respects the terms and conditions of all authorisations, approvals, resolutions, exemptions, filings, notarisations, consents, licences and concessions material to the carrying on of its business as a member of the Carnival Corporation & plc Group, where the failure to so comply would be likely to have a Material Adverse Effect.

### 26.3 Negative pledge

No Obligor will create or incur, or suffer to be created or incurred or come to exist any Security Interest in respect of Indebtedness on any vessel or other of its properties or assets of any kind, real or personal, tangible or intangible, included in the consolidated balance sheet of the Carnival Corporation & plc Group in accordance with GAAP, nor shall the Company permit any member of the Carnival Corporation & plc Group to do any of the foregoing provided that solely for the purposes of this Clause 26.3 the term **Security Interest** shall not include:

- (a) any Security Interest in respect of Excluded Assets or Excluded Indebtedness;

- (b) any other Security Interest in respect of Indebtedness up to an amount not greater than 40% of the amount of the total assets of the Carnival Corporation & plc Group as shown in the Carnival Corporation & plc Group's most recent consolidated balance sheet (excluding for these purposes the value of any intangible assets); and
- (c) any Security Interest arising pursuant to clause 24 or clause 25 under the General Banking Conditions or any successor provision on any lien and on any right of set-off under the General Banking Conditions.

#### **26.4 Insurance**

The Company (for itself and its Subsidiaries) and Carnival plc (for itself and its Subsidiaries) will ensure that it, each other Obligor and each Material Subsidiary will insure all of their respective properties and assets with insurance companies to such an extent and against such risks as prudent companies engaged in businesses similar to those of the relevant company normally insure where the failure to so insure would have a Material Adverse Effect if the risk concerned were to occur.

#### **26.5 ERISA**

The Company (for itself and its Subsidiaries) and Carnival plc (for itself and its Subsidiaries) will ensure that it, each other Obligor and each Material Subsidiary will comply with all applicable provisions of ERISA and the regulations and rulings issued thereunder where failure to so comply would be likely to have a Material Adverse Effect.

#### **26.6 Margin Stock**

The Company (for itself and its Subsidiaries) and Carnival plc (for itself and its Subsidiaries) will ensure that no Borrower will use the proceeds of any Utilisation, directly or indirectly, to buy or carry Margin Stock (as defined in Regulations U and X issued by the Board of Governors of the United States Federal Reserve System) or to extend credit to others for the purposes of buying or carrying Margin Stock in any manner that might cause the borrowing or application to violate Regulations U or X. No Obligor may use any part of any Utilisation to acquire any security in violation of Section 13 or 14 of the United States Securities Exchange Act of 1934.

#### **26.7 Use of proceeds**

No Obligor will use the proceeds of the Facilities, or lend, contribute or otherwise make available such proceeds, to any Affiliate or other person for the purpose of funding any activities of or business with any Restricted Party, or in any country or territory that is subject to a general import, export, financial or investment embargo under sanctions administered by OFAC, the United Nations Security Council, the European Union, Her Majesty's Treasury, or other relevant sanctions authority (collectively, **Sanctions**), or in any other manner that will result in a violation by any person (including any person participating in the Facilities, whether as Facilities Agent, Lender or otherwise) of Sanctions.

### **27. EVENTS OF DEFAULT**

Each of the events set out in this Clause is an Event of Default.



### **27.1 Non-payment**

An Obligor does not pay on the due date any amount payable by it under the Finance Documents in the manner required under the Finance Documents and such amount is not paid within five Business Days of receipt of written notice from the Facilities Agent that it has not received such sum provided that if such failure is solely the result of any bank or financial institution not promptly remitting a payment as instructed by the Obligor and if that Obligor has taken all reasonable steps to cause such payment to be made, the period for the remedy of such payment failure shall be extended by a further three Business Days.

### **27.2 Breach of other obligations**

An Obligor defaults in the due performance or observance of any of its covenants under Clause 25 (*Financial covenants*) or any material obligations under the Finance Documents (other than non-payment of any amount payable by it under the Finance Documents on its due date), unless the non-compliance is remedied within fifteen Business Days of the Facilities Agent giving notice of the non-compliance and requesting that such default be remedied.

### **27.3 Misrepresentation**

Any material representation or warranty made or deemed to be made or repeated by an Obligor in any Finance Document is or proves to have been incorrect in any material respect, unless the same is capable of remedy and is remedied within fifteen Business Days of the Facilities Agent giving notice of the misrepresentation.

### **27.4 Cross-default**

Any Borrowed Money in any amount or aggregate amount at any one time, in excess of USD100,000,000 (or its equivalent in any currency) of a Carnival Material Group Member:

- (a) is not paid as and when the same is and becomes due and payable (or within any applicable grace period); or
- (b) becomes (whether by declaration or automatically in accordance with the relevant agreement or instrument constituting the same) due and payable prior to the date when it would otherwise have become due by reason of any default (however described),

provided that no Event of Default shall arise under this Clause 27.4 where the Borrowed Money in question is a Non-Recourse Financing Arrangement.

### **27.5 Insolvency Proceedings**

- (a) An order is made or resolution passed for the winding-up or dissolution of a Carnival Material Group Member other than:
  - (i) for the purpose of an amalgamation, reorganisation, merger or reconstruction agreed to in writing by the Facilities Agent (acting on the instructions of the Majority Lenders, such agreement not to be unreasonably withheld or delayed); or
  - (ii) where such winding-up or dissolution is commenced as a result of the termination of the dual-listed combination structure between the Company and Carnival plc and where:

- (A) the surviving entity is (I) the Company and the Company assumes all the obligations of Carnival plc under this Agreement, (II) Carnival plc and Carnival plc assumes all the obligations of the Company under this Agreement or (III) a Subsidiary of either the Company or Carnival plc (as the case may be) and such Subsidiary assumes all the obligations of the Company or Carnival plc (as the case may be) under this Agreement; and
  - (B) such winding-up or dissolution is permitted under the terms of the DLC Documents; or
- (b) A Carnival Material Group Member makes or seeks to make any composition or other restructuring with its creditors generally in respect of indebtedness which it would otherwise be unable to pay or an administration or similar order is made in relation to, or an administrator or similar officer is appointed in respect of, the relevant Carnival Material Group Member.

#### **27.6 Insolvency**

A Carnival Material Group Member is deemed unable to pay its debts (within the meaning of section 123(1)(e) or (2) of the Insolvency Act 1986) or, in relation to any Carnival Material Group Member incorporated in Italy, is insolvent (within the meaning of Article 5 of the Italian Insolvency Law) or, in relation to a Borrower incorporated in The Netherlands, is declared bankrupt (*failliet verklaard*) or granted a moratorium of payments (*surséance verleend*) within the meaning of the Dutch Insolvency Law or an encumbrancer takes possession of or a receiver or person with similar powers is appointed over the whole or a substantial part of the relevant Carnival Material Group Member's assets and shall not be paid off or removed within fifteen Business Days, and no Event of Default shall arise under this Clause 27.6 where the asset or property in question is the subject a Non-Recourse Financing Arrangement.

#### **27.7 Creditors' process**

- (a) Any distress, execution or analogous event affects any substantial part of a Carnival Material Group Member (other than a Dutch Borrower) and is not removed or discharged within fifteen Business Days, and no Event of Default shall arise under this Clause 27.7 where the asset or property in question is the subject a Non-Recourse Financing Arrangement.
- (b) A Dutch executory attachment (*executorial beslag*) affects any substantial part of the assets of a Dutch Borrower.

#### **27.8 Cessation of business**

An Obligor ceases to carry on all or a substantial part of its business and such cessation of business has a Material Adverse Effect.

#### **27.9 Effectiveness of Finance Documents**

- (a) It is or becomes unlawful for an Obligor to perform any of its material obligations under the Finance Documents.
- (b) Any Finance Document is not effective or is alleged by an Obligor to be ineffective for any reason.

- (c) An Obligor repudiates a Finance Document.

#### 27.10 United States Bankruptcy Laws

- (a) In this Subclause:

**U.S. Bankruptcy Law** means the United States Bankruptcy Code 1978 or any other United States Federal or State bankruptcy, insolvency or similar law.

**U.S. Debtor** means an Obligor that is incorporated or organised under the laws of the United States of America or any State of the United States of America (including the District of Columbia) or that has a place of business or property in the United States of America.

- (b) Subject to Clause 27.10(c), any of the following occurs in respect of any U.S. Debtor which is subject to U.S. Bankruptcy Law:
- (i) it makes a general assignment for the benefit of creditors;
  - (ii) it commences a voluntary case or proceeding under any U.S. Bankruptcy Law;
  - (iii) an involuntary case under any U.S. Bankruptcy Law is commenced against it and is not controverted within 30 days or is not dismissed or stayed within 90 days after commencement of the case; or
  - (iv) an order for relief or other order approving any case or proceeding is entered under any U.S. Bankruptcy Law.
- (c) Clause 27.10(b) shall not apply where an involuntary case is commenced pursuant to Clause 27.10(b)(iii) above (an **Involuntary Bankruptcy Event**) in respect of a Borrower (other than the Company) which:
- (i) does not have any actual or contingent liabilities as a Borrower under the Finance Documents at the time the relevant Involuntary Bankruptcy Event occurs; and
  - (ii) is not a Material Subsidiary,
- and in such circumstances:
- (iii) such Borrower shall, with effect from such Involuntary Bankruptcy Event, be prevented from incurring any actual or contingent obligations as a Borrower under any of the Finance Documents; and
  - (iv) the Company undertakes to use its reasonable endeavours to procure the resignation of such Borrower as soon as reasonably practicable.

#### 27.11 Article 2447 or 2482-ter of the Italian Civil Code

The occurrence of the circumstances set forth in Article 2447, or 2482-ter, as applicable, of the Italian Civil Code in relation to a Carnival Material Group Member incorporated in Italy unless, no later than 30 days from the date on which such Carnival Material Group Member's directors have knowledge of such occurrence, a shareholders' meeting is convened to vote on a resolution approving either: (a) a capital increase to comply with the minimum capital

requirements under Italian law (and such capital increase has been fully paid up in the next following 30 days) or (b) in respect of a Carnival Material Group Member which is incorporated as a società per azioni, the transformation of such company into a società a responsabilità limitata.

## 27.12 Tax Status

A notice under Article 36 Tax Collection Act (*Invoeringswet 1990*) has been given by any member of the Carnival Corporation & plc Group.

## 27.13 Acceleration

- (a) If an Event of Default described in Clause 27.10(b) (*United States Bankruptcy Laws*) occurs the Total Tranche A Commitments, the Total Tranche B Commitments and the Total Tranche C Commitments will, if not already cancelled under this Agreement, be immediately and automatically cancelled and all amounts outstanding under the Finance Documents shall become immediately due and payable without notice from the Facilities Agent, without the requirement of notice or any other formality.
- (b) If an Event of Default, other than as described in paragraph (a) above, is outstanding, the Facilities Agent may, and must if so instructed by the Majority Lenders, by notice to the Company:
  - (i) cancel all or any part of the Total Tranche A Commitments, the Total Tranche B Commitments and the Total Tranche C Commitments; and/or
  - (ii) declare that all or part of any amounts outstanding under the Finance Documents are:
    - (A) immediately due and payable; and/or
    - (B) payable on demand by the Facilities Agent acting on the instructions of the Majority Lenders; and/or
  - (iii) declare that full cash cover in respect of each Bond is immediately due and payable whereupon it shall become immediately due and payable.

Any notice given under this Subclause will take effect in accordance with its terms.

## 28. CHANGES TO THE LENDERS

### 28.1 Assignments and transfers by the Lenders

- (a) A Lender (the **Existing Lender**) may, subject to the provisions of this Clause 28, at any time assign or transfer (including by way of novation) any of its rights and obligations under this Agreement to any other bank or financial institution which, in respect of an assignment or transfer of a Tranche A Commitment, meets the Rating Requirements at the time of such assignment or transfer (the **New Lender**) provided that where the Existing Lender is a Lender under Tranche C and/or a Swingline Lender, such New Lender is able to perform that function or those functions in the same manner as the Existing Lender to the extent of the commitment transferred, and provided that such assignment or transfer shall be of an amount not less than EUR 1,000,000 or equivalent amount.

- (b) The consent of the Company is required for any assignment or transfer unless:
- (i)
    - (A) the New Lender is another Lender or an Affiliate of a Lender; and
    - (B) following such assignment or transfer no Borrower would be obliged to pay any greater amount under Clause 17 (*Taxes*), Clause 18 (*Increased Costs*) or any other provision of a Finance Document, in the circumstances existing at the time of such assignment or transfer or which, at the time of such assignment or transfer, the Existing Lender or the New Lender knows will apply in the 12 month period following such assignment or transfer, than would have been payable but for the assignment or transfer; or
  - (ii) an Event of Default has occurred and has been outstanding for fifteen Business Days or more,
- provided that, in respect of a Facility extended to a Borrower resident in Italy, the New Lender is resident for tax purposes:
- (A) in one of the countries listed in the Italian Ministerial Decree mentioned by Article 168-bis of Presidential Decree N. 917/86 as amended and supplemented from time to time, including Italy; or
  - (B) in the absence or inapplicability of the decree referred to in sub-clause (A) above, in one of the countries not listed in the Italian Ministerial Decree on 23 January 2002 as amended and supplemented from time to time.
- (c) A Fronting Bank may not assign or transfer any obligations under an outstanding Bond without the consent of the Company.
- (d) The Company may, at any time, appoint or remove any Fronting Bank (in its capacity as Fronting Bank only) without the consent of the Facilities Agent or any of the Lenders, by notice to that Fronting Bank (in the case of a removal) and the Facilities Agent. The Company will procure that any outstanding Bond issued by a Fronting Bank which is being removed is repaid or prepaid no later than the date on which that Fronting Bank is to cease to be a Fronting Bank under this Agreement. Any Lender to be appointed a Fronting Bank by the Company shall accede to the capacity of Fronting Bank by execution of a form of accession letter agreed between the Facilities Agent, the Company and such acceding Fronting Bank.
- (e) The consent of the Company must not be unreasonably withheld or delayed to any request for consent under this Clause 28. It will not be unreasonable for the Company to withhold consent where following an assignment or transfer, a Borrower would be obliged to pay any greater amount under Clause 17 (*Taxes*), Clause 18 (*Increased Costs*) or any other provision of a Finance Document if, in the circumstances existing at the time of such assignment or transfer, such greater amount would not have been payable but for the assignment or transfer or which, at the time of such assignment or transfer, the Existing Lender or the New Lender knows will apply in the 12 month period following such assignment or transfer. The Company will be deemed to have given its consent 10 Business Days after the Company is given notice of the request unless it is expressly refused by the Company within that time.

- (f) A transfer of obligations will be effective only if either:
  - (i) the obligations are novated in accordance with the following provisions of this Clause; or
  - (ii) the New Lender confirms to the Facilities Agent and the Company in form and substance satisfactory to the Facilities Agent that it is bound by the terms of this Agreement as a Lender. On the transfer becoming effective in this manner the Existing Lender will be released from its obligations under this Agreement to the extent that they are transferred to the New Lender.
- (g) Unless the Facilities Agent otherwise agrees, the New Lender must pay to the Facilities Agent, for its own account, on or before the date upon which an assignment or transfer takes effect, a fee of USD3,500.
- (h) Any reference in this Agreement to a Lender includes a New Lender but excludes a Lender if no amount is or may be owed to or by it under this Agreement.

## 28.2 Procedure for transfer

- (a) In this Subclause:

**Transfer Date** means, for a Transfer Certificate, the latest of:

- (a) the proposed Transfer Date specified in that Transfer Certificate;
- (b) the date on which the Facilities Agent executes that Transfer Certificate; and
- (c) the date on which the consent of the Company, if required under Clause 28.1(b), is obtained or is deemed to have been given.

- (b) A novation is effected if:

- (i) the Existing Lender and the New Lender deliver to the Facilities Agent a duly completed Transfer Certificate; and
- (ii) the Facilities Agent executes it.

The Facilities Agent must execute as soon as reasonably practicable a Transfer Certificate delivered to it and which appears on its face to be in order.

- (c) The Facilities Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Lender and the New Lender upon its satisfactory completion of all “know your customer” checks that it is required to carry out in relation to the transfer to such New Lender.
- (d) Each Party (other than the Existing Lender and the New Lender) irrevocably authorises the Facilities Agent to execute any duly completed Transfer Certificate on its behalf. A Transfer Certificate shall not be duly completed unless any and all consents required under this Agreement have been obtained or deemed obtained.
- (e) On the Transfer Date:

- (i) the New Lender will assume the rights and obligations of the Existing Lender expressed to be the subject of the novation in the Transfer Certificate in substitution for the Existing Lender;
  - (ii) the Existing Lender will be released from those obligations and cease to have those rights; and
  - (iii) the Fronting Banks and the New Lender shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the New Lender been an Original Lender with the rights and/or obligations acquired or assumed by it as a result of the transfer and to that extent the Fronting Banks and the Existing Lender shall each be released from further obligations to each other under this Agreement.
- (f) Each New Lender, by executing the relevant Transfer Certificate, further represents that it is a “professional market party” (*professionele marktpartij*), as that term is used in the Netherlands Financial Supervision Act (*wet op het financieel toezicht*).

### **28.3 Limitation of responsibility of Existing Lenders**

- (a) Unless expressly agreed to the contrary, an Existing Lender is not responsible to a New Lender for the legality, validity, adequacy, accuracy, completeness or performance of:
- (i) any Finance Document or any other document; or
  - (ii) any statement or information (whether written or oral) made in or supplied in connection with any Finance Document,
- and any representations or warranties implied by law are excluded.
- (b) Each New Lender confirms to the Existing Lender and the other Finance Parties that it:
- (i) has made, and will continue to make, its own independent appraisal of all risks arising under or in connection with the Finance Documents (including the financial condition and affairs of each Obligor and its related entities and the nature and extent of any recourse against any Party or its assets) in connection with its participation in this Agreement; and
  - (ii) has not relied exclusively on any information supplied to it by the Existing Lender in connection with any Finance Document.
- (c) Nothing in any Finance Document requires an Existing Lender to:
- (i) accept a re-transfer from a New Lender of any of the rights and obligations assigned or transferred under this Clause; or
  - (ii) support any losses incurred by the New Lender by reason of the non-performance by any Obligor of its obligations under any Finance Document or otherwise.

#### 28.4 Costs resulting from change of Lender or Facility Office

If:

- (a) a Lender assigns or transfers any of its rights and obligations under the Finance Documents or changes its Facility Office; and
- (b) as a result of circumstances existing at the date the assignment, transfer or change occurs, (or which such Lender knows will apply in the following 12 month period) an Obligor would be obliged to pay an amount under Clause 17 (*Taxes*), Clause 18 (*Increased Costs*) or any other provision of a Finance Document,

then, unless the assignment, transfer or change is made by a Lender pursuant to Clause 12.6(d) (*Involuntary prepayment and cancellation and replacement of Lender*) or in order to mitigate any circumstances giving rise to the payment of an amount under Clause 17 (*Taxes*), Clause 18 (*Increased Costs*) or any other provision of a Finance Document or a right to be prepaid and/or cancelled by reason of illegality, the Obligor need only pay that amount under Clause 17 (*Taxes*), Clause 18 (*Increased Costs*) or any other provision of a Finance Document to the same extent that it would have been obliged to if no assignment, transfer or change had occurred.

#### 28.5 Affiliates of Lenders

- (a) Each Lender may fulfil its obligations in respect of a Loan through an Affiliate if the relevant Affiliate is specified in this Agreement as a Lender or becomes a Lender by means of a Transfer Certificate in accordance with this Agreement.
- (b) If Clause 28.5(a) above applies, the Lender and its Affiliate will be treated as having a single Tranche A Commitment, Tranche B Commitment and/or Tranche C Commitment, as the case may be, and a single vote, but, for all other purposes, will be treated as separate Lenders.
- (c) A Swingline Lender may only assign or transfer all or any (the ***Swingline Commitment Transfer Amount***) of its Swingline Tranche A Commitment, its Swingline Tranche B Commitment or its Swingline Tranche C Commitment to a Lender which is not its Affiliate if it or, where it does not have a Tranche A Commitment, Tranche B Commitment or Tranche C Commitment, its Affiliate, transfers simultaneously to that proposed Lender or that proposed Lender's Affiliate an amount equal to or greater than the Swingline Commitment Transfer Amount of its (or its Affiliate's) Tranche A Commitment, its (or its Affiliate's) Tranche B Commitment or its (or its Affiliate's) Tranche C Commitment, as the case may be, and in any event in accordance with the other terms of this Clause 28.

#### 28.6 Sub-participation

A Lender may sub-participate all or any part of its rights and/or obligations under the Finance Documents or enter into any contractual arrangement with any person so that the effect thereof is to give that person an economic or other interest in that Lender's rights and/or obligations under the Finance Documents which is less than a legal or equitable transfer or assignment of those rights and obligations, provided that:

- (a) a Lender may not directly or indirectly transfer its voting rights under the Finance Documents without the consent of the Company (such consent not to be unreasonably withheld or delayed); and



- (b) following such sub-participation, no Borrower would be obliged to pay any greater amount under Clause 17 (*Taxes*), Clause 18 (*Increased Costs*) or any other provision of a Finance Document in the circumstances existing at the time of such sub-participation or which, at the time of such sub-participation, the Lender knows will apply in the twelve (12) month period following such sub-participation, by reason of such sub-participation.

#### **28.7 Downgrading of a Lender's rating**

- (a) This Clause 28.7 shall only apply to Lenders under Tranche A.
- (b) Each Lender confirms that on the Signing Date it meets the Rating Requirements.
- (c) If at any time a Lender ceases to meet the Rating Requirements or is a Defaulting Lender (an **Affected Lender**), the Affected Lender shall promptly notify in writing each Fronting Bank which has issued a Bond under this Agreement.
- (d) Following the delivery of a notice under paragraph (c) above, the Affected Lender shall use reasonable endeavours, for a period of not more than 45 days from the date of such notice, to arrange for the transfer of its Tranche A Commitment under this Agreement to an Eligible Transferee in accordance with Clause 28.1 (*Assignments and transfers by the Lenders*) (a **Lender Downgrade Transfer**).
- (e) If the Affected Lender successfully effects a Lender Downgrade Transfer, the Affected Lender's Tranche A Commitment shall be cancelled and reduced to zero with effect from the relevant Transfer Date.
- (f) If a Lender Downgrade Transfer is not effected within the 45 day period referred to in paragraph (d) above, the Affected Lender shall (A) on the last day of such period deposit an amount in US Dollars equal to such Affected Lender's Bond Proportion of the outstanding amount of each Bond into the relevant Lender Cash Cover Account and (B) in respect of any Bond which is issued after the expiry of the 45 day period referred to above deposit into the relevant Lender Cash Cover Account, within five Business Days of the date of issue of any such Bond, an amount in US Dollars equal to such Affected Lender's Bond Proportion of the outstanding amount of each such Bond.
- (g) The relevant Fronting Bank shall be entitled to apply all or any part of the Lender Cash Cover Amount in or towards the satisfaction of the relevant Affected Lender's obligations under Clause 7.3 (*Indemnities*) of this Agreement.
- (h) In respect of any Bond which is denominated in an Optional Currency the relevant Fronting Bank shall on each Test Date - Bonds recalculate the Base Currency Amount for Tranche A of the relevant Affected Lender's Bond Proportion of the outstanding amount of each Bond (the **Recalculated Amount**). If on any Test Date - Bonds the Recalculated Amount exceeds the Lender Cash Cover Amount the relevant Fronting Bank will promptly notify in writing the relevant Affected Lender. Within five Business Days of receipt of such notice the relevant Affected Lender shall deposit into the Lender Cash Cover Account an amount equal to such excess. If on any Test Date - Bonds the Lender Cash Cover Amount exceeds the Recalculated Amount the relevant Fronting Bank will promptly notify in writing the relevant Affected Lender. Such Fronting Bank shall promptly pay such excess to the relevant Affected Lender (provided that the relevant Affected Lender has notified the relevant Fronting Bank of the bank account details to which such excess amount should be paid).

- (i) Subject to paragraph (h) above, the Lender Cash Cover Amount shall only be repaid or returned to the relevant Affected Lender by the Fronting Bank in the event that:
- (i) the relevant Affected Lender again meets the Rating Requirements;
  - (ii) a Mandatory Prepayment Event occurs provided that if such event occurs under Clause 12.2 (*Mandatory prepayment - change of ownership*) the Company or the relevant Bond Borrower has provided full cash cover in accordance with the terms of this Agreement; or
  - (iii) an acceleration of the Facilities occurs pursuant to Clause 27.13 (*Acceleration*) and the Company or the relevant Bond Borrower has provided full cash cover in accordance with the terms of this Agreement.
- The Lender Cash Cover Amount otherwise remaining on deposit shall be repaid to the relevant Affected Lender on the Termination Date.
- (j) The relevant Affected Lender shall receive interest from the relevant Fronting Bank on the Lender Cash Cover Amount at commercial rates as agreed between the relevant Fronting Bank and the relevant Affected Lender during the period commencing on the date of deposit to the earlier of the date of repayment (in accordance with paragraph (h) above) and the date on which such amount or portion thereof shall be utilised to satisfy the relevant Affected Lender's obligations in accordance with paragraph (f) above.
- (k) During any period in which there is an Affected Lender which has failed to provide cash cover pursuant to paragraph (f) above, for purposes of computing the amount of the obligation of each non-Affected Lender to acquire, refinance or fund participations in Bonds pursuant to the Bonding Facility, the Bond Proportion of each non-Affected Lender shall be computed without giving effect to the Commitment of that Affected Lender; provided, that:
- (i) each such reallocation shall be given effect only if, at the date the applicable Lender becomes an Affected Lender, no Default or Event of Default exists; and
  - (ii) the aggregate obligation of each non-Affected Lender to acquire, refinance or fund participations in Bonds shall not exceed the lesser of (1) the Available Tranche A Commitment of that non-Affected Lender and (2) the Available Bond Facility.
- (l) If an Affected Lender has failed to provide cash cover pursuant to paragraph (f) above (or notifies the Fronting Bank that it will not provide such cash cover) and the relevant Fronting Bank notifies the Company (with a copy to the Facilities Agent) that it requires the Bond Borrower of the relevant Bond or proposed Bond to provide cash cover to an account with the Fronting Bank in an amount equal to:
- (i) (if no Default or Event of Default exists) the positive difference (if any) between:
    - (A) that Affected Lender's Bond Proportion of the outstanding amount of that Bond; and

- (B) the lesser of (1) the aggregate Available Tranche A Commitment of each non-Defaulting Lender; and (2) the Available Bond Facility (in each case calculated without giving effect to the Commitment of that Affected Lender); or
- (ii) (if a Default or Event of Default exists) that Affected Lender's Bond Proportion of the outstanding amount of that Bond, then that Bond Borrower shall do so in the currency of that Bond within 5 Business Days after the notice is given.
- (m) Notwithstanding anything in this Agreement, the relevant Fronting Bank may agree to the withdrawal of amounts up to the level of that cash cover from the account if:
- (i) it is satisfied that the relevant Lender is no longer an Affected Lender; or
- (ii) the relevant Lender's obligations in respect of the relevant Bond are transferred to a New Lender in accordance with the terms of this Agreement; or
- (iii) an Increase Lender has agreed to undertake the obligations in respect of the relevant Lender's Bond Proportion of the Bond.
- (n) To the extent that a Bond Borrower has complied with its obligations to provide cash cover in accordance with this Clause 28.7, the relevant Lender's Bond Proportion in respect of that Bond will remain (but that Lender's obligations in relation to that Bond may be satisfied in accordance with Clause 1.2(g)(vi) (B) (*Construction*)). However, the relevant Bond Borrower's obligation to pay any bonding fee in relation to the relevant Bond to the Facilities Agent (for the account of that Lender) in accordance with Clause 16.7 (*Fronting fee and Bonding fee*) will be reduced proportionately as from the date on which it complies with that obligation to provide cash cover (and for so long as the relevant amount of cash cover continues to stand as collateral).
- (o) The relevant Fronting Bank shall promptly notify the Facilities Agent of the extent to which a Bond Borrower provides cash cover pursuant to this Clause 28.7 and of any change in the amount of cash cover so provided.
- (p) The provisions of this Clause 28.7 will not affect the Lenders' or the Fronting Banks' rights against, or obligations to, each of the Obligors and, subject to any Lender Downgrade Transfer, the Lenders and the Fronting Banks shall continue to observe their obligations to the Obligors (including, without limitation, in respect of any transfers or assignments) as if the provisions of this Clause did not exist.
- (q) For the purposes of this Clause 28.7:
- Eligible Transferee** means any bank or financial institution which meets the Rating Requirements;
- Lender Cash Cover Account** means any account held with a Fronting Bank for the purposes of this Clause 28.7;

**Lender Cash Cover Amount** means, at any time, in relation to a Fronting Bank the amount standing to the credit of the relevant Lender Cash Cover Account; and

**Mandatory Prepayment Event** means an event specified in Clause 12.1 (*Mandatory prepayment - Illegality*) or Clause 12.2 (*Mandatory prepayment - change of ownership*).

### 28.8 Security over Lenders' rights

In addition to the other rights provided to Lenders under this Clause 28, each Lender may without consulting with or obtaining consent from any Obligor, at any time charge, assign or otherwise create a Security Interest in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of that Lender to a federal reserve, central bank or any governmental department or agency, including Her Majesty's Treasury, and except that no such charge, assignment or Security Interest shall:

- (a) release a Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or Security Interest for the Lender as a party to any of the Finance Documents; or
- (b) require any payments to be made by an Obligor other than or in excess of, or grant to any person any more extensive rights than, those required to be made or granted to the relevant Lender under the Finance Documents.

### 28.9 Pro rata interest settlement

If the Facilities Agent has notified the Lenders that it is able to distribute interest payments on a "pro rata basis" to Existing Lenders and New Lenders then (in respect of any transfer pursuant to Clause 28.2 (*Procedure for transfer*) the Transfer Date of which is after the date of such notification and is not on the last day of an Interest Period):

- (a) any interest or fees in respect of the relevant participation which are expressed to accrue by reference to the lapse of time shall continue to accrue in favour of the Existing Lender up to but excluding the Transfer Date (**Accrued Amounts**) and shall become due and payable to the Existing Lender (without further interest accruing on them) on the last day of the current Interest Period (or, if the Interest Period is longer than six months, on the next of the dates which falls at six monthly intervals after the first day of that Interest Period); and
- (b) the rights assigned or transferred by the Existing Lender will not include the right to the Accrued Amounts so that, for the avoidance of doubt:
  - (i) when the Accrued Amounts become payable, those Accrued Amounts will be payable for the account of the Existing Lender; and
  - (ii) the amount payable to the New Lender on that date will be the amount which would, but for the application of this Clause 28.9, have been payable to it on that date, but after deduction of the Accrued Amounts.

### 28.10 The Register

The Facilities Agent, acting solely for this purpose as an agent of the Obligors, shall maintain at one of its offices a copy of each assignment agreement, Transfer Certificate and Increase Confirmation delivered to it and a register (the **Register**) for the recordation of the names and

addresses of each Lender and the commitments of and obligations owing to each Lender. The entries in the Register shall be conclusive and each Obligor, the Facilities Agent and each Lender may treat each Person whose name is recorded in the Register as a Lender notwithstanding any notice to the contrary. The Register shall be available for inspection by each Obligor at any reasonable time and from time to time upon reasonable prior notice.

#### 28.11 Disclosure of information

- (a) Each Finance Party must keep confidential any information supplied to it by or on behalf of any Obligor in connection with the Finance Documents and any business of any member of the Carnival Corporation & plc Group and must ensure that such information is protected with security measures and a degree of care that would apply to its own confidential information. However, a Finance Party is entitled to disclose information:
- (i) which is publicly available, other than as a result of a breach by that Finance Party of this Clause 28.11;
  - (ii) in connection with any legal or arbitration proceedings;
  - (iii) if required to do so under any law or regulation;
  - (iv) to a governmental, banking, taxation or other regulatory authority;
  - (v) to its professional advisers, where those professional advisers are bound by obligations of confidentiality in the conduct of their business or owe fiduciary obligations to that Finance Party;
  - (vi) to a person to whom or for whose benefit that Finance Party charges, assigns or otherwise creates a Security Interest (or may do so) pursuant to Clause 28.8 (*Security over Lenders' rights*);
  - (vii) to the extent allowed under Clause 28.11(b) below;
  - (viii) to another Obligor; or
  - (ix) with the agreement of the relevant Obligor.
- (b) A Finance Party may disclose to an Affiliate or any person with whom it may enter, or has entered into, any kind of transfer, participation or other agreement in relation to this Agreement (a **participant**):
- (i) a copy of any Finance Document; and
  - (ii) any information which that Finance Party has acquired under or in connection with any Finance Document.
- However, before a participant may receive any confidential information, it must agree with the relevant Finance Party to keep that information confidential on the terms of Clause 28.11(a) above by entering into a Confidentiality Undertaking or a similar undertaking in such other form as the Company shall approve.
- (c) This Clause 28.11 supersedes any previous confidentiality undertaking given by a Finance Party in connection with this Agreement prior to it becoming a Party.

- (d) Each of the Finance Parties acknowledges that some or all of the information provided in connection with the Finance Documents is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and each of the Finance Parties undertakes not to use any such information for any unlawful purpose.
- (e) Each of the Finance Parties agrees (to the extent permitted by law and regulation) to inform the Company:
  - (i) of the circumstances of any disclosure of confidential information made pursuant to paragraphs (a)(ii) to (a)(iv) of this Clause 28.11 (*Disclosure of information*) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
  - (ii) upon becoming aware that information has been disclosed in breach of this Clause 28.11 (*Disclosure of information*).
- (f) The obligations in this Clause 28.11 (*Disclosure of information*) are continuing and, in particular, shall survive and remain binding on each Finance Party for a period of 24 months from the earlier of:
  - (i) the date on which all amounts payable by the Obligors under or in connection with this Agreement have been paid in full and all Commitments have been cancelled or otherwise cease to be available; and
  - (ii) the date on which such Finance Party otherwise ceases to be a Finance Party.

**28.12 Disclosure to numbering service providers**

- (a) Any Finance Party may disclose to any national or international numbering service provider appointed by that Finance Party to provide identification numbering services in respect of this Agreement, the Facilities and/or one or more Obligors the following information:
  - (i) names of Obligors;
  - (ii) country of domicile of Obligors;
  - (iii) place of incorporation of Obligors;
  - (iv) date of this Agreement;
  - (v) the names of the Facilities Agent and the Arrangers;
  - (vi) date of each amendment and restatement of this Agreement;
  - (vii) amount of Total Commitments;
  - (viii) currencies of the Facilities;
  - (ix) type of Facilities;

- (x) ranking of Facilities;
  - (xi) Termination Date for Facilities;
  - (xii) changes to any of the information previously supplied pursuant to paragraphs (i) to (xi) above; and
  - (xiii) such other information agreed between such Finance Party and the Company,  
to enable such numbering service provider to provide its usual syndicated loan numbering identification services.
- (b) The Parties acknowledge and agree that each identification number assigned to this Agreement, the Facilities and/or one or more Obligors by a numbering service provider and the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider.
  - (c) The Company represents that none of the information set out in paragraphs (i) to (xiii) of paragraph (a) above is, nor will at any time be, unpublished price-sensitive information.
  - (d) The Facilities Agent shall notify the Company and the other Finance Parties of:
    - (i) the name of any numbering service provider appointed by the Facilities Agent in respect of this Agreement, the Facilities and/or one or more Obligors; and
    - (ii) the number or, as the case may be, numbers assigned to this Agreement, the Facilities and/or one or more Obligors by such numbering service provider.

## **29. CHANGES TO THE OBLIGORS**

### **29.1 Assignments and transfer by the Obligors**

No Obligor may assign any of its rights or transfer any of its rights or obligations under the Finance Documents without the prior consent of the Facilities Agent (acting on the instructions of all the Lenders).

### **29.2 Additional Borrowers**

- (a) Subject to compliance with the provisions of Clause 24.7 (*“Know your customer” checks*), the Company and/or Carnival plc may request that any of its direct or indirect majority owned Subsidiaries becomes an Additional Borrower. That Subsidiary shall become an Additional Borrower if:
  - (i) the Company and/or Carnival plc delivers to the Facilities Agent a duly completed and executed Accession Letter;
  - (ii) the Facilities Agent is satisfied (acting reasonably) that the guarantee of the Company or Carnival plc under Clause 22 (*Guarantee and indemnity*) will cover the obligations of its Subsidiary;
  - (iii) the Subsidiary is incorporated in an Approved Jurisdiction;

- (iv) the Company and/or Carnival plc confirms that no Default is outstanding or would occur as a result of that Subsidiary becoming an Additional Borrower; and
  - (v) the Facilities Agent has received all of the documents and other evidence listed in Part B of Schedule 2 (*Conditions precedent*) in relation to that Additional Borrower, each in form and substance satisfactory to the Facilities Agent.
- (b) The Facilities Agent shall notify the Company or Carnival plc as appropriate and the Lenders promptly upon being satisfied that it has received (in form and substance satisfactory to it) all the documents and other evidence listed in Part B of Schedule 2 (*Conditions precedent*).
- (c) Delivery of an Accession Letter, duly executed by the relevant Subsidiary and the Company or Carnival plc as appropriate, to the Facilities Agent constitutes confirmation by that Subsidiary that the Repeating Representations are true and correct in relation to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

### **29.3 Resignation of a Borrower**

- (a) The Company or Carnival plc may request that a Borrower (other than the Company or Carnival plc) ceases to be a Borrower by delivering to the Facilities Agent a Resignation Letter.
- (b) The Facilities Agent shall accept a Resignation Letter and notify the Company or Carnival plc, as the case may be, and the Lenders of its acceptance if:
- (i) no Default is outstanding or would result from the acceptance of the Resignation Letter (and the Company or, as the case may be, Carnival plc has confirmed this is the case in the Resignation Letter); and
  - (ii) no amount owed by that Borrower under the Finance Documents is still outstanding,
- whereupon that company shall cease to be a Borrower and shall have no further rights or obligations under the Finance Documents.
- (c) In the event that a Borrower ceases to be a direct or indirect majority owned Subsidiary of the Company and/or Carnival plc, the Company or Carnival plc, as appropriate, will procure that such Borrower repays in full all amounts owed by that Borrower under the Finance Documents and that it ceases to be a Borrower under Clause 29.3(a), in each case within ten Business Days of such Borrower ceasing to be a direct or indirect majority Subsidiary of the Company and/or Carnival plc.

## **30. ROLE OF THE FACILITIES AGENT, THE ARRANGERS AND THE FRONTING BANKS**

### **30.1 Appointment of the Facilities Agent**

- (a) Each other Finance Party appoints the Facilities Agent to act as its agent under and in connection with the Finance Documents.



- (b) Each other Finance Party authorises the Facilities Agent to exercise the rights, powers, authorities and discretions specifically given to the Facilities Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.

### **30.2 Duties of the Facilities Agent**

- (a) The Facilities Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Facilities Agent for that Party by any other Party.
- (b) Except where a Finance Document specifically provides otherwise, the Facilities Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.
- (c) If the Facilities Agent receives notice from a Party referring to this Agreement, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the Finance Parties and (except where such notice is received from the Company or Carnival plc) the Company or Carnival plc.
- (d) If the Facilities Agent is aware of the non-payment of any principal, interest, commitment fee or other fee payable to a Finance Party (other than the Facilities Agent or the Arrangers) under this Agreement it shall promptly notify the other Finance Parties and the Company.
- (e) The Facilities Agent shall provide to the Company, within two Business Days of a request by the Company (but no more frequently than once per calendar month), a list (which may be in electronic form) setting out the names of the Lenders as at the date of that request, their respective Commitments, their lending office by each Tranche, the address and fax number (and the department or officer, if any, for whose attention any communication is to be made) of each Lender for any communication to be made or document to be delivered under or in connection with the Finance Documents, the electronic mail address and/or any other information required to enable the sending and receipt of information by electronic mail or other electronic means to and by each Lender to whom any communication under or in connection with the Finance Documents may be made by that means and the account details of each Lender for any payment to be distributed by the Facilities Agent to that Lender under the Finance Documents.
- (f) The Facilities Agent's duties under the Finance Documents are solely mechanical and administrative in nature.

### **30.3 Role of the Arrangers**

Except as specifically provided in the Finance Documents, no Arranger has any obligations of any kind to any other Party under or in connection with any Finance Document.

### **30.4 No fiduciary duties**

- (a) Except as specifically provided for in a Finance Document, nothing in the Finance Documents makes the Facilities Agent, the Arrangers or the Fronting Banks a trustee or fiduciary for any other Party or any other person.

- (b) The Facilities Agent, any Arranger or any Fronting Bank shall not be bound to account to any Lender for any sum or the profit element of any sum received by it for its own account.

### **30.5 Business with the Carnival Corporation & plc Group**

The Facilities Agent, the Arrangers and the Fronting Banks may accept deposits from, lend money to and generally engage in any kind of banking or other business with any member of the Carnival Corporation & plc Group.

### **30.6 Rights and discretions of the Facilities Agent and each Fronting Bank**

- (a) The Facilities Agent and, without prejudice to Clause 7.2(b) (*Claims under a Bond*), each Fronting Bank may rely on:
  - (i) any representation, notice or document believed by it to be genuine, correct and appropriately authorised; and
  - (ii) any statement made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify.
- (b) The Facilities Agent may assume (unless it has received notice to the contrary in its capacity as agent for the Lenders) that:
  - (i) no Default has occurred (unless it has actual knowledge of a Default arising under Clause 27.1 (*Non-payment*));
  - (ii) any right, power, authority or discretion vested in any Party or the Majority Lenders has not been exercised; and
  - (iii) any notice or request made by the Company (other than a Utilisation Request) is made on behalf of and with the consent and knowledge of all the Obligors.
- (c) The Facilities Agent and each Fronting Bank may engage, pay for and rely on the advice or services of any lawyers, accountants or other experts.
- (d) The Facilities Agent and each Fronting Bank may act in relation to the Finance Documents through its personnel and agents.
- (e) The Facilities Agent may disclose to any other Party any information it reasonably believes it has received as agent under this Agreement.
- (f) Without prejudice to the generality of paragraph (e) above, the Facilities Agent may disclose the identity of a Defaulting Lender to the other Finance Parties and the Company and shall disclose the same upon the written request of the Company or the Majority Lenders.
- (g) Notwithstanding any other provision of any Finance Document to the contrary, neither the Facilities Agent nor any Arranger is obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.

### **30.7 Majority Lenders' instructions**

- (a) Unless a contrary indication appears in a Finance Document, the Facilities Agent shall (a) exercise any right, power, authority or discretion vested in it as Facilities Agent in accordance with any instructions given to it by the Majority Lenders (or, if so instructed by the Majority Lenders, refrain from exercising any right, power, authority or discretion vested in it as Facilities Agent) and (b) not be liable for any act (or omission) if it acts (or refrains from taking any action) in accordance with an instruction of the Majority Lenders.
- (b) Unless a contrary indication appears in a Finance Document, any instructions given by the Majority Lenders will be binding on all the Finance Parties.
- (c) The Facilities Agent may refrain from acting in accordance with the instructions of the Majority Lenders (or, if appropriate, the Lenders) until it has received such security as it may require for any cost, loss or liability (together with any associated VAT) which it may incur in complying with the instructions.
- (d) In the absence of instructions from the Majority Lenders, (or, if appropriate, the Lenders) the Facilities Agent may act (or refrain from taking action) as it considers to be in the best interest of the Lenders.
- (e) The Facilities Agent is not authorised to act on behalf of a Lender (without first obtaining that Lender's consent) in any legal or arbitration proceedings relating to any Finance Document.

### **30.8 Responsibility for documentation**

Neither the Facilities Agent nor any Arranger nor any Fronting Bank:

- (a) is responsible for the adequacy, accuracy and/or completeness of any information (whether oral or written) supplied by the Facilities Agent, an Arranger, a Fronting Bank, an Obligor or any other person given in or in connection with any Finance Document;
- (b) is responsible for the legality, validity, effectiveness, adequacy or enforceability of any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of or in connection with any Finance Document; or
- (c) is responsible for any determination as to whether any information provided or to be provided to any Finance Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

### **30.9 Exclusion of liability**

- (a) Without limiting Clause 30.9(b) below (and without prejudice to the provisions of paragraph (e) of Clause 33.11 (*Disruption to Payment Systems etc.*)), neither the Facilities Agent nor any Fronting Bank will be liable (including, without limitation, for negligence or any other category of liability whatsoever) for any action taken by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct.

- (b) No Party (other than the Facilities Agent or any Fronting Bank) may take any proceedings against any officer, employee or agent of the Facilities Agent or any Fronting Bank in respect of any claim it might have against the Facilities Agent or any Fronting Bank or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document and any officer, employee or agent of the Facilities Agent or any Fronting Bank may rely on this Clause and enforce its terms under the Third Parties Act.
- (c) The Facilities Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Facilities Agent if the Facilities Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Facilities Agent for that purpose.
- (d) Nothing in this Agreement shall oblige the Facilities Agent or the Arrangers to carry out any “know your customer” or other checks in relation to any person on behalf of any Lender and each Lender confirms to the Facilities Agent and the Arrangers that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Facilities Agent or the Arrangers.

### **30.10 Lenders’ indemnity to the Facilities Agent**

Each Lender shall (in proportion to its share of the Total Commitments or, if the Total Commitments are then zero, to its share of the Total Commitments immediately prior to their reduction to zero) indemnify the Facilities Agent, within three Business Days of demand, against any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Facilities Agent (otherwise than by reason of the Facilities Agent’s gross negligence or wilful misconduct) (or, in the case of any cost, loss or liability pursuant to Clause 33.11 (*Disruption to Payment Systems etc.*) notwithstanding the Facilities Agent’s negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Facilities Agent) in acting as Facilities Agent under the Finance Documents (unless the Facilities Agent has been reimbursed by an Obligor pursuant to a Finance Document).

### **30.11 Resignation of the Facilities Agent**

- (a) The Facilities Agent may resign and with the prior written consent of the Company (not to be unreasonably withheld or delayed) appoint one of its Affiliates as successor by giving notice to the other Finance Parties and the Company.
- (b) Alternatively the Facilities Agent may resign by giving notice to the other Finance Parties and the Company, in which case the Majority Lenders may with the prior written consent of the Company (not to be unreasonably withheld or delayed) appoint a successor Facilities Agent.
- (c) If the Majority Lenders have not appointed a successor Facilities Agent in accordance with Clause 30.11(b) above within 30 days after notice of resignation was given, the Facilities Agent may with the prior written consent of the Company (not to be unreasonably withheld or delayed) appoint a successor Facilities Agent.
- (d) The retiring Facilities Agent shall, at its own cost, make available to the successor Facilities Agent such documents and records and provide such assistance as the successor Facilities Agent may reasonably request for the purposes of performing its functions as Facilities Agent under the Finance Documents.

- (e) The Facilities Agent's resignation notice shall only take effect upon the appointment of a successor.
- (f) Upon the appointment of a successor, the retiring Facilities Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of this Clause 30. Its successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

### **30.12 Replacement of the Facilities Agent**

- (a) The Majority Lenders may with the Company's consent (not to be unreasonably withheld or delayed), by giving 30 days' notice to the Facilities Agent (or, at any time the Facilities Agent is an Impaired Agent, by giving any shorter notice determined by the Majority Lenders) replace the Facilities Agent by appointing a successor Facilities Agent.
- (b) The retiring Facilities Agent shall (at its own cost if it is an Impaired Agent and otherwise at the expense of the Lenders) make available to the successor Facilities Agent such documents and records and provide such assistance as the successor Facilities Agent may reasonably request for the purposes of performing its functions as Facilities Agent under the Finance Documents.
- (c) The appointment of the successor Facilities Agent shall take effect on the date specified in the notice from the Majority Lenders to the retiring Facilities Agent. As from this date, the retiring Facilities Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of this Clause 30 (and any agency fees for the account of the retiring Facilities Agent shall cease to accrue from (and shall be payable on) that date).
- (d) Any successor Facilities Agent and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

### **30.13 Confidentiality**

- (a) In acting as agent for the Finance Parties, the Facilities Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.
- (b) If information is received by another division or department of the Facilities Agent, it may be treated as confidential to that division or department and the Facilities Agent shall not be deemed to have notice of it.
- (c) Notwithstanding any other provision of any Finance Document to the contrary, neither the Facilities Agent, the Fronting Bank nor any Arranger is obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would or might in its reasonable opinion constitute a breach of any law or a breach of a fiduciary duty.

### **30.14 Relationship with the Lenders**

- (a) The Facilities Agent may treat each Lender as a Lender, entitled to payments under this Agreement and acting through its Facility Office unless it has received not less than five Business Days prior notice from that Lender to the contrary in accordance with the terms of this Agreement.
- (b) Each Lender shall supply the Facilities Agent with any information required by the Facilities Agent in order to calculate the Mandatory Cost in accordance with Schedule 4 (*Mandatory Cost formulae*).
- (c) Credit appraisal by the Lenders

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Finance Document, each Lender confirms to the Facilities Agent and each relevant Fronting Bank and each Arranger that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

- (i) the financial condition, status and nature of each member of the Carnival Corporation & plc Group;
- (ii) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;
- (iii) whether that Lender has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Finance Document, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; and
- (iv) the adequacy, accuracy and/or completeness of any information provided by the Facilities Agent, any Party or by any other person under or in connection with any Finance Document, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document.

### **30.15 Reference Banks**

If a Reference Bank (or, if a Reference Bank is not a Lender, the Lender of which it is an Affiliate) ceases to be a Lender, the Facilities Agent shall, with the prior written consent of the Company, appoint another Lender or an Affiliate of a Lender to replace that Reference Bank.

### **30.16 Deduction from amounts payable by the Facilities Agent**

If a Lender owes an amount to the Facilities Agent under the Finance Documents the Facilities Agent may, after giving notice to that Lender, deduct an amount not exceeding that amount from any payment to that Lender which the Facilities Agent would otherwise be obliged to make under the Finance Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that Lender shall be regarded as having received any amount so deducted.

### 31. CONDUCT OF BUSINESS BY THE FINANCE PARTIES

No provision of this Agreement will:

- (a) interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- (c) oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

### 32. SHARING AMONG THE FINANCE PARTIES

#### 32.1 Payments to Finance Parties

- (a) Subject to paragraph (b) below, if a Finance Party (a **Recovering Finance Party**) receives or recovers any amount from an Obligor other than in accordance with Clause 33 (*Payment mechanics*) and applies that amount to a payment due under the Finance Documents then:
  - (i) the Recovering Finance Party shall, within three Business Days, notify details of the receipt or recovery, to the Facilities Agent;
  - (ii) the Facilities Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Facilities Agent and distributed in accordance with Clause 33 (*Payment mechanics*), without taking account of any Tax which would be imposed on the Facilities Agent in relation to the receipt, recovery or distribution; and
  - (iii) the Recovering Finance Party shall, within three Business Days of demand by the Facilities Agent, pay to the Facilities Agent an amount (the **Sharing Payment**) equal to such receipt or recovery less any amount which the Facilities Agent determines may be retained by the Recovering Finance Party as its share of any payment to be made, in accordance with Clause 33.5 (*Partial payments*).
- (b) Paragraph (a) above shall not apply to any amount received or recovered by a Fronting Bank in respect of any cash cover placed in an account with that Fronting Bank.

#### 32.2 Redistribution of payments

The Facilities Agent shall treat the Sharing Payment as if it had been paid by the relevant Obligor and distribute it between the Finance Parties (other than the Recovering Finance Party) in accordance with Clause 33.5 (*Partial payments*).

### **32.3 Recovering Finance Party's rights**

- (a) On a distribution by the Facilities Agent under Clause 32.2 (*Redistribution of payments*), the Recovering Finance Party will be subrogated to the rights of the Finance Parties which have shared in the redistribution.
- (b) If and to the extent that the Recovering Finance Party is not able to rely on its rights under Clause 32.3(a) above, the relevant Obligor shall be liable to the Recovering Finance Party for a debt equal to the Sharing Payment which is immediately due and payable.

### **32.4 Reversal of redistribution**

If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

- (a) each Finance Party which has received a share of the relevant Sharing Payment pursuant to Clause 32.2 (*Redistribution of payments*) shall, upon request of the Facilities Agent, pay to the Facilities Agent for account of that Recovering Finance Party an amount equal to the appropriate part of its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Finance Party for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay); and
- (b) that Recovering Finance Party's rights of subrogation in respect of any reimbursement shall be cancelled and the relevant Obligor will be liable to the reimbursing Lender for the amount so reimbursed.

### **32.5 Exceptions**

- (a) This Clause 32 shall not apply to the extent that the Recovering Finance Party would not, after making any payment pursuant to this Clause, have a valid and enforceable claim against the relevant Obligor.
- (b) A Recovering Finance Party is not obliged to share with any other Finance Party any amount which the Recovering Finance Party has received or recovered as a result of taking legal or arbitration proceedings, if:
  - (i) it notified that other Finance Party of the legal or arbitration proceedings; and
  - (ii) that other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

## **33. PAYMENT MECHANICS**

### **33.1 Payments to the Facilities Agent**

- (a) On each date on which an Obligor or a Lender is required to make a payment under a Finance Document, that Obligor or Lender shall make the same available to the Facilities Agent (unless a contrary indication appears in a Finance Document) for value on the due date at the time and in such funds specified by the Facilities Agent as being customary at the time for settlement of transactions in the relevant currency in the place of payment.



- (b) Payment shall be made to such account in the principal financial centre of the country of that currency (or, in relation to euro, in a principal financial centre in a Participating Member State or London) with such bank as the Facilities Agent specifies by not less than five Business Days' prior notice.

### **33.2 Distributions by the Facilities Agent**

Each payment received by the Facilities Agent under the Finance Documents for another Party shall, subject to Clause 33.3 (*Distributions to an Obligor*) and Clause 33.4 (*Clawback*) be made available by the Facilities Agent as soon as practicable after receipt to the Party entitled to receive payment in accordance with this Agreement (in the case of a Lender, for the account of its Facility Office), to such account as that Party may notify to the Facilities Agent by not less than five Business Days' notice with a bank in the principal financial centre of the country of that currency (or, in relation to euro, in the principal financial centre of a Participating Member State or London).

### **33.3 Distributions to an Obligor**

The Facilities Agent may (with the consent of the Obligor or in accordance with Clause 34 (*Set-off*)) apply any amount received by it for that Obligor in or towards payment (on the date and in the currency and funds of receipt) of any amount due from that Obligor under the Finance Documents or in or towards purchase of any amount of any currency to be so applied.

### **33.4 Clawback**

- (a) Where a sum is to be paid to the Facilities Agent under the Finance Documents for another Party, the Facilities Agent is not obliged to pay that sum to that other Party (or to enter into or perform any related exchange contract) until it has been able to establish to its satisfaction that it has actually received that sum.
- (b) If the Facilities Agent pays an amount to another Party and it proves to be the case that the Facilities Agent had not actually received that amount, then the Party to whom that amount (or the proceeds of any related exchange contract) was paid by the Facilities Agent shall on demand refund the same to the Facilities Agent together with interest on that amount from the date of payment to the date of receipt by the Facilities Agent, calculated by the Facilities Agent to reflect its cost of funds.

### **33.5 Impaired Agent**

- (a) If, at any time, the Facilities Agent becomes an Impaired Agent, an Obligor or a Lender which is required to make a payment under the Finance Documents to the Facilities Agent in accordance with Clause 33.1 (*Payments to the Facilities Agent*) may instead either pay that amount direct to the required recipient or pay that amount to an interest-bearing account held with an Acceptable Bank and in relation to which no Insolvency Event has occurred and is outstanding, in the name of the Obligor or the Lender making the payment and designated as a trust account for the benefit of the Party or Parties beneficially entitled to that payment under the Finance Documents. In each case such payments must be made on the due date for payment under the Finance Documents.

- (b) All interest accrued on the amount standing to the credit of the trust account shall be for the benefit of the beneficiaries of that trust account *pro rata* to their respective entitlements.
- (c) A Party which has made a payment in accordance with this Clause 33.5 shall be discharged of the relevant payment obligation under the Finance Documents and shall not take any credit risk with respect to the amounts standing to the credit of the trust account.
- (d) Promptly upon the appointment of a successor Facilities Agent in accordance with Clause 30.12 (*Replacement of the Facilities Agent*), each Party which has made a payment to a trust account in accordance with this Clause 33.5 shall give all requisite instructions to the bank with whom the trust account is held to transfer the amount (together with any accrued interest) to the successor Facilities Agent for distribution in accordance with Clause 33.2 (*Distributions by the Facilities Agent*).

### 33.6 Partial payments

- (a) If the Facilities Agent receives a payment that is insufficient to discharge all the amounts then due and payable by an Obligor under the Finance Documents, the Facilities Agent shall apply that payment towards the obligations of that Obligor under the Finance Documents in the following order:
  - (i) **first**, in or towards payment pro rata of any unpaid fees, costs and expenses of the Facilities Agent and any Fronting Bank under the Finance Documents;
  - (ii) **secondly**, in or towards payment pro rata of any accrued interest, fee or commission due but unpaid under this Agreement;
  - (iii) **thirdly**, in or towards payment pro rata of any principal due but unpaid under this Agreement and any amount due but unpaid under Clause 7.3 (*Indemnities*) or Clause 9.4 (*Indemnities*); and
  - (iv) **fourthly**, in or towards payment pro rata of any other sum due but unpaid under the Finance Documents.
- (b) The Facilities Agent shall, if so directed by the Majority Lenders, vary the order set out in Clauses 33.5(a)(ii) to 33.5(a)(iv) above.
- (c) Clauses 33.5(a) and 33.5(b) above will override any appropriation made by an Obligor.

### 33.7 No set-off by Obligors

All payments to be made by an Obligor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

### 33.8 Business Days

- (a) Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

- (b) During an extension of the due date for payment of any principal or Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.

### **33.9 Currency of account**

- (a) Subject to Clauses 33.9(b) to 33.9(e) below, in respect of each Tranche, the Base Currency for that Tranche is the currency of account and payment for any sum due from an Obligor under any Finance Document.
- (b) A repayment of a Utilisation or Unpaid Sum or a part of a Utilisation or Unpaid Sum shall be made in the currency in which that Utilisation or Unpaid Sum is denominated on its due date.
- (c) Each payment of interest shall be made in the currency in which the sum in respect of which the interest is payable was denominated when that interest accrued.
- (d) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.
- (e) Any amount expressed to be payable in a currency shall be paid in that other currency.

### **33.10 Change of currency**

- (a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:
  - (i) any reference in the Finance Documents to, and any obligations arising under the Finance Documents in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Facilities Agent (after consultation with the Company); and
  - (ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Facilities Agent (acting reasonably).
- (b) If a change in any currency of a country occurs, this Agreement will, to the extent the Facilities Agent (acting reasonably and after consultation with the Company) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the Relevant Interbank Market and otherwise to reflect the change in currency.

### **33.11 Disruption to Payment Systems etc.**

If either the Facilities Agent determines (in its discretion) that a Disruption Event has occurred or the Facilities Agent is notified by the Company that a Disruption Event has occurred:

- (a) the Facilities Agent may, and shall if requested to do so by the Company, consult with the Company with a view to agreeing with the Company such changes to the operation or administration of the Facilities as the Facilities Agent may deem necessary in the circumstances;

- (b) the Facilities Agent shall not be obliged to consult with the Company in relation to any changes mentioned in paragraph (a) if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes;
- (c) the Facilities Agent may consult with the Finance Parties in relation to any changes mentioned in paragraph (a) but shall not be obliged to do so if, in its opinion, it is not practicable to do so in the circumstances;
- (d) any such changes agreed upon by the Facilities Agent and the Company shall (whether or not it is finally determined that a Disruption Event has occurred) be binding upon the Parties as an amendment to (or, as the case may be, waiver of) the terms of the Finance Documents notwithstanding the provisions of Clause 39 (*Amendments and Waivers*);
- (e) the Facilities Agent shall not be liable for any damages, costs or losses whatsoever (including, without limitation for negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Facilities Agent) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this Clause 33.11; and
- (f) the Facilities Agent shall notify the Finance Parties of all changes agreed pursuant to paragraph (d) above.

#### **34. SET-OFF**

- (a) If an Event of Default has occurred and is outstanding, a Finance Party may set off any matured obligation due from an Obligor under the Finance Documents (to the extent beneficially owned by that Finance Party) against any obligation (whether or not matured) owed by that Finance Party to that Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- (b) The Finance Party shall notify the Company and the relevant Obligor as soon as practicable after any set-off is effected under this Clause giving reasonable details of the amounts and accounts involved.

#### **35. NOTICES**

##### **35.1 Communications in writing**

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax or letter.

##### **35.2 Addresses**

- (a) The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Finance Documents is:
  - (i) in the case of the Company, that identified with its name below;

- (ii) in the case of Carnival plc, that identified with its name below;
- (iii) in the case of Costa Crociere S.p.A., that identified with its name below;
- (iv) in the case of CC U.S. Ventures, Inc., that identified with its name below;
- (v) in the case of Princess Cruises and Tours, Inc., that identified with its name below;
- (vi) in the case of Holland America Line-USA Inc., that identified with its name below;
- (vii) in the case of Carnival FC B.V., that identified with its name below;
- (viii) in the case of each Lender, any other Original Obligor or any Additional Borrower, that notified in writing to the Facilities Agent on or prior to the date on which it becomes a Party; and
- (ix) in the case of the Facilities Agent, that identified with its name below,

or any substitute address, fax number or department or officer as the Party may notify to the Facilities Agent (or the Facilities Agent may notify to the other Parties, if a change is made by the Facilities Agent) by not less than five Business Days' notice.

- (b) The address, fax number and telex number (and the department or officer, if any, for whose attention the communication is to be made) of each Fronting Bank for any communication or document to be made or delivered under or in connection with the Finance Documents is that notified in writing to the Facilities Agent prior to the Signing Date or upon its appointment as a Fronting Bank, or any substitute address, fax number, telex number or department or officer as each Fronting Bank may notify to the Facilities Agent by not less than five Business Days' notice.

- (c) The contact details of the Company for this purpose are:

Address: Carnival Corporation, 3655 NW 87th Avenue, Miami,  
Florida 33178  
Fax number: + 1 305 406 6489  
Attention: Treasurer; and

Address: Carnival Corporation, 3655 NW 87th Avenue, Miami,  
Florida 33178  
Fax number: +1 305 406 4758  
Attention: General Counsel

- (d) The contact details of Carnival plc for this purpose are:

Address: Carnival plc, 5 Gainsford Street, London, SE1 2NE, England  
Fax number: 0207 940 5382  
Tel number: 0207 940 5381  
Attention: Corporation Counsel

(e) The contact details of Costa Crociere S.p.A. for this purpose are:  
Address: Costa Crociere S.p.A., Piazza Piccapietra 48, 16121, Genoa, Italy  
Fax number: + 39 010 548 3446  
Attention: Cristina Gado, Treasurer  
with a copy to:  
Address: Carnival Corporation, 3655 NW 87th Avenue, Miami, Florida 33178  
Fax number: + 1 305 406 6489  
Attention: Treasurer; and  
Address: Carnival Corporation, 3655 NW 87th Avenue, Miami, Florida 33178  
Fax number: +1 305 406 4758  
Attention: General Counsel

(f) The contact details of CC U.S. Ventures, Inc. for this purpose are:  
Address: c/o Carnival Corporation, 3655 NW 87th Avenue, Miami, Florida 33178  
Fax number: + 1 305 406 6489  
Attention: Treasurer; and  
Address: c/o Carnival Corporation, 3655 NW 87th Avenue, Miami, Florida 33178  
Fax number: +1 305 406 4758  
Attention: General Counsel

(g) The contact details of Princess Cruises and Tours, Inc. for this purpose are:  
Address: Princess Cruises and Tours, Inc., 24305 Town Center Drive, Santa Clarita, California, 91355  
Fax number: + 1 661 753 1510  
Attention: Alan B. Buckelew, President  
with a copy to:  
Address: Carnival Corporation, 3655 NW 87th Avenue, Miami, Florida 33178  
Fax number: + 1 305 406 6489  
Attention: Treasurer; and  
Address: Carnival Corporation, 3655 NW 87th Avenue, Miami, Florida 33178  
Fax number: +1 305 406 4758  
Attention: General Counsel

(h) The contact details of Holland America Line-USA Inc. for this purpose are:  
Address: Holland America Line-USA Inc., 300 Elliott Avenue West, Seattle, Washington, 98119  
Fax number: + 1 206 286 3936  
Attention: Todd W. Kimmel, Treasurer

with a copy to:

Address: Carnival Corporation, 3655 NW 87th Avenue, Miami,  
Florida 33178

Fax number: + 1 305 406 6489

Attention: Treasurer; and

Address: Carnival Corporation, 3655 NW 87th Avenue, Miami,  
Florida 33178

Fax number: +1 305 406 4758

Attention: General Counsel

- (i) The contact details of Carnival FC B.V. for this purpose are:

Address: Carnival FC B.V. Otto Reuchlinweg 1110, 3072 MD  
Rotterdam, The Netherlands

Fax number: +31 10 2976655

Attention: Rob Leijen

with a copy to:

Address: Carnival Corporation, 3655 NW 87th Avenue, Miami,  
Florida 33178

Fax number: + 1 305 406 6489

Attention: Treasurer; and

Address: Carnival Corporation, 3655 NW 87th Avenue, Miami,  
Florida 33178

Fax number: +1 305 406 4758

Attention: General Counsel

- (j) The contact details of the Facilities Agent for this purpose are:

For Operational Issues (Drawdowns; Rollovers, Rate Fixing; Fee Claims etc)

Banc of America Securities Limited

26 Elmfield Road

Bromley

BR1 1WA

Attention: Loans Agency

Fax Number: +44 (0) 208 313 2149

For Non Operational Issues (Covenants; Amendments & Waivers etc)

Banc of America Securities Limited

5 Canada Square

London E14 5AQ

Attention: Mark Harrison

Telephone Number: +44(0) 207 996 4541

E-Mail: mark.e.harrison@baml.com

### **35.3 Delivery**

- (a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:
  - (i) if delivered in person, at the time of delivery;
  - (ii) if by way of fax, when received in legible form; or
  - (iii) if by post, five days after being deposited in the post postage prepaid in an envelope correctly addressed.
- (b) Any communication or document to be made or delivered to the Facilities Agent will be effective only when actually received by the Facilities Agent.
- (c) A communication given under Clause 35.3(a) but received on a non-working day or after business hours in the place of receipt will only be deemed to be given on the next working day in that place.
- (d) All notices from or to an Obligor shall be sent through the Facilities Agent.
- (e) Any communication or document made or delivered to the Company in accordance with this Clause will be deemed to have been made or delivered to each of the Obligors.

### **35.4 Notification of address and fax number**

Promptly upon receipt of notification of an address and fax number or change of address or fax number pursuant to Clause 35.2 (*Addresses*) or changing its own address or fax number, the Facilities Agent shall notify the other Parties.

### **35.5 Communication when Facilities Agent is Impaired Agent**

If the Facilities Agent is an Impaired Agent the Parties may, instead of communicating with each other through the Facilities Agent, communicate with each other directly and (while the Facilities Agent is an Impaired Agent) all the provisions of the Finance Documents which require communications to be made or notices to be given to or by the Facilities Agent shall be varied so that communications may be made and notices given to or by the relevant Parties directly. This provision shall not operate after a replacement Facilities Agent has been appointed.

### **35.6 Electronic communication**

- (a) Any communication to be made between the Facilities Agent and a Lender under or in connection with the Finance Documents may be made by electronic mail or other electronic means, if the Facilities Agent and the relevant Lender:
  - (i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;
  - (ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and



(iii) notify each other of any change to their address or any other such information supplied by them.

- (b) Any electronic communication made between the Facilities Agent and a Lender will be effective only when actually received in readable form and in the case of any electronic communication made by a Lender to the Facilities Agent only if it is addressed in such a manner as the Facilities Agent shall specify for this purpose.

### **35.7 English language**

- (a) Any notice given under or in connection with any Finance Document must be in English.
- (b) All other documents provided under or in connection with any Finance Document must be:
- (i) in English; or
  - (ii) if not in English, and if so required by the Facilities Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

## **36. CALCULATIONS AND CERTIFICATES**

### **36.1 Accounts**

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by a Finance Party are prima facie evidence of the matters to which they relate.

### **36.2 Certificates and Determinations**

Any certification or determination by a Finance Party of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates. The Facilities Agent shall provide reasonable details to support such calculation upon the Company's request.

### **36.3 Day count convention**

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days in relation to Sterling or 360 days in relation to any other currency or, in any case where the practice in the Relevant Interbank Market differs, in accordance with that market practice.

## **37. PARTIAL INVALIDITY**

If, at any time, any provision of the Finance Documents is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

### 38. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, any right or remedy under the Finance Documents shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

### 39. AMENDMENTS AND WAIVERS

#### 39.1 Required consents

- (a) Subject to Clause 39.2 (*Exceptions*) any term of the Finance Documents may be amended or waived only with the consent of the Majority Lenders and the Obligors and any such amendment or waiver will be binding on all Parties.
- (b) The Facilities Agent may effect, on behalf of any Finance Party, any amendment or waiver permitted by this Clause.
- (c) Each Obligor (other than the Company, Costa Crociere S.p.A. and any other Obligor incorporated in Italy) agrees to any such amendment or waiver permitted by this Clause 39 which is agreed to by the Company in its capacity as Obligors' Agent. This includes any amendment or waiver which would, but for this Clause 39.1(c), require the consent of both of the Guarantors.

#### 39.2 Exceptions

- (a) An amendment or waiver that has the effect of changing or which relates to:
  - (i) the definition of Majority Lenders in Clause 1.1 (*Definitions*);
  - (ii) an extension to the date of payment of any amount under the Finance Documents;
  - (iii) a reduction in the Margin or a reduction in the amount of any payment of principal, interest, fees (other than fronting fees payable pursuant to Clause 16.7 (*Fronting fee and Bonding fee*)) or commission payable;
  - (iv) an increase in or an extension of any Tranche A Commitment, Tranche B Commitment and/or Tranche C Commitment other than pursuant to Clause 2.2 (*Increase*);
  - (v) a change to the Borrowers or Guarantors other than in accordance with Clause 29 (*Changes to the Obligors*);
  - (vi) any provision which expressly requires the consent of all the Lenders; or
  - (vii) Clause 2.3 (*Finance Parties' rights and obligations*), Clause 28 (*Changes to the Lenders*) or this Clause 39,shall not be made without the prior consent of all the Lenders.

- (b) An amendment or waiver which relates to the rights or obligations of the Facilities Agent or an Arranger when acting in that capacity may not be effected without the consent of the Facilities Agent or the Arrangers.
- (c) Notwithstanding any other provision of this Agreement, an amendment or waiver which relates to the rights or obligations of a Fronting Bank when acting in that capacity may not be effected without the consent of that Fronting Bank.

### 39.3 Disenfranchisement of Defaulting Lenders

- (a) For so long as a Defaulting Lender has any Commitment which is undrawn and uncanceled, in ascertaining the Majority Lenders or whether any given percentage (including, for the avoidance of doubt, unanimity) of the Total Commitments has been obtained to approve any request for a consent, waiver, amendment or other vote under the Finance Documents, that Defaulting Lender's Commitments will be reduced by the amount of its Commitments which are undrawn and uncanceled.
- (b) For the purposes of this Clause 39.3, the Facilities Agent may assume that the following Lenders are Defaulting Lenders:
  - (i) any Lender which has notified the Facilities Agent that it has become a Defaulting Lender;
  - (ii) any Lender in relation to which it is aware that any of the events or circumstances referred to in paragraphs (a), (b) or (c) of the definition of **Defaulting Lender** has occurred,unless it has received notice to the contrary from the Lender concerned (together with any supporting evidence reasonably requested by the Facilities Agent) or the Facilities Agent is otherwise aware that the Lender has ceased to be a Defaulting Lender.

### 39.4 Replacement of a Defaulting Lender

- (a) The Company may, at any time a Lender (or any Affiliates which are Lenders) has become and continues to be a Defaulting Lender, by giving three Business Days' prior written notice to the Facilities Agent and such Lender:
  - (i) replace such Lender (and any Affiliates which are Lenders) by requiring such Lender to (and to the extent permitted by law such Lender shall) transfer pursuant to Clause 28 (*Changes to the Lenders*) all (and not part only) of its rights and obligations under this Agreement;
  - (ii) require such Lender (and any Affiliates which are Lenders) to (and to the extent permitted by law such Lender shall) transfer pursuant to Clause 28 (*Changes to the Lenders*) all (and not part only) of the undrawn Commitments and/or undrawn Swingline Commitments of the Lender (and its Affiliate); or
  - (iii) require such Lender (and any Affiliates which are Lenders) to (and to the extent permitted by law such Lender shall) transfer pursuant to Clause 28 (*Changes to the Lenders*) all (and not part only) of its rights and obligations in respect of the Facilities,

to a Lender or other bank or financial institution (a **Replacement Lender**) selected by the Company, which confirms its willingness to assume and does assume all the obligations or all the relevant obligations of the transferring Lender (including the assumption of the transferring Lender's participations or unfunded participations (as the case may be) on the same basis as the transferring Lender) for a purchase price in cash payable at the time of transfer equal to the outstanding principal amount of such Lender's participation in the outstanding Utilisations and all accrued interest and Bond fees, Break Costs and other amounts payable in relation thereto under the Finance Documents.

- (b) Any transfer of rights and obligations of a Defaulting Lender pursuant to this Clause shall be subject to the following conditions:
  - (i) the Company shall have no right to replace the Facilities Agent;
  - (ii) neither the Facilities Agent nor the Defaulting Lender shall have any obligation to the Company to find a Replacement Lender;
  - (iii) the transfer must take place no later than 90 days after the notice referred to in paragraph (a) above; and
  - (iv) in no event shall the Defaulting Lender be required to pay or surrender to the Replacement Lender any of the fees received by the Defaulting Lender pursuant to the Finance Documents.

#### **40. COUNTERPARTS**

Each Finance Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Finance Document.

#### **41. GOVERNING LAW**

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

#### **42. ENFORCEMENT**

##### **42.1 Jurisdiction**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a **Dispute**).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 42.1 is for the benefit of the Finance Parties only. As a result, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions.

#### 42.2 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, each Obligor (other than an Obligor incorporated in England and Wales):
- (i) irrevocably appoints Carnival plc (and Carnival plc hereby accepts each such appointment) as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and
  - (ii) agrees that failure by a process agent to notify the relevant Obligor of the process will not invalidate the proceedings concerned.

#### 42.3 Waiver of Jury Trial

**EACH OF THE PARTIES TO THIS AGREEMENT IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OF THE FINANCE DOCUMENTS. THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO TRIAL BY THE COURT.**

#### 43. USA PATRIOT ACT

Each Lender that is subject to the USA Patriot Act hereby notifies each Obligor that pursuant to the requirements of the USA Patriot Act, such Lender is required to obtain, verify and record information that identifies such Obligor, which information includes the name and address of such Obligor and other information that will allow such Lender to identify such Obligor in accordance with the USA Patriot Act. Each Obligor agrees that it will provide each Finance Party with such information as it may require in order for such Finance Party to satisfy the requirements of the USA Patriot Act.

#### 44. TRANSPARENCY RULES

Pursuant to, and in accordance with, the transparency rules (*Disposizioni in materia di trasparenza delle operazioni e dei servizi bancari e finanziari. Correttezza delle relazioni tra intermediari e clienti*) enacted under Article 9.1 of the CICR (Comitato Interministeriale per il Credito e il Risparmio) Resolution of 4 March 2003 effective as of October 2003 and the following transparency rules applicable to transactions and banking and financial services issued by the Bank of Italy on 9 February 2011 and published in the Italian official gazette (*Gazzetta Ufficiale*) on 16 February 2011 (the **Transparency Rules**), the Parties mutually acknowledge and declare that this Agreement and any of its terms and conditions have been negotiated on an individual basis and, as a result, this Agreement falls into the category of the agreements which have been negotiated individually “che costituiscono oggetto di trattativa individuale” which are exempted from the application of Section II of the Transparency Rules.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

**SCHEDULE 1**

**THE ORIGINAL PARTIES**

**Part A**

**The Original Borrowers**

Name of Subsidiaries of the Company and Carnival plc

- 1 Costa Crociere S.p.A. (a company organised and existing under the laws of Italy as a *società per azioni*, with a share capital equal to Euro 344,314,467.00, having its registered office in Genoa (Italy), Piazza Piccapietra 48, registered with the Companies' Register (*Registro delle Imprese*) of Genoa under no. 02545900108, *Repertorio Economico Amministrativo* no. GE-279842)
- 2 CC U.S. Ventures, Inc. (a corporation incorporated and existing under the laws of the State of Delaware, United States of America)
- 4 Princess Cruises and Tours, Inc. (a corporation incorporated and existing under the laws of the State of Delaware, United States of America)
- 5 Holland America Line-USA Inc. (a corporation incorporated and existing under the laws of the State of Delaware, United States of America)
- 6 Carnival FC B.V. (a company incorporated and existing under the laws of The Netherlands with registration number with the Netherlands Chamber of Commerce (*handelsregister*) of 24440703)

**Part B**  
**The Original Lenders - Loan Commitments**

(a) Tranche A Commitment

Name of Original Lender	Amount (USD)	Status (Affected Lender: Yes/No)	Treaty Passport Number and jurisdiction of tax residence (if applicable)
Bank of America N.A.	77,500,000	No	N/A
BNP Paribas	77,500,000	No	005/B/0255139/DTTP Jurisdiction of tax residence France
Goldman Sachs Bank USA	139,000,000	No	N/A except in respect of a loan to a UK Borrower 13/G/0351779/DTTP Jurisdiction of tax residence USA
Intesa Sanpaolo S.p.A.	77,500,000	No	N/A
JPMorgan Chase Bank, N.A.	77,500,000	No	13/M/0268710/DTTP Jurisdiction of tax residence USA
Lloyds TSB Bank plc	139,000,000	No	N/A
Mizuho Corporate Bank, Ltd.	77,500,000	No	N/A
The Royal Bank of Scotland plc	77,500,000	No	N/A
UniCredit Spa	77,500,000	No	N/A
UBS Limited	86,750,000	No	N/A
US Bank National Association	86,750,000	No	13/U/62184/DTTP Jurisdiction of tax residence is USA
HSBC Bank plc	48,500,000	No	N/A
Societe Generale	48,500,000	No	5/S/70085/DTTP Jurisdiction of tax residence is France
Royal Bank of Canada	87,000,000	No	N/A
PNC Bank, National Association	52,000,000	No	13/P/63904/DTTP Jurisdiction of tax residence is USA

DnB NOR Bank ASA	52,000,000	No	N/A
Australia and New Zealand Banking Group Limited	52,000,000	No	N/A
Deutsche Bank AG, London Branch	52,000,000	No	N/A
KfW IPEX-Bank GmbH	52,000,000	No	7/K/333018/DTTP Jurisdiction of tax residence is Germany
Sumitomo Mitsui Banking Corporation	52,000,000	No	43/S/274647/DTTP Jurisdiction of tax residence is Japan
Banco Santander, S.A., London Branch	29,000,000	No	N/A
Banco Bilbao Vizcaya Argentaria, S.A., London Branch	29,000,000	No	N/A
Wells Fargo Bank, N.A.	52,000,000	No	13/W/61173/DTTP Jurisdiction of tax residence is USA
	<b>Total</b>		
	<b>1,600,000,000</b>		



## (b) Tranche B Commitment

Name of Original Lender	Amount (Sterling)	Treaty Passport Number and jurisdiction of tax residence (if applicable) <sup>2</sup>
Bank of America N.A.	7,250,000	N/A
BNP Paribas	7,250,000	N/A
Goldman Sachs Bank USA	12,750,000	13/G/0351779/DTTP Jurisdiction of tax residence USA
Intesa Sanpaolo S.p.A.	7,250,000	N/A
JPMorgan Chase Bank, N.A.	7,250,000	13/M/0268710/DTTP Jurisdiction of tax residence USA
Lloyds TSB Bank plc	12,750,000	N/A
Mizuho Corporate Bank, Ltd.	7,250,000	N/A
The Royal Bank of Scotland plc	7,250,000	N/A
UniCredit Spa	7,250,000	N/A
UBS Limited	8,250,000	N/A
US Bank National Association	8,250,000	13/U/62184/DTTP Jurisdiction of tax residence is USA
HSBC Bank plc	4,500,000	N/A
Societe Generale	4,500,000	5/S/70085/DTTP Jurisdiction of tax residence is France
Royal Bank of Canada	8,250,000	N/A
PNC Bank, National Association	5,000,000	13/P/63904/DTTP Jurisdiction of tax residence is USA
DnB NOR Bank ASA	5,000,000	N/A
Australia and New Zealand Banking Group Limited	5,000,000	N/A
Deutsche Bank AG, London Branch	5,000,000	N/A
KfW IPEX-Bank GmbH	5,000,000	7/K/333018/DTTP Jurisdiction of tax residence is Germany
Sumitomo Mitsui Banking Corporation	5,000,000	43/S/274647/DTTP Jurisdiction of tax residence is Japan

Banco Santander, S.A., London Branch	2,500,000	N/A
Banco Bilbao Vizcaya Argentaria, S.A., London Branch	2,500,000	N/A
Wells Fargo Bank, N.A.	5,000,000	13/W/61173/DTTP
		Jurisdiction of tax residence is USA
	<b>Total</b>	
	<b>150,000,000</b>	

(c) Tranche C Commitment

Name of Original Lender	Amount (euro)	Treaty Passport Number and jurisdiction of tax residence (if applicable) <sup>2</sup>
Bank of America N.A.	50,000,000	N/A
Banca Nazionale del Lavoro SpA	50,000,000	N/A
Intesa Sanpaolo S.p.A.	50,000,000	N/A
JPMorgan Chase Bank, N.A.	50,000,000	13/M/0268710/DTTP Jurisdiction of tax residence USA
Mizuho Corporate Bank, Ltd.	50,000,000	N/A
The Royal Bank of Scotland plc	50,000,000	N/A
UniCredit Spa	50,000,000	N/A
HSBC Bank plc	31,250,000	N/A
Societe Generale	31,250,000	5/S/70085/DTTP Jurisdiction of tax residence is France
Banco Santander, S.A., Milan Branch	18,750,000	N/A
Banco Bilbao Vizcaya Argentaria, S.A., Milan Branch	18,750,000	N/A
	<b>Total</b>	
	<b>450,000,000</b>	

**Part C**  
**The Original Swingline Lenders - Swingline Loan Commitments**

(a) Swingline Tranche A Commitment

Name of Original Swingline Lender	Amount (USD)	Treaty Passport Number and jurisdiction of tax residence (if applicable)
Bank of America N.A.	41,245,707.09	N/A
BNP Paribas	41,245,707.09	005/B/0255139/DTTP Jurisdiction of tax residence France
Goldman Sachs Bank USA	73,909,977.79	N/A except in respect of a loan to a UK Borrower 13/G/0351779/DTTP Jurisdiction of tax residence USA
Intesa Sanpaolo S.p.A.	41,245,707.09	N/A
JPMorgan Chase Bank, N.A.	41,245,707.09	13/M/0268710/DTTP Jurisdiction of tax residence USA
Lloyds TSB Bank plc	73,909,977.79	N/A
Mizuho Corporate Bank, Ltd.	41,245,707.09	N/A
The Royal Bank of Scotland plc	41,245,707.11	N/A
UniCredit Spa	41,245,707.09	N/A
UBS Loan Finance LLC	46,193,736.12	N/A Jurisdiction of tax residence USA
US Bank National Association	46,193,736.12	13/U/62184/DTTP Jurisdiction of tax residence is USA
HSBC Bank plc	25,778,566.93	N/A
Societe Generale	25,778,566.93	5/S/70085/DTTP Jurisdiction of tax residence is France
PNC Bank, National Association	27,716,241.67	13/P/63904/DTTP Jurisdiction of tax residence is USA
DnB NOR Bank ASA	27,716,241.67	N/A

Australia and New Zealand Banking Group Limited	27,716,241.67	2/A/204986/DTTP Jurisdiction of tax residence is Australia
Deutsche Bank AG, New York Branch	27,716,241.67	N/A except where lending to a UK Borrower. 7/D/70006/DTTP Jurisdiction of tax residence is Germany
Banco Santander, S.A., New York Branch	15,467,140.16	N/A
Banco Bilbao Vizcaya Argentaria, S.A., London Branch	15,467,140.16	N/A
Wells Fargo Bank, N.A.	27,716,241.67	13/W/61173/DTTP Jurisdiction of tax residence is USA
	<b>Total</b>	
	<b>750,000,000</b>	

## (b) Swingline Tranche B Commitment

Name of Original Swingline Lender	Amount (Sterling)	Treaty Passport Number and jurisdiction of tax residence (if applicable) <sup>4</sup>
Bank of America N.A.	4,580,678.85	N/A
BNP Paribas	4,580,678.85	N/A
Goldman Sachs Bank USA	8,208,317.80	13/G/0351779/DTTP Jurisdiction of tax residence USA
Intesa Sanpaolo S.p.A.	4,580,678.85	N/A
JPMorgan Chase Bank, N.A.	4,580,678.85	13/M/0268710/DTTP Jurisdiction of tax residence USA
Lloyds TSB Bank plc	8,208,317.80	N/A
Mizuho Corporate Bank, Ltd.	4,580,678.85	N/A
The Royal Bank of Scotland plc	4,580,678.85	N/A
UniCredit Spa	4,580,678.85	N/A
UBS Limited	5,130,198.63	N/A
US Bank National Association	5,130,198.63	13/U/62184/DTTP Jurisdiction of tax residence is USA
HSBC Bank plc	2,862,924.28	N/A
Societe Generale	2,862,924.28	5/S/70085/DTTP Jurisdiction of tax residence is France
PNC Bank, National Association	3,078,119.18	13/P/63904/DTTP Jurisdiction of tax residence is USA
Australia and New Zealand Banking Group Limited	3,078,119.18	N/A
Deutsche Bank AG, London Branch	3,078,119.18	N/A
Banco Santander, S.A., London Branch	1,717,754.57	N/A
Banco Bilbao Vizcaya Argentaria, S.A., London Branch	1,717,754.57	N/A
	<b>Total</b>	
	<b>77,137,500</b>	

Name of Original Swingline Lender	Amount (euro)	Treaty Passport Number and jurisdiction of tax residence (if applicable) <sup>4</sup>
Bank of America N.A.	27,506,111.11	N/A
Banca Nazionale de Lavoro SpA	27,506,111.11	N/A
Intesa Sanpaolo S.p.A.	27,506,111.11	N/A
JPMorgan Chase Bank, N.A.	27,506,111.11	13/M/0268710/DTTP Jurisdiction of tax residence USA
Mizuho Corporate Bank, Ltd.	27,506,111.11	N/A
The Royal Bank of Scotland plc	27,506,111.12	N/A
UniCredit Spa	27,506,111.11	N/A
HSBC Bank plc	17,191,319.44	N/A
Societe Generale	17,191,319.44	5/S/70085/DTTP Jurisdiction of tax residence is France
Banco Santander, S.A., Milan Branch	10,314,791.67	N/A
Banco Bilbao Vizcaya Argentaria, S.A., Milan Branch	10,314,791.67	N/A
	<b>Total</b>	
	<b>247,555,000</b>	

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**Part D**  
**The Original Fronting Banks**

Bank of America N.A.

JPMorgan Chase Bank, N.A.



## SCHEDULE 2

### CONDITIONS PRECEDENT

#### Part A

#### Conditions precedent to initial Utilisation

##### Original Obligors

1. A copy of the constitutional documents of each Original Obligor which, in respect of an Original Obligor incorporated in The Netherlands, shall consist of the deed of incorporation (*oprichtingsakte*) being the articles of association (*statuten*) and an up-to-date extract (*uittreksel*) from the Dutch Commercial Register (*Handelsregister*) of such Original Obligor.
2. A copy of a resolution of the board of directors of each Original Obligor (and, if required by its existing by-laws, a copy of the resolution of the shareholders' meeting of Costa Crociere S.p.A.), approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and, in respect of an Original Obligor incorporated in The Netherlands, confirming whether a works council (*ondernemingsraad*) is in place.
3. A specimen of the signature of each person who executes the Finance Documents and who is authorised on behalf of an Original Obligor to execute or witness the execution of any Finance Document or to sign or send any document or notice in connection with any Finance Document.
4. A copy of a resolution of the general meeting of shareholders of each Dutch Obligor:
  - (a) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is (or will become) a party; and
  - (b) to the extent there is a conflict of interest (*tegenstrijdig belang*) between the member(s) of its managing board and the Dutch Obligor in respect of any of the Finance Documents or any of the transactions contemplated therein, in each case in the broadest sense, each member of the managing board is designated and appointed, in accordance with Article 2:256 of the Dutch Civil Code, as special representative of the Dutch Obligor with the power to represent the Dutch Obligor acting alone.
5. A certificate of an authorised signatory of the Company:
  - (a) confirming that utilising or (with respect to the Company and Carnival plc) guaranteeing the Total Tranche A Commitments, the Total Tranche B Commitments and the Total Tranche C Commitments (or, in the case of Costa Crociere S.p.A., utilising the Total Tranche C Commitments) in full would not breach any limit binding on any Original Obligor;
  - (b) certifying that each copy document specified in Part A of this Schedule is correct, complete and in full force and effect as at a date no earlier than the Signing Date; and
  - (c) confirming which companies are Material Subsidiaries and providing reasonable details of the calculations used to make such determinations.

6. A copy of a good standing certificate with respect to each US Borrower, issued as of a recent date by the Secretary of State or other appropriate official of each US Borrower's jurisdiction of incorporation or organisation.

7. A certificate of registration (*certificato di iscrizione*) of Costa Crociere S.p.A. with the relevant Companies' Register dated not earlier than five Business Days prior to the execution of this Agreement, confirming that no insolvency procedures have been started in relation to Costa Crociere S.p.A.

8. If the Original Obligor is incorporated in The Netherlands:

- (a) to the extent a works council (*ondernemingsraad*) is established and to the extent any rights to consult (*in de gelegenheid stellen tot advies uitbrengen*) the works council or for the works council to approve (*instemming met*) are triggered under the Dutch Works Council Act, a copy of:
  - (i) the request for advice from such works council; and
  - (ii) (A) an unconditional positive advice from such works council; or (B) advice from such works council which is not negative and does not contain any condition which, if complied with, would result in a breach of any of the Finance Documents or which conditions are not reasonably feasible to be met; or (C) a waiver to advise (*afzien van advies*) issued by such a works council; and
- (b) such evidence as may be requested by the Facilities Agent in reasonable time before the Utilisation Date to enable the Finance Parties to comply with *Wet ter voorkoming van witwassen en het financieren van terrorisme*.

#### **Legal opinions**

9. A legal opinion of Allen & Overy LLP, London office, English law legal advisers to the Arrangers and the Facilities Agent, addressed to the Finance Parties.

10. A legal opinion of Allen & Overy LLP, Amsterdam office, Dutch law legal advisers, addressed to the Finance Parties.

11. A legal opinion of Tapia, Linares y Alfaro Attorneys At Law, Panama law legal advisers, addressed to the Finance Parties.

12. A legal opinion of Allen & Overy LLP, New York office, New York state law legal advisers, addressed to the Finance Parties.

13. A legal opinion of Morris James LLP, Delaware state law legal advisers, addressed to the Finance Parties.

14. A legal opinion of Allen & Overy LLP, Milan office, Italian law legal advisers, addressed to the Finance Parties.

#### **Other documents and evidence**

15. The duly executed Finance Documents (other than any of the Utilisation Requests).

16. Certified copy of the Original Financial Statements.

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17. Certified copy of the DLC Documents.

18. Evidence that the fees, costs and expenses then due from the Company pursuant to Clause 16 (*Fees*) and Clause 21 (*Costs and expenses*) have been paid or will be paid by the first Utilisation Date.

19. Evidence of prepayment and cancellation in full on or prior to the date of this Agreement of the Company's USD1.2billion, €400m and £200m revolving credit agreement dated 21 October 2005 as amended from time to time.

**Part B**  
**Conditions precedent required to be delivered by an Additional Borrower**

**Additional Borrowers**

1. An Accession Letter, duly executed by the Additional Borrower and the Company or Carnival plc.
2. A copy of the constitutional documents of the Additional Borrower which, in respect of an Additional Borrower incorporated in The Netherlands, shall consist of a copy of the articles of association (*statuten*), the deed of incorporation (*oprichtingsakte*) and extract (*uittreksel*) from the Dutch Commercial Register (*Handelsregister*) of such Additional Borrower.
3. A copy of a resolution of the board of directors of the Additional Borrower (and, if such Additional Borrower is incorporated in Italy and it is required by its existing by-laws, a copy of the resolution of the shareholders' meeting of such Additional Borrower) approving the terms of, and the transactions contemplated by, the Accession Letter and the Finance Documents to which it is a party and, in respect of an Additional Borrower incorporated in The Netherlands, confirming whether a works council (*ondernemingsraad*) is in place.
4. To the extent required, a copy of a resolution of the general meeting of shareholders of each Additional Borrower incorporated in The Netherlands:
  - (a) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is (or will become) a party; and
  - (b) to the extent there is a conflict of interest (*tegenstrijdig belang*) between the member(s) of its managing board and the Additional Borrower incorporated in The Netherlands in respect of any of the Finance Documents or any of the transactions contemplated therein, in each case in the broadest sense, each member of the managing board is designated and appointed, in accordance with Article 2:256 of the Dutch Civil Code, as special representative of the Additional Borrower incorporated in The Netherlands with the power to represent the Additional Borrower incorporated in The Netherlands acting alone.
5. A specimen of the signature of each person who executes the Accession Letter and is authorised on behalf of the Additional Borrower to execute or witness the execution of any Finance Document or to sign or send any document or notice in connection with any Finance Document.
6. A certificate of an authorised signatory of the Additional Borrower:
  - (a) confirming that utilising the Total Tranche A Commitments, the Total Tranche B Commitments and the Total Tranche C Commitments (or, in the case of an Additional Borrower resident in Italy, utilising the Total Tranche C Commitments) in full would not breach any limit binding on it; and
  - (b) certifying that each copy document specified in Part B of this Schedule is correct, complete and in full force and effect as at a date no earlier than the date of the Accession Letter.

7. If the proposed Additional Borrower is incorporated in Italy, a certificate of registration (*certificato di iscrizione*) of such Additional Borrower with the relevant Companies' Register dated not earlier than five Business Days prior to the execution of the relevant Accession Letter, confirming that no insolvency procedures have been started in relation to such Additional Borrower.

8. If the proposed Additional Borrower is incorporated in The Netherlands:

- (a) to the extent a works council (*ondernemingsraad*) is established and to the extent any rights to consult (*in de gelegenheid stellen tot advies uitbrengen*) the works council or for the works council to approve (*instemming met*) are triggered under the Dutch Works Council Act, a copy of:
  - (i) the request for advice from such works council; and
  - (ii) (A) an unconditional positive advice from such works council; or (B) advice from such works council which is not negative and does not contain any condition which, if complied with, would result in a breach of any of the Finance Documents or which conditions are not reasonably feasible to be met; or (C) a waiver to advise (*afzien van advies*) issued by such a works council; and
- (b) such evidence as may be requested by the Facilities Agent in reasonable time before the Utilisation Date to enable the Finance Parties to comply with *Wet ter voorkoming van witwassen en het financieren van terrorisme*.

#### **Legal opinions**

9. A legal opinion of Allen & Overy LLP, London office, English law legal advisers to the Facilities Agent, addressed to the Finance Parties.

10. If the Additional Borrower is incorporated in a jurisdiction other than England and Wales, a legal opinion from legal advisers in that jurisdiction, addressed to the Finance Parties.

#### **Other documents and evidence**

11. A copy of any other authorisation or other document, opinion or assurance which the Facilities Agent has notified the Company is necessary or desirable in connection with the entry into and performance of the transactions contemplated by the Accession Letter or for the validity and enforceability of any Finance Document.

SCHEDULE 3

UTILISATION REQUEST

Part A  
Loans

From: [Borrower]  
To: [•] (*Facilities Agent*)  
Dated: [•]

Dear Sirs

**CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,600,000,000, £150,000,000 and €450,000,000 Multicurrency Revolving Facilities Agreement dated [•] (the Agreement)**

1. We refer to the Agreement. This is a Loan Utilisation Request. Terms defined in the Agreement have the same meaning in this Loan Utilisation Request unless given a different meaning in this Loan Utilisation Request.

2. We wish to borrow a Loan on the following terms:

Tranche: [A/B/C]  
Proposed Utilisation Date: [•] (or, if that is not a Business Day, the next Business Day)  
Currency of Loan: [•]  
Amount: [•] or, if less, the Available Facility for the Tranche indicated above  
Interest Period: [•]

3. We confirm that each condition specified in Clause 5.4(a) (*Lenders' participation*) is satisfied on the date of this Loan Utilisation Request.

4. The proceeds of this Loan should be credited to • [account].

5. This Loan Utilisation Request is irrevocable.

Yours faithfully

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authorised signatory for  
[name of relevant Borrower]

**Part B**  
**Bonds**

From: [Borrower]  
To: [•] (*Facilities Agent*)  
Dated: [•]

Dear Sirs

**CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,600,000,000, £150,000,000 and €450,000,000 Multicurrency Revolving Facilities Agreement dated [•] (the Agreement)**

1. We refer to the Agreement. This is a Bond Utilisation Request. Terms defined in the Agreement have the same meaning in this Bond Utilisation Request unless given a different meaning in this Bond Utilisation Request.

2. We wish to arrange for a Bond to be issued by the relevant Fronting Bank on the following terms:

Fronting Bank	[•]
Tranche:	A
Proposed Utilisation Date:	[•] (or, if that is not a Business Day, the next Business Day)
Currency of Bond:	[•]
Amount:	[•] or, if less, the lesser of the Available Tranche A Facility and the Available Bond Facility
Beneficiary:	[•]
Account Party:	[•]
Term or Expiry Date:	[•]

3. We confirm that each condition specified in Clause 6.7 (*Issue of Bonds*) is satisfied on the date of this Bond Utilisation Request.

4. We attach a copy of the proposed Bond.

5. This Bond Utilisation Request is irrevocable.

Delivery Instructions:

[specify delivery instructions]

Yours faithfully

---

authorised signatory for  
[name of relevant Borrower]

**Part C**  
**Swingline Loan**

From: [Borrower]  
To: [•] (*Facilities Agent*)  
Dated: [•]

Dear Sirs

**CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,600,000,000, £150,000,000 and €450,000,000 Multicurrency Revolving Facilities Agreement dated [•] (the Agreement)**

1. We refer to the Agreement. This is a Swingline Loan Utilisation Request. Terms defined in the Agreement have the same meaning in this Swingline Loan Utilisation Request unless given a different meaning in this Swingline Loan Utilisation Request.

2. We wish to borrow a Swingline Loan on the following terms:

Tranche	[A/B/C]
Proposed Utilisation Date:	[•] (or, if that is not a Business Day, the next Business Day)
Currency of Swingline Loan:	[USD/£/€]
Amount:	[•] or, if less, the Available Swingline [Tranche A/Tranche B/Tranche C] Facility
Interest Period:	[•]

3. We confirm that each condition specified in Clause 8.5 (*Swingline Lenders' participation*) is satisfied on the date of this Swingline Loan Utilisation Request.

4. The proceeds of this Swingline Loan should be credited to [account].

5. This Swingline Loan Utilisation Request is irrevocable.

Yours faithfully

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authorised signatory for  
[name of relevant Borrower]



SCHEDULE 4

MANDATORY COST FORMULAE

1. The Mandatory Cost is an addition to the interest rate to compensate Lenders for the cost of compliance with (a) the requirements of the Bank of England and/or the Financial Services Authority (or, in either case, any other authority which replaces all or any of its functions) or (b) the requirements of the European Central Bank.

2. On the first Utilisation Date (or as soon as practicable thereafter) the Facilities Agent shall calculate or ascertain, as a percentage rate per annum, a rate (the **Base Cost Rate**) for each Lender and, thereafter, on the first day of each Interest Period (or as soon as practicable thereafter) as a percentage rate per annum, a rate (the **Current Cost Rate**) for each Lender, in accordance with the paragraphs set out below and shall notify the Company of the Base Cost Rate and the Current Cost Rate for each Lender promptly after calculating or ascertaining such rates.

3. The Mandatory Cost will be calculated by the Facilities Agent as the rate per annum that is the difference between (i) the weighted average of the Lenders' Current Cost Rates (weighted in proportion to the percentage participation of each Lender in the relevant Loan) and (ii) the weighted average of the Lenders' Base Cost Rates (weighted in proportion to the percentage participation of each Lender in the relevant Loan) and will be expressed as a percentage rate per annum provided that if such a rate is negative, the Mandatory Costs rate shall be deemed to be zero.

The Additional Cost Rate for a Lender will be the Current Cost Rate for that Lender less the Base Cost Rate for that Lender and will be expressed a percentage rate per annum provided that if such a rate is negative, the Additional Cost Rate shall be deemed to be zero.

4. The Base Cost Rate or the Current Cost Rate for any Lender lending from a Facility Office in a Participating Member State will be the percentage (expressed as a rate per annum) notified by that Lender to the Facilities Agent. This percentage will be certified by that Lender in its notice to the Facilities Agent to be its reasonable determination of the cost (expressed as a percentage of that Lender's participation in all Loans made from that Facility Office) of complying with the minimum reserve requirements of the European Central Bank in respect of loans made from that Facility Office.

5. The Base Cost Rate or Current Cost Rate for any Lender lending from a Facility Office in the United Kingdom will be calculated by the Facilities Agent as follows:

(a) in relation to a Sterling Loan:

$$\frac{AB + C(B - D) + E \times 0.01}{100 - (A + C)} \quad \text{per cent. per annum}$$

(b) in relation to a Loan in any currency other than Sterling:

$$\frac{E \times 0.01}{300} \quad \text{per cent. per annum.}$$

Where:

- A is the percentage of Eligible Liabilities (assuming these to be in excess of any stated minimum) which that Lender is from time to time required to maintain as an interest free cash ratio deposit with the Bank of England to comply with cash ratio requirements.
- B is the percentage rate of interest (excluding the Margin and the Mandatory Cost and, if the Loan is an Unpaid Sum, the additional rate of default interest payable for the relevant Interest Period on the Loan.
- C is the percentage (if any) of Eligible Liabilities which that Lender is required from time to time to maintain as interest bearing Special Deposits with the Bank of England.
- D is the percentage rate per annum payable by the Bank of England to the Facilities Agent on interest bearing Special Deposits.
- E is designed to compensate Lenders for amounts payable under the Fees Rules and is calculated by the Facilities Agent as being the average of the most recent rates of charge supplied by the Reference Banks to the Facilities Agent pursuant to paragraph 9 below and expressed in pounds per £1,000,000.

6. Should a Lender transfer all or part of its Commitment to a New Lender after the Utilisation Date, the Base Cost Rate of such New Lender shall be deemed to be either (a) the percentage notified by it to the Facilities Agent under paragraph 4 above or (b) the percentage calculated by the Facilities Agent under paragraph 5 above, in each case on the date the relevant transfer becomes effective.

7. For the purposes of this Schedule:

- (a) **Eligible Liabilities** and **Special Deposits** have the meanings given to them from time to time under or pursuant to the Bank of England Act 1998 or (as may be appropriate) by the Bank of England;
- (b) **Fees Rules** means the rules on periodic fees contained in the FSA Fees Manual or such other law or regulation as may be in force from time to time in respect of the payment of fees for the acceptance of deposits;
- (c) **Fee Tariffs** means the fee tariffs specified in the Fees Rules under Column 1 of the activity group A.1 Deposit acceptors (ignoring any minimum fee or zero rated fee required pursuant to the Fees Rules but taking into account any applicable discount rate); and
- (d) **Tariff Base** has the meaning given to it in, and will be calculated in accordance with, the Fees Rules.

8. In application of the above formulae, A, B, C and D will be included in the formulae as percentages (i.e. 5 per cent. will be included in the formula as 5 and not as 0.05). A negative result obtained by subtracting D from B shall be taken as zero. The resulting figures shall be rounded to four decimal places.

9. If requested by the Facilities Agent, each Reference Bank shall, as soon as practicable after publication by the Financial Services Authority, supply to the Facilities Agent, the rate of charge payable by that Reference Bank to the Financial Services Authority pursuant to the Fees Rules in respect of the relevant financial year of the Financial Services Authority

(calculated for this purpose by that Reference Bank as being the average of the Fee Tariffs applicable to that Reference Bank for that financial year) and expressed in pounds per £1,000,000 of the Tariff Base of that Reference Bank.

10. Each Lender shall supply any information required by the Facilities Agent for the purpose of calculating its Base Cost Rate or Current Cost Rate. In particular, but without limitation, each Lender shall supply the following information on or prior to the date on which it becomes a Lender:

- (a) the jurisdiction of its Facility Office and, if not U.K., its Base Cost Rate and Current Cost Rate; and
- (b) any other information that the Facilities Agent may reasonably require for such purpose.

Each Lender shall promptly notify the Facilities Agent of any change to the information provided by it pursuant to this paragraph.

11. The percentages of each Lender for the purpose of A and C above and the rates of charge of each Reference Bank for the purpose of E above shall be determined by the Facilities Agent based upon the information supplied to it pursuant to paragraphs 9 and 10 above and on the assumption that, unless a Lender notifies the Facilities Agent to the contrary, each Lender's obligations in relation to cash ratio deposits and Special Deposits are the same as those of a typical bank from its jurisdiction of incorporation with a Facility Office in the same jurisdiction as its Facility Office.

12. The Facilities Agent shall have no liability to any person if such determination results in a Base Cost Rate or Current Cost Rate which over or under compensates any Lender and shall be entitled to assume that the information provided by any Lender or Reference Bank pursuant to paragraphs 4, 6, 9 and 10 above is true and correct in all respects.

13. The Facilities Agent shall distribute the additional amounts received as a result of the Mandatory Cost to the Lenders on the basis of the Current Cost Rate for each Lender based on the information provided by each Lender and each Reference Bank pursuant to paragraphs 4, 6, 9 and 10 above.

14. Any determination by the Facilities Agent in accordance with this Schedule in relation to a formula, the Mandatory Cost, an Additional Cost Rate, a Base Cost Rate, a Current Cost Rate or any amount payable to a Lender shall, in the absence of manifest error, be conclusive and binding on all Parties.

15. The Facilities Agent may from time to time, after consultation with the Company and the Lenders, determine and notify to all Parties any amendments which are required to be made to this Schedule in order to comply with any change in law, regulation or any requirements from time to time imposed by the Bank of England, the Financial Services Authority or the European Central Bank (or, in any case, any other authority which replaces all or any of its functions) and any such determination shall, in the absence of manifest error, be conclusive and binding on all Parties.

SCHEDULE 5

FORM OF TRANSFER CERTIFICATE

To: [•] as Facilities Agent  
[Copied to: The Company]<sup>1</sup>  
From: [The Existing Lender] (the *Existing Lender*) and [The New Lender] (the *New Lender*)  
Dated: [•]

**CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,600,000,000, £150,000,000 and €450,000,000 Multicurrency Revolving Facilities Agreement dated [•] (the *Agreement*)**

1. We refer to the Agreement. This is a Transfer Certificate. Terms defined in the Agreement have the same meaning in this Transfer Certificate unless given a different meaning in this Transfer Certificate.
2. We refer to Clause 28.2 (*Procedure for transfer*):
  - (a) The Existing Lender and the New Lender agree to the Existing Lender transferring to the New Lender by novation all or part of the Existing Lender's Commitment, rights and obligations referred to in the Schedule in accordance with Clause 28.2 (*Procedure for transfer*).
  - (b) The proposed Transfer Date is [•].
  - (c) The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of Clause 35.2 (*Addresses*) are set out in the Schedule.
3. The New Lender expressly acknowledges the limitations on the Existing Lender's obligations set out in of Clause 28.3 (*Limitation of responsibility of Existing Lenders*).
4. The New Lender confirms that the person beneficially entitled to interest payable to that Lender in respect of an advance under a Finance Document is a Qualifying Lender as defined in Clause[s] [insert appropriate references from Clause 17 (Taxes)].
5. [The New Lender confirms that the person beneficially entitled to interest payable to that Lender in respect of an advance under a Finance Document is either:
  - (a) a company resident in the United Kingdom for United Kingdom tax purposes;
  - (b) a partnership each member of which is:
    - (i) a company so resident in the United Kingdom; or

<sup>1</sup> Include if the New Lender includes a Treaty Passport Scheme notification (see clause 17.3(p)). To be provided to the Company within 7 days.

- (ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of CTA 2009) the whole of any share of interest payable in respect of that advance that falls to it by reason of Chapter 9 of Part 5 of CTA 2009; or
- (c) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of CTA 2009) of that company.]<sup>2</sup>

[5 The New Lender notifies the Company that its Treaty Passport reference number is [ ] and it is tax resident in [ ], and, accordingly, interest payable to it by borrowers is generally subject to full exemption from UK withholding tax.]<sup>3</sup>

[6/7] The New Lender represents that it is a “professional market party” (*professionele marktpartij*), as that term is used in the Netherlands Financial Supervision Act (*wet op het financieel toezicht*).

[7/8] The New Lender confirms that it [is]/[is not]<sup>4</sup> an Affected Lender.

[8/9] This Transfer Certificate may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Transfer Certificate.

[9/10] This Transfer Certificate and any non-contractual obligations arising out of or in connection with it are governed by English law.

<sup>2</sup> Include only if the New Lender is a U.K. Non-Bank Lender.

<sup>3</sup> Include only if the New Lender is a Treaty Passport holder required to notify under Clause 17.3(p).

<sup>4</sup> Delete as applicable.

**The Schedule**

**Commitment/rights and obligations to be transferred**

*[insert relevant details]*

*[Facility Office address, fax number and attention details for notices and account details for payments,]*

[Existing Lender ]

[New Lender]

By: \_\_\_\_\_

By: \_\_\_\_\_

This Transfer Certificate is accepted by the Facilities Agent and the Transfer Date is confirmed as [•].

*[Facilities Agent]*

By: \_\_\_\_\_

SCHEDULE 6

FORM OF ACCESSION LETTER

To: [•] as *Facilities Agent*  
From: [Subsidiary] and CARNIVAL CORPORATION/CARNIVAL PLC  
Dated: [•]

Dear Sirs

**CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,600,000,000, £150,000,000 and €450,000,000 Multicurrency Revolving Facilities Agreement dated [•] (the Agreement)**

1. We refer to the Agreement. This is an Accession Letter. Terms defined in the Agreement have the same meaning in this Accession Letter unless given a different meaning in this Accession Letter.
2. [Subsidiary] agrees to become an Additional Borrower and to be bound by the terms of the Agreement as an Additional Borrower pursuant to Clause 29.2 (*Additional Borrowers*) of the Agreement. [Subsidiary] is a company duly incorporated under the laws of [name of relevant jurisdiction].
3. [Subsidiary's] administrative details are as follows:
  - Address:
  - Fax No:
  - Attention:
4. This Accession Letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

CARNIVAL CORPORATION

[Subsidiary]

CARNIVAL PLC

SCHEDULE 7

FORM OF RESIGNATION LETTER

To: [•] as *Facilities Agent*  
From: [resigning Borrower] and CARNIVAL CORPORATION/CARNIVAL PLC  
Dated: [•]

Dear Sirs

**CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,600,000,000, £150,000,000 and €450,000,000 Multicurrency Revolving Facilities Agreement dated [•] (the Agreement)**

1. We refer to the Agreement. This is a Resignation Letter. Terms defined in the Agreement have the same meaning in this Resignation Letter unless given a different meaning in this Resignation Letter.
2. Pursuant to Clause 29.3 (*Resignation of a Borrower*), we request that [resigning Borrower] be released from its obligations as a Borrower under the Agreement.
3. We confirm that:
  - (a) no Default is outstanding or would result from the acceptance of this request; and
  - (b) as at the date of this request no amount owed by [resigning Borrower] under the Agreement is outstanding.
4. This Resignation Letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

CARNIVAL CORPORATION

[*Subsidiary*]

By: \_\_\_\_\_

By: \_\_\_\_\_

CARNIVAL PLC

By: \_\_\_\_\_



SCHEDULE 8

FORM OF COMPLIANCE CERTIFICATE

To: [•] as *Facilities Agent*  
From: CARNIVAL CORPORATION  
Dated: [•]

Dear Sirs

**CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,600,000,000, £150,000,000 and €450,000,000 Multicurrency Revolving Facilities Agreement dated [•] (the Agreement)**

1. We refer to the Agreement. This is a Compliance Certificate. Terms defined in the Agreement have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.

2. We confirm that as at [relevant testing date]:

- (a) Issued Capital and Consolidated Reserves was [ ];
- (b) The aggregate of Borrowed Moneys was [ ]; and Consolidated Capital was [ ]; therefore the aggregate of Borrowed Moneys as a percentage of Consolidated Capital was [ ].
- (c) EBITDA was [ ] and Consolidated Net Interest Charges was [ ]; therefore the ratio of EBITDA to Consolidated Net Interest Charges was [ ] to 1.

3. We set out below calculations establishing the figures in paragraph 2 above:

[ ].

4. [We confirm that no Default is outstanding as at [relevant testing date]\*.]

Signed: \_\_\_\_\_

Senior Financial Officer of

CARNIVAL CORPORATION

\* If this statement cannot be made, the certificate should identify any Default that is outstanding and the steps, if any, being taken to remedy it.

FORM OF CONFIDENTIALITY UNDERTAKING

To: [Transferring Lender]

Re: CARNIVAL CORPORATION – USD1,600,000,000, £150,000,000 and €450,000,000 Multicurrency Revolving Facilities Agreement dated [•] (the Agreement)

[Carnival Plc./Carnival Corporation] (the Company)

Amount:

Facilities Agent:

Dear Sirs

We are considering acquiring an interest in the Agreement which, subject to the Agreement, may be by way of novation, assignment, the entering into, whether directly or indirectly, of a sub-participation or any other transaction under which payments are to be made or may be made by reference to one or more Finance Documents and/or one or more Obligors or by way of investing in or otherwise financing, directly or indirectly, any such novation, assignment, sub-participation or other transaction (the **Acquisition**). In consideration of you agreeing to make available to us certain information, by our signature of this letter we agree as follows (acknowledged and agreed by you by your signature of a copy of this letter):

**1. CONFIDENTIALITY UNDERTAKING**

We undertake (a) to keep all Confidential Information confidential and not to disclose it to anyone save to the extent permitted by paragraph 2 below and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to our own confidential information and (b) until the Acquisition is completed to use the Confidential Information only for the Permitted Purpose.

**2. PERMITTED DISCLOSURE**

You agree that we may disclose:

- (a) to any of our Affiliates and any of our or their officers, directors, employees, professional advisers and auditors such Confidential Information as we shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph 2(a) is informed in writing of its confidential nature and that some or all of such Confidential Information may be price-sensitive information, except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information;
- (b) subject to the requirements of the Agreement, to any person:
  - (i) to (or through) whom we assign or transfer (or may potentially assign or transfer) all or any of our rights and/or obligations which we may acquire under the Agreement such Confidential Information as we shall consider appropriate if the person to whom the Confidential Information is to be given pursuant to this sub-paragraph (i) of paragraph 2(b) has delivered a letter to us in equivalent form to this letter;

- (ii) with (or through) whom we enter into (or may potentially enter into) any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to the Agreement or any Obligor such Confidential Information as we shall consider appropriate if the person to whom the Confidential Information is to be given pursuant to this sub-paragraph (ii) of paragraph 2(b) has delivered a letter to us in equivalent form to this letter;
  - (iii) to whom information is required or requested to be disclosed by any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation such Confidential Information as we shall consider appropriate; and
- (c) notwithstanding paragraphs 2(a) and 2(b). above, Confidential Information to such persons to whom, and on the same terms as, a Finance Party is permitted to disclose Confidential Information under the Agreement, as if such permissions were set out in full in this letter and as if references in those permissions to Finance Party were references to us.

### **3. NOTIFICATION OF DISCLOSURE**

We agree (to the extent permitted by law and regulation) to inform you:

- (a) of the circumstances of any disclosure of Confidential Information made pursuant to sub-paragraph (iii) of paragraph 2(b) above except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
- (b) upon becoming aware that Confidential Information has been disclosed in breach of this letter.

### **4. RETURN OF COPIES**

If we do not enter into the Acquisition and you so request in writing, we shall return all Confidential Information supplied by you to us and destroy or permanently erase (to the extent technically practicable) all copies of Confidential Information made by us and use our reasonable endeavours to ensure that anyone to whom we have supplied any Confidential Information destroys or permanently erases (to the extent technically practicable) such Confidential Information and any copies made by them, in each case save to the extent that we or the recipients are required to retain any such Confidential Information by any applicable law, rule or regulation or by any competent judicial, governmental, supervisory or regulatory body or in accordance with internal policy, or where the Confidential Information has been disclosed under paragraph 2(b)(iii) above.

### **5. CONTINUING OBLIGATIONS**

The obligations in this letter are continuing and, in particular, shall survive and remain binding on us until (a) if we acquire an interest in the Agreement by way of novation, the date on which we acquire such an interest; (b) if we enter into the Acquisition other than by way of novation, the date falling 24 months after termination of that Acquisition; or (c) in any other case 24 months after the date of this letter.

## **6. NO REPRESENTATION; CONSEQUENCES OF BREACH, ETC**

We acknowledge and agree that:

- (a) neither you nor any member of the Group nor any of your or their respective officers, employees or advisers (each a **Relevant Person**) (i) make any representation or warranty, express or implied, as to, or assume any responsibility for, the accuracy, reliability or completeness of any of the Confidential Information or any other information supplied by you or the assumptions on which it is based or (ii) shall be under any obligation to update or correct any inaccuracy in the Confidential Information or any other information supplied by you or be otherwise liable to us or any other person in respect of the Confidential Information or any such information; and
- (b) you or members of the Group may be irreparably harmed by the breach of the terms of this letter and damages may not be an adequate remedy; each Relevant Person may be granted an injunction or specific performance for any threatened or actual breach of the provisions of this letter by us.

## **7. ENTIRE AGREEMENT; NO WAIVER; AMENDMENTS, ETC**

- (a) This letter constitutes the entire agreement between us in relation to our obligations regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.
- (b) No failure or delay in exercising any right or remedy under this letter will operate as a waiver thereof nor will any single or partial exercise of any right or remedy preclude any further exercise thereof or the exercise of any other right or remedy under this letter.
- (c) The terms of this letter and our obligations under this letter may only be amended or modified by written agreement between us and the Company.

## **8. INSIDE INFORMATION**

We acknowledge that some or all of the Confidential Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and we undertake not to use any Confidential Information for any unlawful purpose.

## **9. NATURE OF UNDERTAKINGS**

The undertakings given by us under this letter are given to you and are also given for the benefit of the Company and each other member of the Group.

## **10. THIRD PARTY RIGHTS**

- (a) Subject to this paragraph 10 and to paragraphs 6 and 9, a person who is not a party to this letter has no right under the Contracts (Rights of Third Parties) Act 1999 (the **Third Parties Act**) to enforce or to enjoy the benefit of any term of this letter.

- (b) The Relevant Persons may enjoy the benefit of the terms of paragraphs 6 and 9 subject to and in accordance with this paragraph 10 and the provisions of the Third Parties Act.
- (c) Notwithstanding any provisions of this letter, the parties to this letter do not require the consent of any Relevant Person (other than the Company) to rescind or vary this letter at any time.

#### 11. GOVERNING LAW AND JURISDICTION

- (a) This letter (including the agreement constituted by your acknowledgement of its terms) (the **Letter**) and any non-contractual obligations arising out of or in connection with it (including any non-contractual obligations arising out of the negotiation of the transaction contemplated by this Letter) are governed by English Law.
- (b) The courts of England have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Letter (including a dispute relating to any non-contractual obligation arising out of or in connection with either this Letter or the negotiation of the transaction contemplated by this Letter).

#### 12. DEFINITIONS

In this letter (including the acknowledgement set out below) terms defined in the Agreement shall, unless the context otherwise requires, have the same meaning and:

**Confidential Information** means all information relating to the Company, any Obligor, the Group, the Finance Documents, a Facility and/or the Acquisition which is provided to us in relation to the Finance Documents or a Facility by you or any of your affiliates or advisers, in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes information that:

- (a) is or becomes public information other than as a direct or indirect result of any breach by us of this letter; or
- (b) is identified in writing at the time of delivery as non-confidential by you or your advisers; or
- (c) is known by us before the date the information is disclosed to us by you or any of your affiliates or advisers or is lawfully obtained by us after that date, from a source which is, as far as we are aware, unconnected with the Group and which, in either case, as far as we are aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality;

**Group** means the Company and its subsidiaries for the time being (as such term is defined in the Companies Act 2006); and

**Permitted Purpose** means considering and evaluating whether to enter into the Acquisition.

Please acknowledge your agreement to the above by signing and returning the enclosed copy.

Yours faithfully

---

For and on behalf of  
[Potential Purchaser]

To: [Potential Purchaser]

We acknowledge and agree to the above:

---

For and on behalf of  
[Seller]

**SCHEDULE 10**

**TIMETABLES**

Each time shown below represents the Specified Time by which the relevant action listed in the far left column must be completed on a particular day:

	<b>Part A Loans</b>			
	<u>Loans in US Dollars</u>	<u>Loans in euro</u>	<u>Loans in sterling</u>	<u>Loans in other currencies</u>
Facilities Agent notifies the Company if a currency is approved as an Optional Currency in accordance with Clause 10.3 ( <i>Conditions relating to Optional Currencies</i> )				3:00 pm (London time) 4 Business Days before the proposed Utilisation Date
Delivery of a duly completed Loan Utilisation Request (Clause 5.1 ( <i>Delivery of a Loan Utilisation Request</i> ))	4:00 pm (London time) 3 Business Days before the proposed Utilisation Date	4:00 pm (London time) 3 Business Days before the proposed Utilisation Date	4:00 pm (London time) 1 Business Day before the proposed Utilisation Date	4:00 pm (London time) 3 Business Days before the proposed Utilisation Date
Facilities Agent notifies the Lenders of the Loan in accordance with Clause 5.4 ( <i>Lender's participation</i> )	5:00 pm (London time) 3 Business Days before the proposed Utilisation Date	5:00 pm (London time) 3 Business Days before the proposed Utilisation Date	5:00 pm (London time) 1 Business Days before the proposed Utilisation Date	5:00 pm (London time) 3 Business Days before the proposed Utilisation Date
Facilities Agent receives a notification from a Lender under Clause 10.2 ( <i>Unavailability of a currency</i> )				9:00 am (London time) 2 Business Days before the proposed Utilisation Date
Facilities Agent gives notice in accordance with Clause 10.2 ( <i>Unavailability of a currency</i> )				10:00 am (London time) 2 Business Days before the proposed Utilisation Date
LIBOR or EURIBOR is fixed	11:00 am (London time) on the Quotation Day	11:00 am (Brussels time) on the Quotation Day	11:00 am (London time) on the Quotation Day	11:00 am (London time) on the Quotation Day

	<u>Loans in US Dollars</u>	<u>Loans in euro</u>	<u>Loans in sterling</u>	<u>Loans in other currencies</u>
Lenders to make available their participation in a Loan under Clause 5.4 ( <i>Lenders' participation</i> )	2:00 pm (London time) on the Utilisation Date	2:00 pm (London time) on the Utilisation Date	2:00 pm (London time) on the Utilisation Date	2:00 pm (London time) on the Utilisation Date



**Part B**  
**Bonds**

Facilities Agent notifies the Company if a currency is approved as an Optional Currency in accordance with Clause 10.3 ( <i>Conditions relating to Optional Currencies</i> )	8 Business Days before the proposed Bond Utilisation
Delivery of a duly completed Bond Utilisation Request (Clause 6.3 ( <i>Delivery of a Bond Utilisation Request</i> ))	3:00 pm (London time) 7 Business Days before the proposed Bond Utilisation
Facilities Agent notifies the relevant Fronting Bank and the Lenders of the Bond in accordance with Clause 6.7 ( <i>Issue of Bonds</i> )	5:00 pm (London time) 7 Business Days before the proposed Bond Utilisation
Delivery of a duly completed Renewal Request (Clause 6.8(a) ( <i>Renewal of a Bond</i> ))	4 Business Days before the proposed Bond Utilisation on renewal.
Facilities Agent notifies the relevant Fronting Bank and the Lenders of the Renewal Request in accordance with Clause 6.8(e) ( <i>Renewal of a Bond</i> )	3 Business Days before the proposed Bond Utilisation on renewal.

**Part C**  
**Swingline Loans**

	<u>Tranche A</u>	<u>Tranche B</u>	<u>Tranche C</u>
Delivery of a duly completed Swingline Loan Utilisation Request (Clause 8.2 ( <i>Delivery of a Swingline Loan Utilisation Request</i> ))	11:00 am (New York time) on the Utilisation Date	10:30 am (London time) on the Utilisation Date	9:00 am (London time) on the Utilisation Date
Facilities Agent notifies each Swingline Lender of the amount of its participation in the Swingline Loan under Clause 8.5 ( <i>Swingline Lenders' participation</i> )	11:30 am (New York time) on the Utilisation Date	11:00 am (London time) on the Utilisation Date	10:00 am (London time) on the Utilisation Date
Facilities Agent determines the prime commercial lending rate under Clause 9.6 ( <i>Interest</i> )	9:30 am (New York time) on the Utilisation Date	Not applicable	Not applicable
Lenders to make available their participation in a Loan under Clause 8.5 ( <i>Swingline Lenders' participation</i> )	2:00 pm (New York time) on the Utilisation Date	2:00 pm (London time) on the Utilisation Date	2:00 pm (London time) on the Utilisation Date

SCHEDULE 11

FORM OF INCREASE CONFIRMATION

To: [•] as Facilities Agent, [[•] as Fronting Banks<sup>5</sup>] and Carnival Corporation as the Company, for and on behalf of each Obligor

[Copied to: The Company]<sup>6</sup>

From: [the *Increase Lender*] (the ***Increase Lender***)

Dated: [•]

Dear Sirs

**CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,600,000,000, £150,000,000 and €450,000,000 Multicurrency Revolving Facilities Agreement dated [•] (the *Agreement*)**

1. We refer to the Agreement. This is an Increase Confirmation. Terms defined in the Agreement have the same meaning in this Increase Confirmation unless given a different meaning in this Increase Confirmation.
2. We refer to Clause 2.2 (*Increase*).
3. The Increase Lender agrees to assume and will assume all of the obligations corresponding to the [Commitment/Swingline Commitment] specified in the Schedule (the ***Relevant Commitment***) as if it was an Original Lender under the Agreement.
4. The proposed date on which the increase in relation to the Increase Lender and the Relevant Commitment is to take effect (the ***Increase Date***) is [•].
5. On the Increase Date, the Increase Lender becomes party to the Finance Documents as a Lender.
6. The Facility Office and address, fax number and attention details for notices to the Increase Lender for the purposes of Clause 35.2 (*Addresses*) are set out in the Schedule.
7. The Increase Lender expressly acknowledges the limitations on the Lenders' obligations referred to in Clause 2.2(g) (*Increase*).
8. The Increase Lender confirms that the person beneficially entitled to the interest payable to that Lender in respect of an advance under a Finance Document is a Qualifying Lender as defined in Clause[s] [insert appropriate references from Clause 17 (Taxes)].
9. [The Increase Lender confirms that the person beneficially entitled to interest payable to that Lender in respect of an advance under a Finance Document is either:
  - (a) a company resident in the United Kingdom for United Kingdom tax purposes; or

<sup>5</sup> Only if increase in the Total Tranche A Commitments.

<sup>6</sup> Include if the Increase Lender includes a Treaty Passport Scheme notification (see clause 17.3(p)). To be provided to the Company within 7 days.

- (b) a partnership each member of which is:
- (i) a company so resident in the United Kingdom; or
  - (ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of CTA 2009) the whole of any share of interest payable in respect of that advance that falls to it by reason of Chapter 9 of Part 5 of CTA 2009; or
- (c) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of CTA 2009) of that company.<sup>7</sup>

[9 The Increase Lender notifies the Company that its Treaty Passport reference number is [ ] and it is tax resident in [ ], and, accordingly, interest payable to it by borrowers is generally subject to full exemption from UK withholding tax.<sup>8</sup>

[10/11.] The Increase Lender confirms that it [is]/[is not]<sup>9</sup> an Affected Lender.<sup>10</sup>

[11/12.] This Increase Confirmation may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Increase Confirmation.

[12/13.] This Increase Confirmation and any non-contractual obligations arising out of or in connection with it are governed by English law.

[13/14.] This Agreement has been entered into on the date stated at the beginning of this Agreement.

<sup>7</sup> Include only if New Lender is a U.K. Non-Bank Lender i.e. falls within such definition in Clause 17.2 (*General*).

<sup>8</sup> Include only if the Increase Lender is a Treaty Passport holder required to notify under clause 17.3(p).

<sup>9</sup> Delete as applicable.

<sup>10</sup> Include only if the increase involves the assumption of a Tranche A Commitment.

**THE SCHEDULE**  
**Relevant Commitment/rights and obligations to be assumed by the Increase Lender**

*[insert relevant details]*

*[Facility office address, fax number and attention details for notices and account details for payments]*

[Increase Lender]

By: \_\_\_\_\_

This Increase Confirmation is accepted as an Increase Confirmation for the purposes of the Agreement by the Facilities Agent [and the Fronting Bank[s] below]\* and the Increase Date is confirmed as [•].

Facilities Agent

[Fronting Bank

By: \_\_\_\_\_

By:]\* \_\_\_\_\_

NOTE:

\* Only if increase in the Total Tranche A Commitments.

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SIGNATORIES

**CARNIVAL CORPORATION**

By: SIMON WALTERS

**CARNIVAL PLC**

By: SIMON WALTERS

**COSTA CROCIERE S.p.A.**

By: JOSHUA WEINSTEIN

**CC U.S. VENTURES, INC.**

By: JOSHUA WEINSTEIN

**PRINCESS CRUISE & TOURS, INC.**

By: JOSHUA WEINSTEIN

**HOLLAND AMERICA LINE-USA INC.**

By: JOSHUA WEINSTEIN

**CARNIVAL FC B.V.**

By: JOSHUA WEINSTEIN

**Guarantors**

**CARNIVAL CORPORATION**

By: SIMON WALTERS

**CARNIVAL PLC**

By: SIMON WALTERS

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**Arrangers**

**BANC OF AMERICA SECURITIES LIMITED**

By: SHAUN DREYER

**BNP PARIBAS**

By: MARK PEGRUM

SUE MINGAY

**GOLDMAN SACHS BANK USA**

By: MARK WALTON

**INTESA SANPAOLO S.P.A.**

By: PHIL EXWORTHY

GUY PASHLEY

**J.P. MORGAN LIMITED**

By: JON ABANDO

**LLOYDS TSB BANK PLC**

By: IAN DIMMOCK

**MIZUHO CORPORATE BANK, LTD.**

By: ROBERT PETTITT

**THE ROYAL BANK OF SCOTLAND PLC**

By: PHILIPPA CRAWFORD

**UNICREDIT S.P.A. LONDON BRANCH**

By: PIERPAOLO CODA

VINCENT WRIGHT

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**Original Lenders**

**Tranche A**

**BANK OF AMERICA N.A.**

By: JUSTIN LIEN

**BNP PARIBAS**

By: FEDERIC FOURNIER

BENJAMIN SILEO

**GOLDMAN SACHS BANK USA**

By: MARK WALTON

**INTESA SANPAOLO S.P.A.**

By: PHIL EXWORTHY

GUY PASHLEY

**JPMORGAN CHASE BANK, N.A.**

By: MARC E. COSTANTINO

**LLOYDS TSB BANK PLC**

By: NIGEL DUFFIELD

**MIZUHO CORPORATE BANK, LTD.**

By: ROBERT PETTITT

**THE ROYAL BANK OF SCOTLAND PLC**

By: PHILIPPA CRAWFORD

**UNICREDIT S.P.A. LONDON BRANCH**

By: PIERPAOLO CODA

VINCENT WRIGHT

**UBS LIMITED**

By: SHARON CANHAM

J CAMPBELL



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**US BANK NATIONAL ASSOCIATION**

By: PATRICK MCGRAW

**HSBC BANK PLC**

By: SIMON DEEFHOLTS

**SOCIETE GENERALE**

By: DENIS STAS DE RICHELLE

**ROYAL BANK OF CANADA**

By: DAVID COLE

**PNC BANK, NATIONAL ASSOCIATION**

By: JOSE MAZARIEGOS

**DNB NOR BANK ASA**

By: CATHLEEN BUCKLEY

SANJIV NAYAR

**AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED**

By: SARAH TANI

**DEUTSCHE BANK AG, LONDON BRANCH**

By: DAVID GARCIA-CAPEL

MICHAEL STARMER-SMITH

**KFW IPEX-BANK GMBH**

By: AIDA WELKER

CLAUDIA WENZEL

**SUMITOMO MITSUI BANKING CORPORATION**

By: SHUJI YABE

**BANCO SANTANDER, S.A., LONDON BRANCH**

By: HECTOR GARCIA ARMERO

KIERAN RYAN

**BANCO BILBAO VIZCAYA ARGENTARIA, S.A., LONDON BRANCH**

By: DAVID ROCA

NICK CONWAY

**WELLS FARGO BANK, N.A.**

By: KATHLEEN REEDY

**Tranche B**

**BANK OF AMERICA N.A.**

By: JUSTIN LIEN

**BNP PARIBAS**

By: MARK PEGRUM

SUE MINGAY

**GOLDMAN SACHS BANK USA**

By: MARK WALTON

**INTESA SANPAOLO S.P.A.**

By: PHIL EXWORTHY

GUY PASHLEY

**JPMORGAN CHASE BANK, N.A.**

By: MARC E. COSTANTINO

**LLOYDS TSB BANK PLC**

By: NIGEL DUFFIELD

**MIZUHO CORPORATE BANK, LTD.**

By: ROBERT PETTITT

**THE ROYAL BANK OF SCOTLAND PLC**

By: PHILIPPA CRAWFORD

**UNICREDIT S.P.A. LONDON BRANCH**

By: PIERPAOLO CODA

VINCENT WRIGHT

**UBS LIMITED**

By: SHARON CANHAM

J CAMPBELL

**US BANK NATIONAL ASSOCIATION**

By: PATRICK MCGRAW

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**HSBC BANK PLC**

By: SIMON DEEFHOLTS

**SOCIETE GENERALE**

By: DENIS STAS DE RICHELLE

**ROYAL BANK OF CANADA**

By: DAVID COLE

**PNC BANK, NATIONAL ASSOCIATION**

By: JOSE MAZARIEGOS

**DNB NOR BANK ASA**

By: CATHLEEN BUCKLEY

SANJIV NAYAR

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MICHAEL STARMER-SMITH

**KFW IPEX-BANK GMBH**

By: AIDA WELKER

CLAUDIA WENZEL

**SUMITOMO MITSUI BANKING CORPORATION**

By: SHUJI YABE

**BANCO SANTANDER, S.A., LONDON BRANCH**

By: HECTOR GARCIA ARMERO

KIERAN RYAN

**BANCO BILBAO VIZCAYA ARGENTARIA, S.A., LONDON BRANCH**

By: DAVID ROCA

NICK CONWAY

**WELLS FARGO BANK, N.A.**

By: KATHLEEN REEDY

**Tranche C**

**BANK OF AMERICA N.A.**

By: JUSTIN LIEN

**BANCA NAZIONALE DEL LAVORO SPA**

By: MARK PEGRUM

SUE MINGAY

**INTESA SANPAOLO S.P.A.**

By: PHIL EXWORTHY

GUY PASHLEY

**JPMORGAN CHASE BANK, N.A.**

By: MARC E. COSTANTINO

**MIZUHO CORPORATE BANK, LTD.**

By: ROBERT PETTITT

**THE ROYAL BANK OF SCOTLAND PLC**

By: PHILIPPA CRAWFORD

**UNICREDIT S.P.A. LONDON BRANCH**

By: PIERPAOLO CODA

VINCENT WRIGHT

**HSBC BANK PLC**

By: SIMON DEEFHOLTS

**SOCIETE GENERALE**

By: DENIS STAS DE RICHELLE

**BANCO SANTANDER, S.A., MILAN BRANCH**

By: HECTOR GARCIA ARMERO

KIERAN RYAN

**BANCO BILBAO VIZCAYA ARGENTARIA, S.A., MILAN BRANCH**

By: DAVID ROCA

NICK CONWAY

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**Original Swingline Lenders**

**Swingline Tranche A**

**BANK OF AMERICA N.A.**

By: JUSTIN LIEN

**BNP PARIBAS**

By: FEDERIC FOURNIER

BENJAMIN SILEO

**GOLDMAN SACHS BANK USA**

By: MARK WALTON

**INTESA SANPAOLO S.P.A.**

By: PHIL EXWORTHY

GUY PASHLEY

**JPMORGAN CHASE BANK, N.A.**

By: MARC E. COSTANTINO

**LLOYDS TSB BANK PLC**

By: NIGEL DUFFIELD

**MIZUHO CORPORATE BANK, LTD.**

By: ROBERT PETTITT

**THE ROYAL BANK OF SCOTLAND PLC**

By: PHILIPPA CRAWFORD

**UNICREDIT S.P.A. LONDON BRANCH**

By: PIERPAOLO CODA

VINCENT WRIGHT

**UBS LOAN FINANCE LLC**

By: SHARON CANHAM

J CAMPBELL

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**US BANK NATIONAL ASSOCIATION**

By: PATRICK MCGRAW

**HSBC BANK PLC**

By: SIMON DEEFHOLTS

**SOCIETE GENERALE**

By: DENIS STAS DE RICHELLE

**PNC BANK, NATIONAL ASSOCIATION**

By: JOSE MAZARIEGOS

**DNB NOR BANK ASA**

By: CATHLEEN BUCKLEY

SANJIV NAYAR

**AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED**

By: SARAH TANI

**DEUTSCHE BANK AG, NEW YORK BRANCH**

By: DAVID GARCIA-CAPEL

MICHAEL STARMER-SMITH

**BANCO SANTANDER, S.A., NEW YORK BRANCH**

By: HECTOR GARCIA ARMERO

KIERAN RYAN

**BANCO BILBAO VIZCAYA ARGENTARIA, S.A., LONDON BRANCH**

By: DAVID ROCA

NICK CONWAY

**WELLS FARGO BANK, N.A.**

By: KATHLEEN REEDY



**Swingline Tranche B**

**BANK OF AMERICA N.A.**

By: JUSTIN LIEN

**BNP PARIBAS**

By: MARK PEGRUM

SUE MINGAY

**GOLDMAN SACHS BANK USA**

By: MARK WALTON

**INTESA SANPAOLO S.P.A.**

By: PHIL EXWORTHY

GUY PASHLEY

**JPMORGAN CHASE BANK, N.A.**

By: MARC E. COSTANTINO

**LLOYDS TSB BANK PLC**

By: NIGEL DUFFIELD

**MIZUHO CORPORATE BANK, LTD.**

By: ROBERT PETTITT

**THE ROYAL BANK OF SCOTLAND PLC**

By: PHILIPPA CRAWFORD

**UNICREDIT S.P.A. LONDON BRANCH**

By: PIERPAOLO CODA

VINCENT WRIGHT

**UBS LIMITED**

By: SHARON CANHAM

J CAMPBELL

**US BANK NATIONAL ASSOCIATION**

By: PATRICK MCGRAW

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**HSBC BANK PLC**

By: SIMON DEEFHOLTS

**SOCIETE GENERALE**

By: DENIS STAS DE RICHELLE

**PNC BANK, NATIONAL ASSOCIATION**

By: JOSE MAZARIEGOS

**AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED**

By: SARAH TANI

**DEUTSCHE BANK AG, LONDON BRANCH**

By: DAVID GARCIA-CAPEL

MICHAEL STARMER-SMITH

**BANCO SANTANDER, S.A., LONDON BRANCH**

By: HECTOR GARCIA ARMERO

KIERAN RYAN

**BANCO BILBAO VIZCAYA ARGENTARIA, S.A., LONDON BRANCH**

By: DAVID ROCA

NICK CONWAY

**Swingline Tranche C**

**BANK OF AMERICA N.A.**

By: JUSTIN LIEN

**BANCA NAZIONALE DE LAVORO SPA**

By: MARK PEGRUM

SUE MINGAY

**INTESA SANPAOLO S.P.A.**

By: PHIL EXWORTHY

GUY PASHLEY

**JPMORGAN CHASE BANK, N.A.**

By: MARC E. COSTANTINO

**MIZUHO CORPORATE BANK, LTD.**

By: ROBERT PETTITT

**THE ROYAL BANK OF SCOTLAND PLC**

By: PHILIPPA CRAWFORD

**UNICREDIT S.P.A. LONDON BRANCH**

By: PIERPAOLO CODA

VINCENT WRIGHT

**HSBC BANK PLC**

By: SIMON DEEFHOLTS

**SOCIETE GENERALE**

By: DENIS STAS DE RICHELLE

**BANCO SANTANDER, S.A., MILAN BRANCH**

By: HECTOR GARCIA ARMERO

KIERAN RYAN

**BANCO BILBAO VIZCAYA ARGENTARIA, S.A., MILAN BRANCH**

By: DAVID ROCA

NICK CONWAY

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**Facilities Agent**

**BANC OF AMERICA SECURITIES LIMITED**

By: MARK HARRISON

**Original Fronting Banks**

**BANK OF AMERICA N.A.**

By: JUSTIN LIEN

**JPMORGAN CHASE BANK, N.A.**

By: MARC E. COSTANTINO

**CARNIVAL CORPORATION & PLC**  
**Ratio of Earnings to Fixed Charges**  
(in millions, except ratios)

	Six Months Ended	
	May 31,	
	2011	2010
Net income	\$ 358	\$ 427
Income tax expense (benefit), net	3	(16)
Income before income taxes	<u>361</u>	<u>411</u>
Fixed charges		
Interest expense, net	177	195
Interest portion of rent expense (a)	10	11
Capitalized interest	<u>12</u>	<u>13</u>
Total fixed charges	<u>199</u>	<u>219</u>
Fixed charges not affecting earnings		
Capitalized interest	<u>(12)</u>	<u>(13)</u>
Earnings before fixed charges	<u>\$ 548</u>	<u>\$ 617</u>
Ratio of earnings to fixed charges	<u>2.8x</u>	<u>2.8x</u>

(a) Represents one-third of rent expense, which we believe to be representative of the interest portion of rent expense.

I, Micky Arison, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 1, 2011

By: /s/ Micky Arison

Micky Arison

Chairman of the Board of Directors

and Chief Executive Officer

I, Howard S. Frank, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 1, 2011

By: /s/ Howard S. Frank  
Howard S. Frank  
Vice Chairman of the Board of  
Directors and Chief Operating Officer

I, David Bernstein, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 1, 2011

By: /s/ David Bernstein  
David Bernstein  
Senior Vice President and  
Chief Financial Officer



I, Micky Arison, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 1, 2011

By: /s/ Micky Arison

Micky Arison

Chairman of the Board of Directors  
and Chief Executive Officer

I, Howard S. Frank, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 1, 2011

By: /s/ Howard S. Frank

Howard S. Frank

Vice Chairman of the Board of

Directors and Chief Operating Officer

I, David Bernstein, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 1, 2011

By: /s/ David Bernstein  
David Bernstein  
Senior Vice President and  
Chief Financial Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended May 31, 2011 as filed by Carnival Corporation with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival Corporation.

Date: July 1, 2011

By: /s/ Micky Arison

Micky Arison

Chairman of the Board of Directors  
and Chief Executive Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended May 31, 2011 as filed by Carnival Corporation with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival Corporation.

Date: July 1, 2011

By: /s/ Howard S. Frank

Howard S. Frank

Vice Chairman of the Board of

Directors and Chief Operating Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended May 31, 2011 as filed by Carnival Corporation with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival Corporation.

Date: July 1, 2011

By: /s/ David Bernstein  
David Bernstein  
Senior Vice President and  
Chief Financial Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended May 31, 2011 as filed by Carnival plc with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival plc.

Date: July 1, 2011

By: /s/ Micky Arison

Micky Arison

Chairman of the Board of Directors  
and Chief Executive Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended May 31, 2011 as filed by Carnival plc with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival plc.

Date: July 1, 2011

By: /s/ Howard S. Frank

Howard S. Frank

Vice Chairman of the Board of

Directors and Chief Operating Officer



In connection with the Quarterly Report on Form 10-Q for the quarter ended May 31, 2011 as filed by Carnival plc with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival plc.

Date: July 1, 2011

By: /s/ David Bernstein  
David Bernstein  
Senior Vice President and  
Chief Financial Officer