SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

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

Date of report (Date of earliest event reported):
July 29, 2022

LOYALTY VENTURES INC.

(Exact Name of Registrant as Specified in Charter)

Delaware	**001-40776**	**87-1353472**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

8235 DOUGLAS AVENUE, SUITE 1200
DALLAS, TX 75225
(Address and Zip Code of Principal Executive Offices)

(972) 338-5170
(Registrant's Telephone Number, including Area Code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading symbol	Name of each exchange on which registered
Common stock, par value $0.01 per share	LYLT	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

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

Item 1.01 Entry Into a Material Definitive Agreement.

On July 29, 2022, Loyalty Ventures Inc. ("Loyalty Ventures," or the "Company"), together with certain subsidiaries as borrowers and certain other subsidiaries as guarantors, entered into Amendment No. 1 to Credit Agreement (Financial Covenant) (the "First Amendment") to the Company's Credit Agreement, dated as of November 3, 2021 with Bank of America, N.A., as administrative agent, and the lenders party thereto (the "Credit Agreement"). The First Amendment provides for adjustments to the financial maintenance covenant applicable to the term loan A and revolving credit facility as shown in the table below:

Four Fiscal Quarters Ending	Maximum Consolidated Total Leverage Ratio
December 31, 2021 through June 30, 2022	5.00:1.00
September 30, 2022 through September 30, 2023	5.75:1.00
December 31, 2023	5.50:1.00
March 31, 2024 through September 30, 2024	5.25:1.00
December 31, 2024 through March 31, 2025	5.00:1.00
June 30, 2025 and each fiscal quarter thereafter	4.75:1.00

The First Amendment further provides, among other things, for (i) certain adjustments to the definition of "Consolidated EBITDA" (as defined in the Credit Agreement) for purposes of computing the financial maintenance covenant, (ii) beginning with the quarter ending September 30, 2022, the permanent reduction of the amount of commitments under the revolving credit facility by $2,812,500 per quarter for each quarter as of the last day of which the Consolidated Total Leverage Ratio (as defined in the Credit Agreement) is in excess of 4.75:1.00, and (iii) certain additional limitations on the incurrence of additional indebtedness and the making of certain restricted payments.

The description of the First Amendment herein is qualified in its entirety by reference to the full text of such First Amendment, a copy of which is attached as Exhibit 10.1 hereto and incorporated by reference herein.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information provided in Item 1.01 above is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

The financial results of the Company's BrandLoyalty segment have been impacted in its markets by rising prices, supply chain disruptions and changing consumer preferences, particularly in light of the ongoing Russia invasion of Ukraine in Europe. As a result, and in partnership with its lenders, the Company proactively adjusted its Credit Agreement to provide more certainty and flexibility as it continues to execute on its strategic imperatives over the coming quarters.

Based on its current visibility, the Company now expects consolidated adjusted EBITDA for full year 2022 to be approximately $110 million, which represents the AIR MILES® Reward Program segment's contribution, as BrandLoyalty's contribution is expected to offset corporate expense. These financial results, together with the add-backs used to calculate Consolidated EBITDA (as defined in the Credit Agreement), are expected to enable the Company to maintain compliance with its revised loan covenants.

The Company will provide additional insight into current business conditions and its business outlook for full year 2022 in its earnings release, which is expected to be issued after market on Thursday, August 11, 2022 and on its conference call, which is scheduled to take place at 4 p.m. CT on that date.

Caution Regarding Forward-Looking Statements

This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements give our expectations or forecasts of future events and can generally be identified by the use of words such as “believe,” “expect,” “anticipate,” “estimate,” “intend,” “project,” “plan,” “likely,” “may,” “should” or other words or phrases of similar import. Similarly, statements that describe our business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements we make regarding, and the guidance we give with respect to, our anticipated operating or financial results and future economic conditions, including, but not limited to, continuing impacts related to COVID-19, including variants, reductions in government economic stimulus, labor shortages, reduction in demand from clients, supply chain disruption for our reward suppliers and disruptions in the airline or travel industries; changes in geopolitical conditions, including the Russian invasion of Ukraine; execution of restructuring plans and any resulting cost savings; loss of, or reduction in demand for services from, significant clients; loss of active AIR MILES® Reward Program collectors or greater than expected redemptions by the same; unfavorable resolution of pending or future litigation matters; disruption to operations due to the separation from our former parent or failure of the separation to be tax-free; our high level of indebtedness; increases in market interest rates; fluctuation in foreign exchange rates; new regulatory limitations related to consumer protection or data privacy limiting our services; and loss of consumer information due to compromised physical or cyber security.

We believe that our expectations are based on reasonable assumptions. Forward-looking statements, however, are subject to a number of risks and uncertainties that could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this release, and no assurances can be given that our expectations will prove to have been correct. These risks and uncertainties include, but are not limited to, factors set forth in the Risk Factors section of both (1) our Form 10-K for the most recently ended fiscal year and (2) any updates in Item 1A, or elsewhere, in our Quarterly Reports on Form 10-Q filed for periods subsequent to such Form 10-K or any updates thereto. Our forward-looking statements speak only as of the date made, and we undertake no obligation, other than as required by applicable law, to update or revise any forward-looking statements, whether as a result of new information, subsequent events, anticipated or unanticipated circumstances or otherwise.

Financial Measures

In addition to financial measures presented in accordance with generally accepted accounting principles, or GAAP, the Company may present financial measures that are non-GAAP measures, such as adjusted EBITDA. The Company believes that this non-GAAP financial measure, viewed in addition to and not in lieu of the Company’s reported GAAP results, provide useful information to investors regarding the Company’s performance, liquidity and overall results of operations. The Company uses adjusted EBITDA as an integral part of internal reporting to measure the performance and operational strength of reportable segments and to evaluate the performance of senior management. Adjusted EBITDA eliminates the uneven effect across all reportable segments of non-cash depreciation of tangible assets and amortization of intangible assets, including certain intangible assets that were recognized in business combinations, and the non-cash effect of stock compensation expense. In addition, adjusted EBITDA eliminates goodwill impairment, strategic transaction costs, which were comprised of amounts associated with the Employee Matters Agreement entered into as part of the separation, and restructuring and other charges.

Reconciliation of Non-GAAP Financial Measures

No reconciliation is provided with respect to forward looking annual guidance as we cannot reliably predict all necessary components or their impact to reconcile these non-GAAP measures without unreasonable effort. The events necessitating a non-GAAP adjustment are inherently unpredictable and may have a material impact on the Company’s future results.

The financial measures presented are consistent with the Company’s historical financial reporting practices. The non-GAAP financial measures presented herein may not be comparable to similarly titled measures presented by other companies and are not identical to corresponding measures used in other various agreements or public filings.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	**Document Description**
10.1	Amendment No. 1 to Credit Agreement (Financial Covenant), dated as of July 29, 2022, by and among Loyalty Ventures Inc., Brand Loyalty Group B.V., Brand Loyalty International B.V., as borrowers, certain other subsidiaries as guarantors, Bank of America, N.A., as administrative agent, and certain lenders party thereto.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

Note: The information contained in Item 7.01 of this Current Report on Form 8-K shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Loyalty Ventures Inc.

Date: August 4, 2022

By: /s/ Cynthia L. Hageman
Cynthia L. Hageman
Executive Vice President, General Counsel and Secretary

AMENDMENT NO. 1 TO CREDIT AGREEMENT (FINANCIAL COVENANT)

This AMENDMENT NO. 1 TO CREDIT AGREEMENT (FINANCIAL COVENANT) (this "Amendment"), dated as of July 29, 2022, is entered into by and among LOYALTY VENTURES INC., a Delaware corporation (the "Company"), BRAND LOYALTY GROUP B.V., BRAND LOYALTY HOLDING B.V. and BRAND LOYALTY INTERNATIONAL B.V., each a Netherlands private limited company (together with the Company, the "Borrowers"), each Guarantor (as defined in the Existing Credit Agreement (as defined below)) party hereto, each Lender (as defined in the Existing Credit Agreement) party hereto, and BANK OF AMERICA, N.A., as Administrative Agent (in such capacity, the "Administrative Agent").

RECITALS

WHEREAS, the Borrowers, the Guarantors, the Administrative Agent and the Lenders are parties to that certain Credit Agreement, dated as of November 3, 2021 (as amended hereby and as further amended, restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement" and the Credit Agreement prior to giving effect to this Amendment being referred to as the "Existing Credit Agreement"), pursuant to which the Lenders have extended certain revolving and term facilities to the Borrowers;

WHEREAS, the Company has requested that the Required Pro Rata Facilities Lenders agree to amend Section 7.11 of the Existing Credit Agreement (and certain defined terms and component defined terms used therein), as more particularly set forth below, and the Administrative Agent acknowledge such amendments, and the Required Pro Rata Facilities Lenders party to this Amendment and the Administrative Agent are each willing to effect such amendments and acknowledgements, as provided in, and on the terms and conditions contained in, this Amendment;

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Defined Terms. Unless otherwise defined herein, capitalized terms used herein shall have the meanings, if any, assigned to such terms in the Existing Credit Agreement, as amended by this Amendment.

2. Amendment to Credit Agreement. Subject to the terms and conditions hereof, and with effect from and after the Amendment No. 1 Effective Date (defined below), the Existing Credit Agreement is hereby amended (a) to delete red or green stricken text (indicated textually in the same manner as the following examples: ~~stricken text~~ and ~~stricken text~~) and (b) to add the blue or green double-underlined text (indicated textually in the same manner as the following examples: double-underlined text and double-underlined text), in each case, as set forth in the changed pages to the amended Credit Agreement attached hereto as Annex A hereto.

3. Representations and Warranties. By its execution hereof, each Borrower and each Guarantor (together, the "Loan Parties") hereby represents and warrants to the Administrative Agent and the Lenders as follows:

(a) the execution, delivery and performance by each Loan Party of this Amendment have been duly authorized by all necessary corporate or other organizational action and do not and will not (i) contravene the terms of any of such Loan Party's Organization Documents; (ii) conflict with or result in any breach or contravention of, or the creation of any Lien (other than Liens under the Loan Documents)

under, or require any payment to be made under (A) any Material Contract to which such Loan Party is a party or affecting such Loan Party or the properties of such Loan Party or any Subsidiary or (B) any material order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Loan Party or its property is subject; or (iii) violate any material Law;

(b) this Amendment (i) has been duly executed and delivered by each Loan Party that is party thereto, and (ii) constitutes a legal, valid and binding obligation of such Loan Party (and the Existing Credit Agreement as amended hereby constitutes the legal, valid and binding obligation of each Loan Party), in each case enforceable against each Loan Party that is party thereto in accordance with its terms, except to the extent that the enforceability thereof may be limited by applicable Debtor Relief Laws or by general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law);

(c) after giving effect to transactions contemplated to occur on or prior to the Amendment No. 1 Effective Date, the representations and warranties of each Loan Party contained in this Amendment and in each other Loan Document (including in Article V of the Credit Agreement), are true and correct in all material respects (or, if qualified by materiality or reference to Material Adverse Effect, in all respects) on and as of the Amendment No. 1 Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (or, if qualified by materiality or reference to Material Adverse Effect, in all respects) as of such earlier date, and except that for purposes of this clause (c), the representations and warranties contained in clauses (a) and (b) of Section 5.05 of the Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 6.01 of the Credit Agreement;

(d) no material approval, consent, exemption, authorization, or other material action by, or material notice to, or material filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Amendment (or the performance by, or enforcement against, any Loan Party of the Existing Credit Agreement as amended hereby) other than those that have already been obtained and are in full force and effect;

(e) no Default exists either before or immediately after the effectiveness of this Amendment on the Amendment No. 1 Effective Date.

The execution of this Amendment by each Loan Party shall constitute its affirmation as to the accuracy of the above representations and warranties as of the Amendment No. 1 Effective Date.

4. Amendment No. 1 Effective Date.

(a) This Amendment will become effective on the first date (the "Amendment No. 1 Effective Date") on which the following conditions precedent are satisfied:

(i) the Administrative Agent and the Lenders party hereto shall have received, in form and substance reasonably satisfactory to them, counterparts of this Amendment duly executed by each Loan Party and the Required Pro Rata Facilities Lenders, and acknowledged by the Administrative Agent;

(ii) the fact that immediately prior to and after giving effect to this Amendment, no Default has occurred and is continuing;

(iii) the accuracy of the representations and warranties of the Loan Parties contained in Section 3 above (as and to the extent set forth therein);

(iv) payment by the Company to the Administrative Agent for the account of each Revolving Lender and each Lender with outstanding Term A Loans, in each case, that executes and returns a signature page to this Amendment not later than 5:00 pm Eastern Time on Tuesday, July 26, 2022 of fees previously agreed to between the Company and the Administrative Agent and/or Bank of America Securities, Inc.;

(v) payment of all fees to the Administrative Agent and/or Bank of America Securities, Inc. required to be paid in connection with this Amendment pursuant to any separate agreement between the Company and the Administrative Agent and/or Bank of America Securities, Inc.;

(vi) all reasonable and documented out-of-pocket fees and expenses incurred by the Administrative Agent and/or its Affiliates (including the reasonable and documented out-of-pocket fees and expenses of counsel (subject to the limitations set forth in Section 10.04(a) of the Existing Credit Agreement)) shall have been paid to the extent invoiced at least three (3) Business Days prior to Amendment No. 1 Effective Date (without prejudice to any post-closing settlement of such fees and expenses to the extent not so invoiced).

(b) For purposes of determining compliance with the conditions specified in this Section 4, each Lender that has executed this Amendment and delivered it to the Administrative Agent shall be deemed to have consented to, approved or accepted, or to be satisfied with, each document or other matter required under this Section 4 to be consented to or approved by or acceptable or satisfactory to such Lender unless the Administrative Agent shall have received notice from such Lender prior to this Amendment being deemed effective by the Administrative Agent on the Amendment No. 1 Effective Date specifying its objection thereto.

(c) From and after the Amendment No. 1 Effective Date, the Existing Credit Agreement is amended as set forth herein.

(d) Except as expressly amended pursuant hereto, the Existing Credit Agreement and each other Loan Document shall remain unchanged and in full force and effect and each is hereby ratified and confirmed in all respects, and any waiver contained herein shall be limited to the express purpose set forth herein and shall not constitute a waiver of any other condition or circumstance under or with respect to the Credit Agreement or any of the other Loan Documents.

(e) The Administrative Agent will notify the Company and the relevant Lenders of the occurrence of the Amendment No. 1 Effective Date.

5. No Novation; Reaffirmation. Neither the execution and delivery of this Amendment nor the consummation of any other transaction contemplated hereunder is intended to constitute a novation of the Existing Credit Agreement, the Credit Agreement or of any of the other Loan Documents or any obligations thereunder. Each Loan Party (a) acknowledges and consents to all of the terms and conditions of this Amendment, (b) confirms and affirms all of its obligations under the Loan Documents, as amended by this Amendment, (c) confirms and affirms that each of the Liens granted in or pursuant to the Loan Documents are valid and subsisting as security for the payment and performance of the Obligations outstanding on the Amendment No. 1 Effective Date immediately prior to the effectiveness of the amendments provided by this Agreement and any Obligations outstanding at any time under the Credit Agreement, and (d) agrees that this Amendment and all documents executed in connection herewith (i) do not operate to reduce (other than to

the extent of the amendments set forth in this Amendment) or discharge any Loan Party's obligations under the Loan Documents and (ii) in no manner impair or otherwise adversely affect any of the Liens granted in or pursuant to the Loan Documents.

6. Miscellaneous.

(a) Except as herein expressly amended, all terms, covenants and provisions of the Existing Credit Agreement and each other Loan Document are and shall remain in full force and effect. All references in any Loan Document to the "Credit Agreement" or "this Agreement" (or similar terms intended to reference the Credit Agreement) shall henceforth refer to the Existing Credit Agreement as amended by this Amendment. This Amendment shall be deemed incorporated into, and a part of, the Credit Agreement.

(b) This Amendment shall be binding upon and inure to the benefit of the parties hereto, each other Lender, and their respective successors and assigns.

(c) THIS AMENDMENT IS SUBJECT TO THE PROVISIONS OF SECTIONS 10.14 , 10.15 AND 10.16 OF THE CREDIT AGREEMENT RELATING TO GOVERNING LAW, JURISDICTION, SERVICE OF PROCESS, VENUE AND WAIVER OF RIGHT TO TRIAL BY JURY, THE PROVISIONS OF WHICH ARE BY THIS REFERENCE INCORPORATED HEREIN IN FULL.

(d) This Amendment may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Amendment, the Credit Agreement and the other Loan Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4, this Amendment shall become effective when it shall have been acknowledged by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties required to be a party hereto. This Amendment may be in the form of an Electronic Record and may be executed using Electronic Signatures (including, without limitation, facsimile and .pdf) and shall be considered an original, and shall have the same legal effect, validity and enforceability as a paper record. This Amendment may not be amended except in accordance with the provisions of Section 10.01 of the Credit Agreement.

(e) If any provision of this Amendment, the Credit Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (i) the legality, validity and enforceability of the remaining provisions of this Amendment, the Credit Agreement and the other Loan Documents shall not be affected or impaired thereby and (ii) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

(f) The Borrower agrees to pay in accordance with Section 10.04 of the Credit Agreement all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates in connection with the preparation, execution, delivery and administration of this Amendment and the other instruments and documents to be delivered hereunder, including, without limitation, the reasonable and documented fees, charges and disbursements of counsel to the Administrative Agent with respect thereto and with respect to advising the Administrative Agent as to its rights and responsibilities hereunder and thereunder.

(g) For good and valuable consideration, the sufficiency of which is hereby acknowledged, as of the Amendment No. 1 Effective Date, each Loan Party hereby voluntarily

and knowingly releases and forever discharges (in each case, whether or not a party hereto) the Administrative Agent (and any sub-agent thereof), the Swing Line Lender, each Arranger, each Lender and each L/C Issuer, and each Related Party of any of the foregoing Persons (each, a "Lender Party Released Person"), from all possible claims, demands, actions, causes of action, damages, costs, expenses and liabilities whatsoever, known or unknown, anticipated or unanticipated, suspected or unsuspected, fixed, contingent or conditional, at law or in equity, originating and pertaining to facts, events or circumstances existing, at any time on or before the Amendment No. 1 Effective Date, that arise from this Amendment or any acts or omissions of any such Lender Party Released Person hereunder, which such Loan Party may have against any Lender Party Released Person and irrespective of whether or not any such claims arise out of contract, tort, violation of law or regulations, or otherwise, including the negotiation, execution or implementation of this Amendment. This release and agreement shall survive the termination of this Amendment, the Credit Agreement and the other Loan Documents.

(h) This Amendment shall constitute a "Loan Document" under and as defined in the Credit Agreement.

[*Signature Pages Follow.*]

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

BORROWERS: **LOYALTY VENTURES INC.**

By: /s/ J. JEFFREY CHESNUT
Name: J. Jeffrey Chesnut
Title: Executive Vice President, Chief Financial Officer

BRAND LOYALTY GROUP B.V.

By: /s/ CORNELIA MARIA PIETERNELLA MENNEN-VERMEULE
Name: Cornelia Maria Pieternella Mennen-Vermeule
Title: Authorised Signatory

BRAND LOYALTY HOLDING B.V.

By: /s/ CORNELIA MARIA PIETERNELLA MENNEN-VERMEULE
Name: Cornelia Maria Pieternella Mennen-Vermeule
Title: Authorised Signatory

BRAND LOYALTY INTERNATIONAL B.V.

By: /s/ CORNELIA MARIA PIETERNELLA MENNEN-VERMEULE
Name: Cornelia Maria Pieternella Mennen-Vermeule
Title: Authorised Signatory

GUARANTORS: **LOYALTYONE, CO.**

By: /s/ J. JEFFREY CHESNUT
Name: J. Jeffrey Chesnut
Title: Treasurer

LVI LUX HOLDINGS S.À.R.L.

By: /s/ Cynthia L. Hageman
Name: Cynthia L. Hageman
Title: Class A Manager and Authorised Signatory

LVI LUX FINANCING S.À.R.L.

By: /s/ Cynthia L. Hageman
Name: Cynthia L. Hageman
Title: Class A Manager and Authorised Signatory

APOLLO HOLDINGS B.V.

By: /s/ CORNELIA MARIA PIETERNELLA MENNEN-VERMEULE
Name: Cornelia Maria Pieternella Mennen-Vermeule
Title: Authorised Signatory

BRAND LOYALTY AMERICAS B.V.

By: /s/ CORNELIA MARIA PIETERNELLA MENNEN-VERMEULE
Name: Cornelia Maria Pieternella Mennen-Vermeule
Title: Authorised Signatory

BRAND LOYALTY EUROPE B.V.

By: /s/ CORNELIA MARIA PIETERNELLA MENNEN-VERMEULE
Name: Cornelia Maria Pieternella Mennen-Vermeule
Title: Authorised Signatory

BRAND LOYALTY ASIA B.V.

By: /s/ CORNELIA MARIA PIETERNELLA MENNEN-VERMEULE
Name: Cornelia Maria Pieternella Mennen-Vermeule
Title: Authorised Signatory

BRAND LOYALTY SOURCING B.V.

By: /s/ CORNELIA MARIA PIETERNELLA MENNEN-VERMEULE
Name: Cornelia Maria Pieternella Mennen-Vermeule
Title: Authorised Signatory

BRAND LOYALTY B.V.

By: /s/ CORNELIA MARIA PIETERNELLA MENNEN-VERMEULE
Name: Cornelia Maria Pieternella Mennen-Vermeule
Title: Authorised Signatory

WORLD LICENSES B.V.

By: /s/ CORNELIA MARIA PIETERNELLA MENNEN-VERMEULE
Name: Cornelia Maria Pieternella Mennen-Vermeule
Title: Authorised Signatory

ICEMOBILE AGENCY B.V.

By: /s/ CORNELIA MARIA PIETERNELLA MENNEN-VERMEULE
Name: Cornelia Maria Pieternella Mennen-Vermeule
Title: Authorised Signatory

BRAND LOYALTY DEVELOPMENT B.V.

By: /s/ CORNELIA MARIA PIETERNELLA MENNEN-VERMEULE
Name: Cornelia Maria Pieternella Mennen-Vermeule
Title: Authorised Signatory

BRAND LOYALTY RUSSIA B.V.

By: /s/ CORNELIA MARIA PIETERNELLA MENNEN-VERMEULE
Name: Cornelia Maria Pieternella Mennen-Vermeule
Title: Authorised Signatory

ADMINISTRATIVE AGENT: **BANK OF AMERICA, N.A.**, as Administrative Agent

By: /s/ Spencer Hunter
Name: Spencer Hunter
Title: Vice President

PRO RATA LENDERS: **BANK OF AMERICA, N.A.**, as a pro rata Lender

By: /s/ Spencer Hunter
Name: Spencer Hunter
Title: Vice President

CITIZENS BANK, N.A., as a pro rata Lender

By: /s/ Doug Kennedy
Name: Doug Kennedy
Title: SVP

TEXAS CAPITAL BANK, as a pro rata Lender

By: /s/ Austin Tabor
Name: Austin Tabor
Title: Vice President

TRUIST BANK, as a pro rata Lender

By: /s/ Jim C. Wright
Name: Jim C. Wright
Title: Vice President

MORGAN STANLEY BANK N.A., as a pro rata Lender

By: /s/ Jack Kuhns
Name: Jack Kuhns
Title: Authorized Signatory

CITY NATIONAL BANK., as a pro rata Lender

By: /s/ Brian Myers
Name: Brian Myers
Title: Senior Vice President

JPMorgan Chase, N.A., as a pro rata Lender

By: /s/ David Tepper
Name: David Tepper
Title: Vice President

WELLS FARGO BANK, N.A., as a pro rata Lender

By: /s/ Sid Khanolkar
Name: Sid Khanolkar
Title: Managing Director

MIZUHO BANK, LTD., as a pro rata Lender

By: /s/ Donna DeMagistris
Name: Donna DeMagistris
Title: Executive Director

MUFG BANK, LTD., as a pro rata Lender

By: /s/ Matthew Antioco
Name: Matthew Antioco
Title: Director

REGIONS BANK, as a pro rata Lender

By: /s/ Jason Douglas
Name: Jason Douglas
Title: Director

FIFTH THIRD BANK, NATIONAL ASSOCIATION, as a pro rata Lender

By: /s/ Zach Femal
Name: Zach Femal
Title: Principal

Annex A
(Changed pages to Credit Agreement to be attached)

Execution Version

DEAL CUSIP: 54912FAA8
REVOLVER CUSIP: 54912FAB6
TERM A CUSIP: 54912FAC4
TERM B CUSIP: 54912FAD2

CREDIT AGREEMENT

Dated as of November 3, 2021
(as amended through Amendment No. 1 to Credit Agreement (Financial Covenant) dated as of July 29, 2022)

among

LOYALTY VENTURES INC., BRAND LOYALTY GROUP B.V., BRAND LOYALTY HOLDING B.V., BRAND LOYALTY INTERNATIONAL B.V. and CERTAIN SUBSIDIARIES OF LOYALTY VENTURES INC. IDENTIFIED HEREIN,
as the Borrowers,

LOYALTY VENTURES INC. and CERTAIN SUBSIDIARIES OF LOYALTY VENTURES INC. IDENTIFIED HEREIN,
as the Guarantors,

BANK OF AMERICA, N.A.,

as Administrative Agent, Swing Line Lender and an L/C Issuer,

and

THE OTHER LENDERS PARTY HERETO

BANK OF AMERICA, N.A., DEUTSCHE BANK SECURITIES, MUFG BANK, LTD., RBC CAPITAL MARKETS, LLC, MORGAN STANLEY SENIOR FUNDING, INC., REGIONS CAPITAL MARKETS, A DIVISION OF REGIONS BANK, CITIZENS BANK, NATIONAL ASSOCIATION, FIFTH THIRD BANK, NATIONAL ASSOCIATION, TRUIST SECURITIES, INC., WELLS FARGO SECURITIES, LLC, MIZUHO BANK, LTD., JPMORGAN CHASE BANK, N.A.,
and
TEXAS CAPITAL BANK,
as Joint Lead Arrangers and Joint Bookrunners

"Alternative Currency Daily Rate Loan" means a Loan that bears interest at a rate based on the definition of "Alternative Currency Daily Rate." All Alternative Currency Daily Rate Loans must be denominated in an Alternative Currency.

"Alternative Currency Equivalent" means, at any time, with respect to any amount denominated in Dollars, the equivalent amount thereof in the applicable Alternative Currency as determined by the Administrative Agent or the applicable L/C Issuer, as the case may be, by reference to Bloomberg (or such other publicly available service for displaying exchange rates), to be the exchange rate for the purchase of such Alternative Currency with Dollars at approximately 11:00 a.m. on the date two (2) Business Days prior to the date as of which the foreign exchange computation is made; provided, however, that if no such rate is available, the "Alternative Currency Equivalent" shall be determined by the Administrative Agent or the applicable L/C Issuer, as the case may be, using any reasonable method of determination its deems appropriate in its sole discretion (and such determination shall be conclusive absent manifest error).

"Alternative Currency Loan" means an Alternative Currency Daily Rate Loan or an Alternative Currency Term Rate Loan, as applicable.

"Alternative Currency Scheduled Unavailability Date" has the meaning specified in Section 3.03(e).

"Alternative Currency Successor Rate" has the meaning specified in Section 3.03(e).

"Alternative Currency Term Rate" means, for any Interest Period, with respect to any Credit Extension:

(a) denominated in Euros, the rate per annum equal to the Euro Interbank Offered Rate ("EURIBOR"), as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) on the day that is two TARGET Days preceding the first day of such Interest Period with a term equivalent to such Interest Period;

(b) denominated in any other Alternative Currency (to the extent such Loans denominated in such currency will bear interest at a term rate), the term rate per annum as designated with respect to such Alternative Currency at the time such Alternative Currency is approved by the Administrative Agent and the relevant Lenders pursuant to Section 1.06(a) plus the adjustment (if any) determined by the Administrative Agent and the relevant Lenders pursuant to Section 1.06(a);

provided, that, if any Alternative Currency Term Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

"Alternative Currency Term Rate Loan" means a Loan that bears interest at a rate based on the definition of "Alternative Currency Term Rate." All Alternative Currency Term Rate Loans must be denominated in an Alternative Currency.

"Amendment No. 1" means that certain Amendment No. 1 to Credit Agreement (Financial Covenant) dated as of July 29, 2022.

"Applicable Authority" means with respect to any Alternative Currency, the applicable administrator for the Relevant Rate for such Alternative Currency or any Governmental Authority having jurisdiction over the Administrative Agent or such administrator.

(i) U.S. federal, state, local and non-U.S. Tax recoveries of the Company and its Subsidiaries for such period, (ii) non-cash items (excluding (A) any non-cash recovery that is expected to be received in cash in any future period and (B) any reversal of a write-down of current assets) increasing Consolidated Net Income for such period and (iii) unusual or non-recurring gains for such period incurred outside the ordinary course of business; provided that in the event of the acquisition by the Company or a Subsidiary of a newly acquired Subsidiary or operation (as such term is used in the definition of "Pro Forma Basis"), Consolidated EBITDA will include the Target EBITDA of the newly acquired Subsidiary or operation on a Pro Forma Basis in accordance with the terms of the definition of "Pro Forma Basis".

Notwithstanding the foregoing, for purposes of computing the Consolidated Total Leverage Ratio for purposes of testing quarterly compliance with the covenant levels set forth in Section 7.11, for determining Pro Forma Compliance with the Pro Forma Compliance Table in Section 7.11 and for determining the Consolidated Total Leverage Ratio in Section 7.11(b)(i) and Section 7.11(b)(ii)(C) (and for no other purposes, including any other calculation of the Consolidated Total Leverage Ratio for any other purpose hereunder or the use of Consolidated EBITDA in any other provision hereof), the proviso to clause (a)(vii) of this definition of Consolidated EBITDA shall be computed utilizing "the greater of (A) $25,000,000 and (B) 15% of Consolidated EBITDA" in lieu of "the greater of (A) $10,000,000 and (B) 5% of Consolidated EBITDA" contained therein, and any document (including any Compliance Certificate) delivered in connection with any Loan Document that demonstrates the calculation of Consolidated EBITDA shall clearly identify whether such calculation is being made pursuant to this paragraph or pursuant to the calculation methodology set forth in the preceding paragraph without giving effect to this paragraph.

"Consolidated Excess Cash Flow" means, for any period for the Company and its Subsidiaries on a consolidated basis, an amount (if positive) equal to Consolidated Net Income for such period plus (a) the following without duplication: (i) an amount equal to any net decrease in Consolidated Working Capital from the first day to the last day of such period, (ii) to the extent not included in Consolidated Net Income, any cash gains and income (actually received in cash) during such period and (iii) the amount of all non-cash losses, charges and expenses deducted in calculating Consolidated Net Income including for depreciation and amortization for such period, minus (b) the following without duplication:
(i) Consolidated Interest Charges actually paid in cash for such period, (ii) cash Taxes paid by the Company and its Subsidiaries during such period, (iii) the amount of (A) all scheduled payments of principal on Consolidated Funded Indebtedness (including the Term Loans) actually paid in such period and (B) all optional prepayments of principal on Consolidated Funded Indebtedness (other than Revolving Loans and the Term Loans) actually paid in cash in such period (in the case of revolving credit facilities, solely to the extent the commitments with respect thereto are permanently reduced), (iv) an amount equal to any net increase in Consolidated Working Capital from the first day to the last day of such period, (v) the amount of (A) any non-cash gains and income included in calculating Consolidated Net Income for such period and (B) all cash expenses, charges and losses excluded in arriving at such Consolidated Net Income, in each case, to the extent not financed with the proceeds of long-term, non-revolving Indebtedness, (vi) any required up-front cash payments in respect of Swap Contracts to the extent not financed with the proceeds of long-term, non-revolving Indebtedness and not deducted in arriving at such Consolidated Net Income, (vii) any cash payments actually made during such period that represent a non-cash charge from a previous period and deducted in calculating Consolidated Excess Cash Flow in a previous period, (viii) the aggregate amount of expenditures actually made by the Company or any of its Subsidiaries in cash during such period for the payment of financing fees, rent and pension and other retirement benefits to the extent that such expenditures are not from such period, (ix) capital expenditures actually paid in cash by the Company or any Subsidiary, (x) the aggregate amount actually paid in cash by the Company and its Subsidiaries on account of Permitted Investments, (xi) to the extent not deducted in the calculation of Consolidated Net Income for such period, the amount of Restricted Payments pursuant to Section 7.06(d) and (e) (or otherwise consented to by the Required

(n) set forth in any agreement relating to any Permitted Lien that limits the right of the Company or any Subsidiary to Dispose of or encumber the assets subject thereto; and

(o) imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (a) through (n) above; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancing are, in the reasonable judgment of the Company, not materially more restrictive with respect to such encumbrances and other restrictions, taken as a whole, than those in effect prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing.

7.10 Use of Proceeds. Use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

7.11 Financial Covenant. Consolidated Total Leverage Ratio.

(a) Except with the consent of the Required Pro Rata Facilities Lenders, permit the Consolidated Total Leverage Ratio at any time during any period of four (4) fiscal quarters of the Company set forth below to be greater than the ratio set forth below opposite such period:

Four Fiscal Quarters Ending	Maximum Consolidated Total Leverage Ratio
December 31, 2021 through ~~September~~June 30, 2022	5.00:1.00
~~December 31~~September 30, 2022 through September 30, 2023 December 31, 2023	~~4.50:1.00~~ 5.75:1.00 5.50:1.00
March 31, 2024 through September 30, 2024	5.25:1.00
December 31, 2024 through March 31, 2025	5.00:1.00
~~December 31~~June 30, ~~2023~~2025 and each fiscal quarter thereafter	~~4.25:1.00~~4.75:1.00

~~In the event~~; provided that notwithstanding the foregoing, for purposes of any calculation of Pro Forma Compliance, the delivery of any Pro Forma Compliance Certificate or any other compliance with the Consolidated Total Leverage Ratio ~~is~~ required to be measured or satisfied ~~prior to the delivery of financial statements for~~under this Agreement other than (i) the quarterly maintenance compliance expressly required by this Section 7.11(a) and (ii) compliance required to be measured under Section 7.11(b)(i) and Section 7.11(b)(ii)(C), the required Consolidated Total Leverage Ratio level at such time shall be deemed to be the following (the "Pro Forma Compliance Table):

Four Fiscal Quarters Ending	Maximum Consolidated Total Leverage Ratio
December 31, 2021 through September 30, 2022	5.00:1.00
December 31, 2022 through September 30, 2023	4.50:1.00

December 31, 2023 and each fiscal quarter thereafter	4.25:1.00

(b) In addition, in consideration of and in connection with the amendments to clause (a) of this Section 7.11 provided in Amendment No. 1:

(i) the Company and each other Borrower agree that simultaneously with each delivery of the Compliance Certificate pursuant to Section 6.02(a) for a fiscal quarter or fiscal year (or on the day that such Compliance Certificate is required to be delivered, if not so delivered on or prior to such date), beginning with the fiscal ~~year~~quarter ending ~~December 31~~September 30, ~~2021~~2022, the ~~required~~Aggregate Revolving Commitments shall be permanently reduced (such reduction to be applied ratably to the Revolving Commitment of each Revolving Lender) by $2,812,500, provided that if the Consolidated Total Leverage Ratio ~~level at such time shall be deemed to be 5.00:1.00~~as of the last day of the fiscal quarter or fiscal year for which such Compliance Certificate is delivered in a timely manner is less than or equal to 4.75:1.00, the reduction provided in this clause (b)(i) shall not be effectuated for such fiscal quarter or fiscal year; and

(ii) each Loan Party hereby covenants that no Loan Party shall, nor shall it permit any of its Subsidiaries to, directly or indirectly, do any of the following (notwithstanding any provision of any Loan Document otherwise permitting or not prohibiting such action), and acknowledges that doing any of the following shall constitute a violation of this Section 7.11 (and solely of this Section 7.11):

(A) create, incur, assume or suffer to exist any Indebtedness under an Incremental Facility pursuant to Section 2.16 unless (in addition to the relevant requirements and limitations contained in Section 2.16), after giving effect thereto and the application of the proceeds thereof on a Pro Forma Basis, the Consolidated Total Leverage Ratio shall be in compliance with the level at such time set forth in the Pro Forma Compliance Table;

(B) create, incur, assume or suffer to exist any Indebtedness pursuant to Section 7.03(z) unless (in addition to the relevant requirements and limitations contained in Section 7.03(z)), after giving effect thereto and the application of the proceeds thereof on a Pro Forma Basis, the Consolidated Total Leverage Ratio shall be in compliance with the level at such time set forth in the Pro Forma Compliance Table;

(C) create, incur, assume or suffer to exist any Indebtedness pursuant to Section 7.03(aa) to the extent such Indebtedness is to be secured on a senior or pari passu basis with the Obligations unless (in addition to the relevant requirements and limitations contained in Section 7.03(aa)), after giving effect thereto and the application of the proceeds thereof on a Pro Forma Basis, the Consolidated Total Leverage Ratio shall not be greater than 4.75:1.00; or

(D) make any Restricted Payment or Junior Payment that would otherwise be permitted at such time pursuant to Section 7.06(e)(i) unless both before and after giving effect to such Restricted Payment or Junior Payment, as applicable, and the application of the proceeds thereof on a Pro Forma Basis, the Consolidated Total Leverage Ratio shall be in compliance with the level at such time set forth in the Pro Form15a Compliance Table.