UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 June 30, 2024

OR

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

For the transition period from _____ to _____
Commission File Number: 001-39544

BAKKT HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**98-1550750**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
10000 Avalon Boulevard, Suite 1000 Alpharetta, Georgia	**30009**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (678) 534-5849

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

Title of each class	Trading Symbol (s)	Name of each exchange on which registered
Class A Common Stock, par value $0.0001 per share	**BKKT**	**The New York Stock Exchange**
Warrants to purchase Class A Common Stock	**BKKT WS**	**The New York Stock Exchange**

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

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

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
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. ☐

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

As of August 9, 2024, there were 6,321,593 shares of the registrant's Class A Common Stock, 7,194,941 shares of Class V Common Stock, and 7,140,508 public warrants issued and outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Unless the context otherwise requires, all references to "Bakkt," "we," "us," "our," or the "Company" in this Quarterly Report on Form 10-Q (this "Report") refer to Bakkt Holdings, Inc. and its subsidiaries.

This Report contains forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. You can identify forward-looking statements because they contain words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intends," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "will," "would," the negative of such terms, and other similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on management's current expectations, assumptions, hopes, beliefs, intentions and strategies regarding future events and are based on currently available information as to the outcome and timing of future events. We caution you that these forward-looking statements are subject to all of the risks and uncertainties, most of which are difficult to predict and many of which are beyond our control, incident to our business. Forward-looking statements in this Report may include, for example, statements about:

- our future financial performance;
- changes in the market for our products and services;
- the reduction in force announced in May 2024 and future potential reductions of expenses; and
- expansion plans and opportunities.

These forward-looking statements are based on information available as of the date of this Report and management's current expectations, forecasts and assumptions, and involve a number of judgments, known and/or unknown risks and uncertainties. Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date. We do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable law.

You should not place undue reliance on these forward-looking statements. Should one or more of a number of known and unknown risks and uncertainties materialize, or should any of our assumptions prove incorrect, our actual results or performance may be materially different from those expressed or implied by these forward-looking statements. Some factors that could cause actual results to differ include, but are not limited to:

- our ability to grow and manage growth profitably;
- our ability to continue as a going concern;
- changes in our business strategy;
- changes in the markets in which we compete, including with respect to our competitive landscape, technology evolution or changes in applicable laws or regulations;
- changes in the markets that we target;
- disruptions in the crypto market that subject us to additional risks, including the risk that banks may not provide banking services to us;
- the possibility that we may be adversely affected by other economic, business, and/or competitive factors;
- the inability to launch new services and products or to profitably expand into new markets and services, or the inability to continue offering existing services or products;
- the inability to execute our growth strategies, including identifying and executing acquisitions and our initiatives to add new clients;
- our ability to reach definitive agreements with our expected commercial counterparties;

- our ability to achieve the expected benefits from the acquisition of Bakkt Crypto;
- our inability to reduce cash expenses and align headcount and employee-related costs with our budget priorities;
- our failure to comply with extensive government regulation, oversight, licensure and appraisals;
- the uncertain regulatory regime governing blockchain technologies and crypto;
- our ability to remediate the material weakness in and establish and maintain effective internal controls and procedures;
- our exposure to any liability, protracted and costly litigation, settlement expenses or reputational damage relating to legal proceedings or our data security;
- the impact of any goodwill or other intangible assets impairments on our operating results;
- the impact of any pandemics or other public health emergencies;
- our ability to maintain the listing of our securities on the NYSE; and
- other risks and uncertainties indicated in this Report, including those set forth under "*Risk Factors*."

PART I—FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements.

Bakkt Holdings, Inc.
Consolidated Balance Sheets
(in thousands, except share data)

	As of June 30, 2024 (Unaudited)	As of December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 47,499	$ 52,882
Restricted cash	34,031	31,838
Customer funds	53,330	32,925
Available-for-sale securities	13,170	17,398
Accounts receivable, net	24,437	29,664
Prepaid insurance	5,944	13,049
Safeguarding asset for crypto	974,486	701,556
Other current assets	4,508	3,332
Total current assets	1,157,405	882,644
Property, equipment and software, net	1,931	60
Goodwill	68,001	68,001
Intangible assets, net	2,900	2,900
Other assets	12,665	13,262
Total assets	$ 1,242,902	$ 966,867
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 39,284	$ 55,379
Customer funds payable	53,330	32,925
Deferred revenue, current	2,317	4,282
Due to related party	2,660	3,230
Safeguarding obligation for crypto	974,486	701,556
Unsettled crypto trades	1,453	996
Other current liabilities	3,855	3,706
Total current liabilities	1,077,385	802,074
Deferred revenue, noncurrent	2,753	3,198
Warrant liability	38,757	2,356
Other noncurrent liabilities	21,428	23,525
Total liabilities	1,140,323	831,153
Commitments and contingencies (Note 14)		
Class A Common Stock ($0.0001 par value, 30,000,000 shares authorized, 6,310,548 shares issued and outstanding as of June 30, 2024 and 3,793,837 shares issued and outstanding as of December 31, 2023)	1	—
Class V Common Stock ($0.0001 par value, 10,000,000 shares authorized, 7,194,941 shares issued and outstanding as of June 30, 2024 and 7,200,064 shares issued and outstanding as of December 31, 2023)	1	1
Additional paid-in capital	824,023	799,683
Accumulated other comprehensive loss	(341)	(101)
Accumulated deficit	(775,890)	(751,301)
Total stockholders' equity	47,794	48,282
Noncontrolling interest	54,785	87,432
Total equity	102,579	135,714
Total liabilities and stockholders' equity	$ 1,242,902	$ 966,867

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

Bakkt Holdings, Inc.
Consolidated Statements of Operations
(in thousands, except per share data)
(Unaudited)

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Revenues:				
Crypto services	$ 497,141	$ 335,333	$ 1,338,481	$ 335,776
Loyalty services, net	12,757	12,296	25,999	25,072
Total revenues	509,898	347,629	1,364,480	360,848
Operating expenses:				
Crypto costs	491,701	331,810	1,323,673	332,173
Execution, clearing and brokerage fees	3,392	2,205	9,022	2,205
Compensation and benefits	22,381	27,066	46,912	61,209
Professional services	3,639	2,864	7,274	5,242
Technology and communication	3,651	4,393	9,423	10,111
Selling, general and administrative	5,516	7,566	13,326	14,275
Acquisition-related expenses	55	17,016	66	17,792
Depreciation and amortization	117	3,821	174	6,884
Related party expenses	150	1,512	300	2,112
Impairment of long-lived assets	—	—	288	—
Restructuring expenses	926	220	7,067	4,471
Other operating expenses	387	244	809	908
Total operating expenses	531,915	398,717	1,418,334	457,382
Operating loss	(22,017)	(51,088)	(53,854)	(96,534)
Interest income, net	1,245	701	2,201	2,326
(Loss) gain from change in fair value of warrant liability	(15,114)	357	(6,068)	(643)
Other (expense) income, net	448	(329)	1,164	(345)
Loss before income taxes	(35,438)	(50,359)	(56,557)	(95,196)
Income tax expense	(74)	(152)	(230)	(170)
Net loss	(35,512)	(50,511)	(56,787)	(95,366)
Less: Net loss attributable to noncontrolling interest	(19,088)	(33,663)	(32,198)	(64,546)
Net loss attributable to Bakkt Holdings, Inc.	$ (16,424)	$ (16,848)	$ (24,589)	$ (30,820)
Net loss per share attributable to Class A Common Stockholders:				
Basic	$ (2.67)	$ (4.69)	$ (4.66)	$ (8.97)
Diluted	$ (2.67)	$ (4.69)	$ (4.66)	$ (8.97)

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

Bakkt Holdings, Inc.
Consolidated Statements of Comprehensive Loss
(in thousands)
(Unaudited)

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net loss	$ (35,512)	$ (50,511)	$ (56,787)	$ (95,366)
Currency translation adjustment, net of tax	(199)	339	(620)	360
Unrealized (losses) gains on available-for-sale securities, net of tax	157	233	(1)	2
Comprehensive loss	$ (35,554)	$ (49,939)	$ (57,408)	$ (95,004)
Comprehensive loss attributable to noncontrolling interest	(19,111)	(33,281)	(32,580)	(64,308)
Comprehensive loss attributable to Bakkt Holdings, Inc.	$ (16,443)	$ (16,658)	$ (24,828)	$ (30,696)

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

Bakkt Holdings, Inc.
Consolidated Statements of Changes in Stockholders' Equity
(in thousands, except share data)
(Unaudited)

	Class A Common Stock		Class V Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity	Noncontrolling Interest	Total Equity
	Shares	$	Shares	$						
Balance as of December 31, 2023	3,793,837	$ —	7,200,064	$ 1	$ 799,683	$ (751,301)	$ (101)	$ 48,282	$ 87,432	$ 135,714
Share-based compensation	—	—	—	—	8,013	—	—	8,013	—	8,013
Shares issued upon vesting of share-based awards, net of tax withholding	118,593	—	—	—	(2,259)	—	—	(2,259)	—	(2,259)
Equity offerings, net of issuance costs	1,955,924	1	—	—	11,268	—	—	11,269	—	11,269
Exchange of Class V shares for Class A shares	4,725	—	(4,725)	—	63	—	—	63	(63)	—
Currency translation adjustment, net of tax	—	—	—	—	—	—	(160)	(160)	(261)	(421)
Unrealized losses on available-for-sale securities, net of tax	—	—	—	—	—	—	(60)	(60)	(98)	(158)
Net loss	—	—	—	—	—	(8,165)	—	(8,165)	(13,110)	(21,275)
Balance as of March 31, 2024	5,873,079	$ 1	7,195,339	$ 1	$ 816,768	$ (759,466)	$ (321)	$ 56,983	$ 73,900	$ 130,883
Share-based compensation	—	—	—	—	2,406	—	—	2,406	—	2,406
Shares issued upon vesting of share-based awards, net of tax withholding	86,178	—	—	—	(59)	—	—	(59)	—	(59)
Exercise of warrants	12	—	—	—	—	—	—	—	—	—
Equity offerings, net of issuance costs	350,881	—	—	—	4,903	—	—	4,903	—	4,903
Exchange of Class V shares for Class A shares	398	—	(398)	—	5	—	—	5	(5)	—
Currency translation adjustment, net of tax	—	—	—	—	—	—	(92)	(92)	(107)	(199)
Unrealized losses on available-for-sale securities, net of tax	—	—	—	—	—	—	72	72	85	157
Net loss	—	—	—	—	—	(16,424)	—	(16,424)	(19,088)	(35,512)
Balance as of June 30, 2024	6,310,548	$ 1	7,194,941	$ 1	$ 824,023	$ (775,890)	$ (341)	$ 47,794	$ 54,785	$ 102,579

	Class A Common Stock		Class V Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity	Noncontrolling Interest	Total Equity
	Shares	$	Shares	$						
Balance as of December 31, 2022	3,237,074	$ —	7,339,310	$ 1	$ 773,000	$ (676,447)	$ (290)	$ 96,264	$ 239,811	$ 336,075
Share-based compensation	—	—	—	—	6,713	—	—	6,713	—	6,713
Unit-based compensation	—	—	—	—	—	—	—	—	542	542
Shares issued upon vesting of share-based awards, net of tax withholding	59,801	—	—	—	—	—	—	—	—	—
Exchange of Class V shares for Class A shares	8,115	—	(8,115)	—	345	—	—	345	(345)	—
Currency translation adjustment, net of tax	—	—	—	—	—	—	7	7	15	22
Unrealized loss on available-for-sale securities, net of tax	—	—	—	—	—	—	(72)	(72)	(157)	(229)
Net loss	—	—	—	—	—	(13,976)	—	(13,976)	(30,883)	(44,859)
Balance as of March 31, 2023	3,304,990	$ —	7,331,195	$ 1	$ 780,058	$ (690,423)	$ (355)	$ 89,281	$ 208,983	$ 298,264
Share-based compensation	—	—	—	—	4,614	—	—	4,614	—	4,614
Unit-based compensation	—	—	—	—	—	—	—	—	377	377
Shares issued upon vesting of share-based awards, net of tax withholding	100,828	—	—	—	(2,502)	—	—	(2,502)	—	(2,502)
Shares issued in connection with Apex acquisition	245,624	—	—	—	9,062	—	—	9,062	—	9,062
Currency translation adjustment, net of tax	—	—	—	—	—	—	112	112	227	339
Unrealized losses on available-for-sale securities	—	—	—	—	—	—	77	77	156	233
Net loss	—	—	—	—	—	(16,848)	—	(16,848)	(33,663)	(50,511)
Balance as of June 30, 2023	3,651,442	$ —	7,331,195	$ 1	$ 791,232	$ (707,271)	$ (166)	$ 83,796	$ 176,080	$ 259,876

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

Bakkt Holdings, Inc.
Consolidated Statements of Cash Flows
(in thousands)
(Unaudited)

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Cash flows from operating activities:		
Net loss	$ (56,787)	$ (95,366)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	174	6,884
Non-cash lease expense	989	1,548
Share-based compensation expense	10,419	11,327
Unit-based compensation expense	—	946
Impairment of long-lived assets	288	—
Loss on disposal of assets	—	14
Loss from change in fair value of warrant liability	6,068	643
Other	2	14
Changes in operating assets and liabilities:		
Accounts receivable	6,035	4,291
Prepaid insurance	7,105	6,871
Accounts payable and accrued liabilities	(16,196)	(11,144)
Unsettled crypto trades	457	—
Due to related party	(570)	(158)
Deferred revenue	(2,410)	(820)
Operating lease liabilities	(1,934)	(1,329)
Customer funds payable	20,405	(56)
Other assets and liabilities	(1,585)	(2,151)
Net cash used in operating activities	(27,540)	(78,486)
Cash flows from investing activities:		
Capitalized internal-use software development costs and other capital expenditures	(2,234)	(6,046)
Purchase of available-for-sale securities	(17,996)	(26,999)
Proceeds from the settlement of available-for-sale securities	22,223	153,158
Acquisition of Bumped Financial, LLC	—	(631)
Acquisition of Apex Crypto LLC, net of cash acquired	—	(44,366)
Net cash provided by investing activities	1,993	75,116
Cash flows from financing activities:		
Proceeds from Concurrent Offerings, net of issuance costs	46,505	—
Proceeds from the exercise of warrants	3	—
Repurchase and retirement of Class A Common Stock	(2,318)	(2,502)
Net cash provided by (used in) financing activities	44,190	(2,502)
Effect of exchange rate changes	(620)	361
Net increase (decrease) in cash, cash equivalents, restricted cash, customer funds and deposits	18,023	(5,511)
Cash, cash equivalents, restricted cash, customer funds and deposits at the beginning of the period	118,498	115,423
Cash, cash equivalents, restricted cash, customer funds and deposits at the end of the period	$ 136,521	$ 109,912
Supplemental disclosure of cash flow information:		
Non-cash operating lease right-of-use asset acquired	$ —	$ 3,780
Supplemental disclosure of non-cash investing and financing activity:		
Capitalized internal-use software development costs and other capital expenditures included in accounts payable and accrued liabilities	378	622
Reconciliation of cash, cash equivalents, restricted cash, customer funds and deposits to consolidated balance sheets:		
Cash and cash equivalents	$ 47,499	$ 84,519
Restricted cash	34,031	24,858
Customer funds	53,330	535
Deposits (Note 6)	1,661	—
Total cash, cash equivalents, restricted cash, customer funds and deposits	$ 136,521	$ 109,912

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

Bakkt Holdings, Inc.
Notes to Consolidated Financial Statements
(Unaudited)

1. Organization and Description of Business

Organization

VPC Impact Acquisition Holdings ("VIH") was a blank check company incorporated as a Cayman Islands exempted company on July 31, 2020. VIH was incorporated for the purpose of effecting a merger, share exchange, asset acquisition, share purchase, reorganization or similar business combination with one or more businesses or entities.

On October 15, 2021 (the "Closing Date"), VIH and Bakkt Opco Holdings, LLC (then known as Bakkt Holdings, LLC, "Opco") and its operating subsidiaries consummated a business combination (the "VIH Business Combination") contemplated by the definitive Agreement and Plan of Merger entered into on January 11, 2021 (as amended, the "Merger Agreement"). In connection with the VIH Business Combination, VIH changed its name to "Bakkt Holdings, Inc." and changed its jurisdiction of incorporation from the Cayman Islands to the State of Delaware (the "Domestication").

Unless the context otherwise provides, "we," "us," "our," "Bakkt," the "Company" and like terms refer to Bakkt Holdings, Inc. and its subsidiaries, including Opco.

Immediately following the Domestication, we became organized in an umbrella partnership corporation, or "up-C," structure in which substantially all of our assets and business are held by Opco, and our only direct assets consist of common units in Opco ("Opco Common Units"), which are non-voting interests in Opco, and the managing member interest in Opco.

In connection with the VIH Business Combination, a portion of VIH shares were exchanged for cash for shareholders who elected to execute their redemption right. The remaining VIH shares were exchanged for newly issued shares of our Class A Common Stock. Additionally, all outstanding membership interests and rights to acquire membership interests in Opco were exchanged for Opco Common Units and an equal number of newly issued shares of our Class V Common Stock. The existing owners of Opco other than Bakkt are considered noncontrolling interests in the accompanying consolidated financial statements.

On April 1, 2023 we completed the acquisition of 100% of the ownership interests of Apex Crypto LLC ("Apex Crypto") and subsequently changed the name of the legal entity to Bakkt Crypto Solutions, LLC ("Bakkt Crypto Solutions"), effective June 12, 2023. On March 20, 2024, Bakkt Crypto Solutions merged with and into Bakkt Marketplace, LLC ("Bakkt Marketplace"), with Bakkt Marketplace as the surviving entity in the merger. Bakkt Marketplace was then renamed to Bakkt Crypto Solutions, LLC ("Bakkt Crypto").

Description of Business

We provide, or are working to provide, simplified solutions focused in the following areas:

Crypto

- ***Custody.*** Our institutional-grade qualified custody solution is primarily provided by our subsidiary, Bakkt Trust Company LLC ("Bakkt Trust"), a limited purpose trust company that is supervised by the New York State Department of Financial Services ("NYDFS") and governed by an independent Board of Managers. In connection to the acquisition of Apex Crypto, we acquired third-party custodial relationships with BitGo and Coinbase Custody, which are currently used by Bakkt Crypto for custody and coin transfers, where applicable. In addition, Bakkt Crypto also self-custodies select coins to facilitate consumer withdrawals.

- ***Trading.*** Our platform provides customers with the ability to buy, sell and store crypto via application programming interfaces or embedded web experience. We enable clients in various industries to provide their customers with the ability to transact in crypto directly in their trusted environments. We currently facilitate transactions in the crypto assets listed in the table below.

Crypto Asset	Symbol
Bitcoin	BTC
Bitcoin Cash	BCH
Dogecoin	DOGE
Ethereum	ETH
Ethereum Classic	ETC
Litecoin	LTC
Shiba Inu	SHIB
USD Coin	USDC

Bakkt Trust's custody solution provides support to Bakkt Crypto with respect to all crypto assets supported by the Company. Additionally, until October 2, 2023, Bakkt Trust operated, in conjunction with Intercontinental Exchange, Inc. ("ICE"), regulated infrastructure for trading, clearing, and custody services for physically-delivered bitcoin futures. Refer to Note 8 for a description of a recent delisting of certain Bakkt Bitcoin futures and option contracts by ICE Futures U.S., Inc. ("IFUS"). Bakkt Crypto holds a New York State virtual currency license (commonly referred to as a "BitLicense"), and money transmitter licenses from all states throughout the U.S. where such licenses are required for the operation of its business, and is registered as a money services business with the Financial Crimes Enforcement Network of the United States Department of the Treasury.

As of June 30, 2024, we offer crypto services in the U.S. and in select markets in Latin America, Europe and Asia.

Loyalty

We offer a full spectrum of supplier content through configurable, white-label e-commerce storefronts that end users can acquire via redemption of loyalty points. Our redemption catalog spans a variety of rewards categories including travel, gift cards and merchandise, including a unique Apple product and services storefront. Our travel solution offers a retail e-commerce booking platform with direct supplier integrations, as well as a U.S.-based call center for live-agent booking and servicing. Our platform provides a unified shopping experience that is built to seamlessly extend our customers' loyalty strategies and user experience for their loyalty programs. Our platform's functionality includes a mobile-optimized user interface, numerous configurations to support diverse program needs, promotional campaign services, comprehensive fraud protection capabilities and the ability to split payments across both loyalty points and credit cards.

2. Summary of Significant Accounting Policies

Our accounting policies are as set forth in the notes to our Annual Report on Form 10-K for the year ended December 31, 2023 (our "Form 10-K").

Basis of Presentation

The accompanying unaudited interim consolidated financial statements are prepared in accordance with United States generally accepted accounting principles ("U.S. GAAP") for interim financial information and with the instructions to the Quarterly Report on Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. In the opinion of management, the unaudited interim consolidated financial statements include the accounts of the Company and our subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. In addition, certain reclassifications of

amounts previously reported have been made to the accompanying consolidated financial statements in order to conform to current presentation.

In the opinion of management, all adjustments (consisting of normal recurring accruals), considered necessary for a fair presentation have been included. The interim results for the three and six months ended June 30, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024, or for any other future annual or interim period. These consolidated financial statements should be read in conjunction with the Company's audited financial statements and accompanying notes thereto included in our Form 10-K.

On April 29, 2024, following approval by our stockholders and Board of Directors, we effected a reverse stock split (the "Reverse Stock Split") of our Class A Common Stock, par value $0.0001 per share ("Class A Common Stock"), and Class V Common Stock, par value $0.0001 per share ("Class V Common Stock" and collectively with the Class A Common Stock, the "Common Stock"), at a ratio of 1-for-25 (the "Reverse Stock Split Ratio"). Our Class A Common Stock began trading on a reverse-split adjusted basis on the New York Stock Exchange (the "NYSE") as of the open of trading on April 29, 2024. All outstanding warrants and share-based awards were also adjusted on a 1-for-25 basis. As such, the Reverse Stock Split has been retroactively applied to all share and per share information throughout this Quarterly Report on Form 10-Q (unless otherwise noted).

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. We base our estimates and assumptions on historical experience and various judgments that we believe to be reasonable under the circumstances. The significant estimates and assumptions that affect the financial statements may include, but are not limited to, those that are related to going concern, income tax valuation allowances, useful lives and fair value of intangible assets and property, equipment and software, fair value of financial assets and liabilities, determining provision for doubtful accounts, valuation of acquired tangible and intangible assets, the impairment of intangible and long-lived assets and goodwill, our issued warrants, and fair market value of stock-based awards. Actual results and outcomes may differ from management's estimates and assumptions and such differences may be material to our audited consolidated financial statements.

Liquidity and Going Concern

The accompanying unaudited consolidated financial statements are prepared on a going concern basis in accordance with U.S. GAAP. This presentation contemplates the realization of assets and the satisfaction of liabilities in the normal course of business and does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of the uncertainties described below.

At each reporting period, in accordance with Accounting Standards Codification ("ASC") 205-40, *Going Concern*, we evaluate whether there are conditions or events that raise substantial doubt about our ability to continue as a going concern within one year after the date the financial statements are issued. In accordance with ASC 205-40, our initial evaluation can only include management's plans that have been fully implemented as of the issuance date. Operating forecasts for new products/markets cannot be considered in the initial evaluation as those product/market launches have not been fully implemented.

Accordingly, our evaluation entails analyzing prospective fully implemented operating budgets and forecasts for expectations of our cash needs and comparing those needs to the current cash and cash equivalent balances. This evaluation initially does not take into consideration the potential mitigating effect of management's plans that have not been fully implemented as of the date the financial statements are issued. When substantial doubt exists under this methodology, we evaluate whether the mitigating effect of our plans sufficiently alleviates substantial doubt about our ability to continue as a going concern. The mitigating effect of management's plans, however, is only considered if both (1) it is probable that the

plans will be effectively implemented within one year after the date that the financial statements are issued, and (2) it is probable that the plans, when implemented, will mitigate the relevant conditions or events that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that these consolidated financial statements are issued.

Evaluation in conjunction with the issuance of the June 30, 2024 unaudited Consolidated Financial Statements

We have incurred net losses and consumed cash flow from operations since our inception and incurred losses and consumed cash through the date of this filing in excess of our cash inflows from operations and fundraising. Due to these ongoing losses and a limited supply of remaining cash and available-for-sale securities, we have been executing a strategic plan to optimize our capital allocation and expense base since the fourth quarter of 2022, which has reduced our annual cash expenses year over year and which we expect will continue to reduce our cash expenses in 2024. As a part of those plans, we will continue to align headcount and employee-related costs to further reduce cash expenses. We completed a reduction in force on May 2, 2024 as part of a broader expense restructuring initiative that also contemplated closing certain open roles and optimization of our contact center resources. This expense restructuring initiative is expected to result in aggregate cash savings of approximately $13.0 million, excluding severance over the next 12 months. We expect to enact additional personnel and discretionary spending cuts such as incentive compensation, marketing, professional services and administrative travel to preserve cash to fund operations. We received approval in March 2024 to integrate, and have subsequently merged and integrated, Bakkt Marketplace and Bakkt Crypto Solutions, which reduced the amount of restricted cash we were required to hold for insurance collateral by $11.6 million and eliminated approximately $7.0 million of duplicate regulatory capital requirements. However, it is critical to our plan to mitigate our cash burn that we significantly expand our revenue base to be able to generate a sustainable operating profit. There is significant uncertainty associated with our expansion to new markets and the growth of our revenue base given the uncertain and rapidly evolving environment associated with crypto assets.

For the six months ended June 30, 2024 we incurred a net loss of $56.8 million and consumed $27.5 million of cash in operations. We have historically relied on our existing cash and available-for-sale securities portfolio to fund operations. As of June 30, 2024, we had $47.5 million of available cash and cash equivalents that was not restricted or required to be held for regulatory capital (Note 13) and $13.2 million in available-for-sale securities. We do not have any long-term debt to service but have commitments under long-term cloud computing, lease and marketing contracts as described in Notes 14 and 17. We expect to continue to incur losses and consume cash for the foreseeable future. As discussed in Note 20, Opco executed a secured revolving credit facility with Intercontinental Exchange Holdings, Inc. (the "Lender"; the credit facility herein referred to as the "ICE Credit Facility"), with Bakkt and certain subsidiaries of Bakkt as guarantors, which provides the Company with a $40.0 million secured revolving line of credit that matures on December 31, 2026. The $40.0 million ICE Credit Facility is available in defined commitment amounts at specified dates in the future. We believe after giving effect to management's execution of the ICE Credit Facility, that our cash, short-term securities, and access to the ICE Credit Facility will be sufficient to fund our operations for the next 12 months from the date of these financial statements.

Recently Adopted Accounting Pronouncements

For the six months ended June 30, 2024, there were no significant changes to the recently adopted accounting pronouncements applicable to us from those disclosed in Note 2 to the consolidated financial statements included in our Form 10-K.

Recently Issued Accounting Pronouncements Not Yet Adopted

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, *Segment Reporting (Topic 280), Improvements to Reportable Segment Disclosures*, which expands annual and interim disclosure requirements for reportable segments, primarily through enhanced disclosures about significant segment expenses. The updated standard will be effective for our annual periods beginning in fiscal 2024 and

interim periods beginning in the first quarter of fiscal 2025. Early adoption is permitted. We are currently evaluating the impact that the updated standard will have on our financial statement disclosures.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740), Improvements to Income Tax Disclosures*, which will require additional tax disclosures, predominantly related to the effective income tax rate reconciliation and income taxes paid. The updated standard will be effective for our annual periods beginning in fiscal 2025. Early adoption is permitted. We are currently evaluating the impact that the updated standard will have on our financial statement disclosures.

3. Revenue from Contracts with Customers

Disaggregation of Revenue

We disaggregate revenue by service type and by platform as follows (in thousands):

Service Type	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Transaction revenue	$ 503,717	$ 342,542	$ 1,351,701	$ 350,248
Subscription and service revenue	6,181	5,087	12,779	10,600
Total revenue	$ 509,898	$ 347,629	$ 1,364,480	$ 360,848

Platform	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Loyalty redemption platform, net	$ 12,757	$ 12,296	$ 25,999	$ 25,072
Crypto services	497,141	335,333	1,338,481	335,776
Total revenue	$ 509,898	$ 347,629	$ 1,364,480	$ 360,848

We recognized revenue from foreign jurisdictions of $10.5 million and $24.9 million for the three and six months ended June 30, 2024, respectively, and $0.8 million and $1.7 million for the three and six months ended June 30, 2023, respectively.

We have one reportable segment to which our revenues relate.

Deferred Revenue

Contract liabilities consist of deferred revenue for amounts invoiced prior to us meeting the criteria for revenue recognition. We invoice customers for service fees at the beginning of service performance, and such fees are recognized as revenue over time as we satisfy performance obligations. Contract liabilities are classified as “Deferred revenue, current” and “Deferred revenue, noncurrent” in our consolidated balance sheets. The activity in deferred revenue for the six months ended June 30, 2024 and June 30, 2023, respectively, was as follows (in thousands):

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Beginning of the period contract liability	$ 7,480	$ 7,084
Revenue recognized from contract liabilities included in the beginning balance	(2,815)	(2,121)
Increases due to cash received, net of amounts recognized in revenue during the period	405	1,301
End of the period contract liability	$ 5,070	$ 6,264

Remaining Performance Obligations

As of June 30, 2024, the aggregate amount of the transaction price allocated to the remaining performance obligations related to partially completed contracts is $15.4 million, comprised of $10.3 million of subscription fees and $5.1 million of service fees that are deferred. We recognize our subscription fees as revenue over a weighted-average period of 20 months (ranges from 2 months to 27 months) and our service fees as revenue over approximately 33 months.

As of June 30, 2023, the aggregate amount of the transaction price allocated to the remaining performance obligations related to partially completed contracts is $22.2 million, comprised of $15.6 million of subscription fees and $6.6 million of service fees that are deferred. We recognize our subscription fees as revenue over a weighted-average period of 30 months (ranges from 4 months to 39 months) and our service fees as revenue over approximately 15 months.

Contract Costs

For the three and six months ended June 30, 2024 and June 30, 2023, we incurred no incremental costs to obtain and/or fulfill contracts with customers.

4. Business Combination and Asset Acquisition

Apex Crypto

On April 1, 2023 we completed the acquisition of 100% of the ownership interests of Apex Crypto. We recognized goodwill from the acquisition due to the assembled, experienced workforce and anticipated growth we expect to achieve from Apex Crypto's sales pipeline and product capabilities. The total consideration as measured at April 1, 2023 included $55.0 million in cash, approximately $10.5 million in Class A Common Stock payable based on Apex Crypto's performance in the fourth quarter of 2022, and $11.8 million of cash paid for net working capital, which was predominantly cash held in banks. In addition, we may pay up to $100.0 million of our Class A Common Stock as additional consideration depending on Apex Crypto's achievement of certain financial targets through 2025 (the "contingent consideration"). As part of the purchase price allocation, the value of the contingent consideration was estimated to be $2.9 million.

The following is a reconciliation of the fair value of consideration transferred in the acquisition to the fair value of the assets acquired and liabilities assumed.

($ in millions)	
Cash consideration paid	$ 55.0
Cash paid for working capital and cash	11.8
Class A Common Stock at transaction close	10.5
Estimated fair value of Class A Common Stock contingent consideration	2.9
Total consideration	$ 80.2
Current assets	31.8
Safeguarding asset for crypto	689.3
Non-current assets	0.3
Intangible assets - developed technology	5.6
Intangible assets - customer relationships	10.2
Goodwill	52.0
Current liabilities	(19.7)
Safeguarding obligation for crypto	(689.3)
Net assets acquired	$ 80.2

The above fair values are as of the acquisition date. The acquired intangible assets and goodwill required the use of significant unobservable inputs including partner activation forecasts, expectations about customer trading volume and frequency, customer attrition rates, and estimated useful lives of acquired technology and discount rates (level 3 inputs). The acquired customer relationships were valued using a multi-period excess earnings model. The acquired developed technology was valued using a relief from royalty method. Acquired crypto safeguarding asset and obligation were valued based on the midpoint of a bid-ask spread as of the acquisition date (level 2 inputs). Other assets and liabilities were carried over at their acquired costs which was not materially different than their fair values.

The contingent consideration payable in Class A Common Stock to Apex Crypto's former owners based on the performance of the business in the 2023 through 2025 annual periods was estimated using a Monte Carlo simulation given the range of possible outcomes. As of December 31, 2023, we determined the value of the contingent consideration was zero, based on our forward-looking projections and minimum profit requirements associated with the contingent consideration and reversed the accrual through acquisition expenses. As of June 30, 2024, we determined the value of the contingent consideration remained zero.

The following unaudited pro forma financial information presents the Company's results of operations as if the acquisition of Apex Crypto had occurred on January 1, 2023. The unaudited pro forma financial information as presented below is for illustrative purposes and does not purport to represent what the results of operations would actually have been if the acquisition of Apex Crypto occurred as of the date indicated or what the results would be for any future periods. The unaudited pro forma results reflect the step-up amortization adjustments for the fair value of intangible assets acquired, acquisition-related expenses, and share-based compensation expense for newly issued restricted stock units. Pro forma revenue for the six months ended June 30, 2023 would be $806.0 million. Pro forma net loss for the six months ended June 30, 2023 would be $86.1 million.

Subsequent to the acquisition, we changed the name of Apex Crypto to Bakkt Crypto Solutions, LLC ("Bakkt Crypto Solutions").

Bumped Acquisition

On February 8, 2023, we acquired 100% of the units of Bumped Financial, LLC, which we subsequently renamed Bakkt Brokerage, LLC ("Bakkt Brokerage"), a broker-dealer registered with the SEC and the Financial Industry Regulatory Authority, Inc., for cash consideration of $0.6 million. Because of the limited scope of its historical operations, we determined that substantially all of the purchase consideration in the transaction would be allocated to the in-place licenses Bakkt Brokerage held and as such, have accounted for this as an asset acquisition.

5. Goodwill and Intangible Assets, Net

Changes in goodwill consisted of the following (in thousands):

	Gross Carrying Amount	Accumulated Impairment Losses	Net Carrying Amount
Balance as of December 31, 2023	$ 1,579,265	$ (1,511,264)	$ 68,001
Foreign currency translation	—	—	—
Balance as of June 30, 2024	$ 1,579,265	$ (1,511,264)	$ 68,001

We did not identify any indicators of impairment during the three months ended June 30, 2024. During the three months ended March 31, 2024, we identified a triggering event related to the significant decline in our stock price, indicating a potential impairment of our goodwill. We determined no goodwill impairment charge was required based on a comparison of our market capitalization against the carrying value of our equity.

Intangible assets consisted of the following (in thousands):

	June 30, 2024			
	Weighted Average Useful Life (in years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks / trade names	Indefinite	2,900	—	2,900
Total		$ 2,900	$ —	$ 2,900

	December 31, 2023				
	Weighted Average Useful Life (in years)	Gross Carrying Amount	Accumulated Amortization	Impairment	Net Carrying Amount
Licenses	Indefinite	$ 611	$ —	$ (611)	$ —
Trademarks / trade names	Indefinite	8,000	—	(5,100)	2,900
Technology	5	18,360	(6,234)	(12,126)	—
Customer relationships	8.4	55,170	(12,508)	(42,662)	—
Total		$ 82,141	$ (18,742)	$ (60,499)	$ 2,900

We did not record any amortization of intangible assets for the three and six months ended June 30, 2024 as our finite-lived intangible assets have been fully impaired. Amortization of intangible assets for the three and six months ended June 30, 2023 was $2.7 million and $4.7 million, respectively, and is included in “Depreciation and amortization” in the consolidated statements of operations.

Estimated future amortization for definite-lived intangible assets as of June 30, 2024 was zero as our finite-lived intangible assets had been fully impaired.

We account for crypto we own as indefinite-lived intangible assets and initially measure such crypto at cost (under a first-in, first-out basis) under the guidance in ASC 350, *Intangibles - Goodwill and Other*. These assets are not amortized, but assessed for impairment given the volatility of markets for these assets. Impairment exists when the carrying amount exceeds its fair value. The fair value of crypto is determined as the lowest price of executed transactions during the measurement or holding period using the quoted price of the crypto in our principal market. The carrying amount of a crypto asset after its impairment becomes its new cost basis. Impairment losses are not reversible or recoverable and are included in “Crypto costs” in the consolidated statements of operations. Impairment losses were not material for the three and six months ended June 30, 2024 and June 30, 2023, respectively. Our owned crypto is typically liquidated on a daily basis during the fulfillment of customer orders and settlement with our liquidity providers. Our owned crypto was not material as of June 30, 2024 and December 31, 2023 and is included within "Other assets" in the consolidated balance sheets. We classify cash flows from crypto within cash flows from operating activities.

6. Consolidated Balance Sheet Components

Accounts Receivable, Net

Accounts receivable, net consisted of the following (in thousands):

	June 30, 2024	December 31, 2023
Trade accounts receivable	$ 12,738	$ 14,987
Receivables from customers, clients and liquidity partners	3,705	6,123
Unbilled receivables	4,540	6,125
Deposits	1,733	939
Other receivables	2,816	2,221
Total accounts receivable	25,532	30,395
Less: Allowance for doubtful accounts	(1,095)	(731)
Total	$ 24,437	$ 29,664

Deposits includes cash, as noted on the consolidated statements of cash flows, at clearing agencies used to settle customer transactions. Amounts payable and receivable to our liquidity providers are reported net by counterparty when the right of offset exists.

Other Current Assets

Other current assets consisted of the following (in thousands):

	June 30, 2024	December 31, 2023
Prepaid expenses	$ 4,433	$ 3,307
Other	75	25
Total	$ 4,508	$ 3,332

Property, Equipment and Software, Net

Property, equipment and software, net consisted of the following (in thousands):

	June 30, 2024	December 31, 2023
Internal-use software	$ 1,722	$ —
Other computer and network equipment	848	800
Leasehold improvements	276	—
Property, equipment and software, gross	2,846	800
Less: accumulated amortization and depreciation	(915)	(740)
Total	$ 1,931	$ 60

For the three and six months ended June 30, 2024, depreciation and amortization expense related to property, equipment and software amounted to $0.1 million and $0.2 million, respectively, of which $0.1 million and $0.1 million, respectively, related to amortization expense of capitalized internal-use software placed in service.

For the three and six months ended June 30, 2023, depreciation and amortization expense related to property, equipment and software amounted to $1.3 million and $2.3 million, respectively, of which $0.4 million and $0.7 million, respectively, related to amortization expense of capitalized internal-use software placed in service.

Other Assets

Other assets consisted of the following (in thousands):

	June 30, 2024	December 31, 2023
Operating lease right-of-use assets	$ 10,467	$ 11,456
Deposits with clearinghouse	159	159
Other	2,039	1,647
Total	$ 12,665	$ 13,262

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consisted of the following (in thousands):

	June 30, 2024	December 31, 2023
Accounts payable	$ 5,882	$ 14,925
Payables to clients and customers	2,265	4,906
Accrued expenses	15,703	15,970
Purchasing card payable	3,818	11,830
Salaries and benefits payable	6,534	4,442
Loyalty revenue share liability	2,780	2,686
Other	2,302	620
Total	$ 39,284	$ 55,379

Other Current Liabilities

Other current liabilities consisted of the following (in thousands):

	June 30, 2024	December 31, 2023
Current maturities of operating lease liability	3,802	3,636
Other	53	70
Total	$ 3,855	$ 3,706

Other Noncurrent Liabilities

Other noncurrent liabilities consisted of the following (in thousands):

	June 30, 2024	December 31, 2023
Operating lease liability, noncurrent	$ 21,428	$ 23,525
Total	$ 21,428	$ 23,525

Amounts receivable and payable included in the tables above related to our crypto transactions pending settlement with our customers and liquidity providers were settled in July 2024 in amounts consistent with those reflected above.

7. Tax Receivable Agreement

On October 15, 2021, we entered into a Tax Receivable Agreement (the "TRA") with certain Opco equity holders. Each Opco common unit, when coupled with one share of our Class V Common Stock is referred to as a “Paired Interest.” Pursuant to the TRA, among other things, holders of Opco Common Units may, subject to certain conditions, from and after April 16, 2022, exchange such Paired Interests for Class A Common Stock on a one-for-one basis, subject to the terms

of the Exchange Agreement, including our right to elect to deliver cash in lieu of Class A Common Stock and, in certain cases, adjustments as set forth therein. Opco will have in effect an election under Section 754 of the Internal Revenue Code for each taxable year in which an exchange of Opco Common Units for Class A Common Stock (or cash) occurs.

The exchanges are expected to result in increases in the tax basis of the tangible and intangible assets of Opco. These increases in tax basis may reduce the amount of tax that we would otherwise be required to pay in the future. These increases in tax basis may also decrease gains (or increase losses) on future dispositions of certain capital assets to the extent tax basis is allocated to those capital assets.

The TRA provides for the payment by us to exchanging holders of Opco Common Units of 85% of certain net income tax benefits, if any, that we realize (or in certain cases are deemed to realize) as a result of these increases in tax basis related to entering into the TRA, including tax benefits attributable to payments under the TRA. This payment obligation is an obligation of the Company and not of Opco. For purposes of the TRA, the cash tax savings in income tax will be computed by comparing our actual income tax liability (calculated with certain assumptions) to the amount of such taxes that we would have been required to pay had there been no increase to the tax basis of the assets of Opco as a result of Opco having an election in effect under Section 754 of the Code for each taxable year in which an exchange of Opco Common Units for Class A Common Stock occurs and had we not entered into the TRA. Such change will be calculated under the TRA without regard to any transfers of Opco Common Units or distributions with respect to such Opco Common Units before the exchange under the Exchange Agreement to which Section 743(b) or 734(b) of the Code applies. As of June 30, 2024, 1,043,210 Opco Common Units had been exchanged for Class A Common Stock. Refer to Note 14 regarding the contingency related to the TRA.

8. Related Parties

ICE Management and Technical Support

Upon consummation of the VIH Business Combination, we entered into a Transition Services Agreement (the “ICE TSA”) with ICE, pursuant to which ICE provides insurance, digital warehouse, data center, technical support, and other transition-related services in exchange for quarterly service fees payable by us. We did not recognize any expense related to the ICE TSA for the three and six months ended June 30, 2024, respectively. We recognized $1.0 million and $1.6 million of expense related to the ICE TSA for the three and six months ended June 30, 2023, respectively, which is reflected as “Related party expenses” in the consolidated statements of operations. As of June 30, 2024 and December 31, 2023, we had $2.2 million and $3.0 million, respectively, reflected as “Due to related party” in the consolidated balance sheets related to the ICE TSA. The agreement terminated in December 2023.

Triparty Agreement

The Digital Currency Trading, Clearing, and Warehouse Services Agreement ("Triparty Agreement") provided for ICE Futures U.S., Inc. ("IFUS") to list for trading one or more digital currency futures and/or options contracts, and for ICE Clear US, Inc. ("ICUS") to serve as the clearing house to provide central counterparty and ancillary services for such contracts.

Effective July 28, 2023, IFUS delisted all Bakkt Bitcoin futures contracts other than the August and September 2023 expiry months, and also delisted all Bakkt Bitcoin Option contracts. Following the delisting, no new Bakkt Bitcoin futures or option expiry months were listed for trading. The August and September 2023 expiry months continued to be listed for trading through their regular last trading days, which were August 24 and September 28, 2023 respectively. No material revenues associated with the Triparty Agreement were recognized during the three and six months ended June 30, 2023, respectively. Effective October 2, 2023, the parties terminated the Triparty Agreement.

Apex Crypto Technical Support

In connection with our acquisition of Apex Crypto, we entered into a Transition Services Agreement (the "Apex TSA") with Apex Fintech Solutions, Inc. ("AFS"), pursuant to which AFS provides technical support and other transition-related services in exchange for quarterly service fees payable by us. We recognized approximately $0.2 million and $0.3 million of expense related to the Apex TSA for the three and six months ended June 30, 2024, respectively, which are reflected as "Related party expenses" in the consolidated statements of operations. We recognized $0.5 million of expense related to the Apex TSA for the three months ended June 30, 2023 which is reflected as "Related party expenses" in the consolidated statements of operations. As of June 30, 2024 and December 31, 2023, we had approximately $0.5 million and $0.2 million, respectively, reflected as "Due to related party" in the consolidated balance sheets related to the Apex TSA.

ICE Credit Facility

On August 12, 2024, we entered into the ICE Credit Facility with ICE. Refer to Note 20 for more information.

9. Warrants

As of June 30, 2024 and December 31, 2023, there were 7,140,508 public warrants outstanding. Public warrants may only be exercised for a whole number of shares. No fractional shares will be issued upon exercise of the public warrant. Holders of public warrants are entitled to purchase one share of Class A Common Stock for every 25 public warrants. The exercise price associated with such warrants is equivalent to $287.50 per share of Class A Common Stock. The public warrants became exercisable on November 15, 2021. The public warrants will expire on October 15, 2026, or earlier upon redemption or liquidation. We may redeem the outstanding warrants when various conditions are met, such as specific stock prices, as detailed in the specific warrant agreements. The warrants are recorded as a liability and reflected as "Warrant liability" in the consolidated balance sheets.

During the three and six months ended June 30, 2024, we received less than $0.1 million in proceeds from the exercise of the public warrants. During the three and six months ended June 30, 2023, we did not receive any proceeds from the exercise of the public warrants. We recognized a loss from the change in fair value of the warrant liability during the three months ended June 30, 2024 of $0.3 million and a gain from the change in fair value of the warrant liability during the six months ended June 30, 2024 of $1.1 million. We recognized a gain from the change in fair value of the warrant liability during the three months ended June 30, 2023 of $0.4 million and a loss during the six months ended June 30, 2023 of $0.6 million.

In connection with the Concurrent Offerings (Note 10), we issued and sold to the Third-Party Purchasers an aggregate of 1,396,701 shares of the Company's Class A Common Stock, including 196,701 shares of Class A Common Stock issued upon exercise of certain of the Pre-Funded Warrants (as defined below) prior to the Third-Party Closing, Class 1 Warrants ("Class 1 Warrants") to purchase an aggregate of 922,722 shares of Class A Common Stock, Class 2 Warrants ("Class 2 Warrants") to purchase an aggregate of 922,722 shares of Class A Common Stock and Pre-Funded Warrants ("Pre-Funded Warrants") to purchase an aggregate of 448,742 shares of Class A Common Stock.

Concurrently, under the terms of the ICE Offering we entered into a securities purchase agreement (the "ICE Purchase Agreement" and, together with the Third-Party Purchase Agreement, the "Purchase Agreements") with ICE, pursuant to which we issued and sold to ICE an aggregate of 461,361 shares of Class A Common Stock, Class 1 Warrants to purchase an aggregate of 230,680 shares of Class A Common Stock, and Class 2 Warrants to purchase an aggregate of 230,680 shares of Class A Common Stock. The consummation of the transactions contemplated by the ICE Purchase Agreement occurred on March 4, 2024 and April 25, 2024.

The Class 1 and Class 2 Warrants have an exercise price of $25.50 and have a five-and-a-half year term. The Class 1 and Class 2 Warrants may be exercised at any time after the 6 month anniversary of the relevant closing. The Class

2 warrant agreement contains an alternative exercise clause that entitles the holder to exchange two warrants for a share of stock if certain conditions are met. The Class 1 and Class 2 Warrants issued in the Concurrent Offerings are initially recorded as a liability at fair value and reflected as "Warrant liability" in the consolidated balance sheets.

The warrants issued on April 25, 2024 were valued at $2.6 million using the Black-Scholes-Merton model for Class 1 Warrants and a binomial lattice model for the Class 2 Warrants. Prior to the three months ended June 30, 2024, we used a Monte Carlo simulation to measure the fair value of the Class 2 Warrants. During the three months ended June 30, 2024, we adopted a binomial lattice model as our valuation technique as we believe it provides a more accurate and relevant measure of the fair value of the Class 2 Warrants. The Class 1 Warrants and Class 2 Warrants issued on March 4, 2024 were valued at $27.7 million using the Black-Scholes-Merton model for Class 1 Warrants and a Monte Carlo simulation for the Class 2 Warrants.

As of June 30, 2024, all Class 1 Warrants and Class 2 Warrants remain outstanding. During the three months ended March 31, 2024, holders exercised all of the Pre-Funded Warrants. The proceeds received from the exercise of Pre-Funded Warrants were immaterial. We recognized a loss from the change in fair value of the warrant liability associated with the Class 1 and Class 2 Warrants during the three and six months ended June 30, 2024 of $14.8 million and $7.2 million, respectively.

10. Stockholders' Equity

2024 Registered Direct Offering

On February 29, 2024, we entered into a securities purchase agreement with certain institutional investors, pursuant to which we agreed to sell and issue a combination of Class A Common Stock, Class 1 Warrants, Class 2 Warrants and Pre-Funded Warrants in a registered direct offering (the "Third-Party Offering"). In a concurrent registered direct offering (the "ICE Offering" and, together with the Third-Party Offering, the "Concurrent Offerings") on February 29, 2024, we entered into a securities purchase agreement with ICE (a related party), pursuant to which we agreed to sell and issue a combination of Class A Common Stock, Class 1 Warrants and Class 2 Warrants. We raised net proceeds from the Third-Party Offering of approximately $37.6 million, after deducting the placement agent's fees and estimated offering expenses payable by us, and raised net proceeds from the ICE Offering of approximately $9.8 million, after deducting estimated offering expenses payable by us. Approximately $2.4 million of proceeds from the ICE Offering were received concurrently with the closing of the Third-Party Offering, with the remaining $7.4 million received in a subsequent closing of the ICE Offering on April 25, 2024 after we obtained stockholder approval for such issuance. We intend to use the net proceeds from the Concurrent Offerings for working capital and other general corporate purposes.

Preferred Stock

We are authorized to issue 1,000,000 shares of preferred stock with a par value of $0.0001 per share. The holders of a series of preferred stock shall be entitled only to such voting rights as shall expressly be granted thereto by the Certificate of Incorporation (including any certificate of designation relating to such series of preferred stock). As of June 30, 2024, no shares of preferred stock have been issued.

Common Stock

Class A Common Stock

We are authorized to issue 30,000,000 shares with a par value of $0.0001 per share. Each holder of record of Class A Common Stock is entitled to one vote for each share of Class A Common Stock held on all matters on which stockholders generally or holders of Class A Common Stock as a separate class are entitled to vote, including the election or removal of directors (whether voting separately as a class or together with one or more classes of our capital stock). As of June 30, 2024 and December 31, 2023, there were 6,310,548 and 3,793,837 shares of Class A Common Stock issued and outstanding, respectively.

Dividends

Subject to preferences that may be applicable to any outstanding preferred stock, the holders of shares of Class A Common Stock are entitled to receive ratably such dividends, if any, as may be declared from time to time by our Board out of funds legally available therefor. As of June 30, 2024, no dividends have been declared.

Liquidation

In the event of any voluntary or involuntary liquidation, dissolution or winding up of our affairs, the holders of Class A Common Stock are entitled to share ratably in all assets remaining after payment of our debts and other liabilities, subject to prior distribution rights of preferred stock or any class or series of stock having a preference over the Class A Common Stock, then outstanding, if any.

Class V Common Stock

We are authorized to issue 10,000,000 shares with par value $0.0001 per share. These shares have no economic value but entitle the holder to one vote per share. Paired Interests may be exchanged for one share of our Class A Common Stock or a cash amount in accordance with the Third Amended and Restated Limited Liability Company Agreement of Opco and the Amended and Restated Exchange Agreement. Holders of Paired Interests became eligible on April 16, 2022 under the Exchange Agreement to exchange their Paired Interests for Class A Common Stock, or, at our election, cash in lieu thereof. During the three and six months ended June 30, 2024, holders of Paired Interests exchanged 398 and 5,123 Paired Interests for our Class A Common Stock, and we did not elect to settle any such exchanges in cash. As of June 30, 2024 and December 31, 2023, there were 7,194,941 and 7,200,064 shares of Class V Common Stock issued and outstanding, respectively.

Dividends

Dividends will not be declared or paid on the Class V Common Stock.

Liquidation

In the event of any voluntary or involuntary liquidation, dissolution or winding up of our affairs, the holders of Class V Common Stock shall not be entitled to receive any of our assets.

Restrictions

In the event that any outstanding share of Class V Common Stock ceases to be held directly or indirectly by a holder of Opco Common Units, such share will automatically be transferred to us and cancelled for no consideration. We will not issue additional shares of Class V Common Stock, other than in connection with the valid issuance or transfer of Opco Common Units in accordance with Opco's Third Amended and Restated Limited Liability Company Agreement (the "LLC Agreement").

Noncontrolling Interest

The following table summarizes the ownership interest in Opco as of June 30, 2024 and December 31, 2023.

	June 30, 2024		December 31, 2023	
	Opco Common Units	Ownership %	Opco Common Units	Ownership %
Opco common units held by Bakkt Holdings, Inc.	6,310,548	47 %	3,793,837	35 %
Opco common units held by noncontrolling interest holders	7,194,941	53 %	7,200,064	65 %
Total Opco common units outstanding	13,505,489	100 %	10,993,901	100 %

The weighted average ownership percentages for the applicable reporting periods are used to attribute net loss and other comprehensive loss to the Company and the noncontrolling interest holders. The noncontrolling interest holders' weighted average ownership percentage for the three and six months ended June 30, 2024 was 53.9% and 57.7%, respectively.

Members' Equity

Prior to the VIH Business Combination, Opco had three classes of voting units – Class A, Class B and Class C voting units – and incentive units granted under the Opco Incentive Equity Plan (the "Opco Plan").

In connection with the VIH Business Combination, Class C warrants of Opco ("Class C Warrants") automatically converted into the right to purchase 31,734 Paired Interests in Opco at an exercise price of $126.00 per Paired Interest. Class C Warrants may only be exercised for a whole number of Paired Interests. Holders of Class C Warrants are entitled to purchase one Paired Interest for every 25 Class C Warrants. As of June 30, 2024, 172,055 Class C Warrants have vested but have not been exercised, and the remaining 621,297 Class C Warrants have not vested or been exercised. No expenses were recorded during the three and six months ended June 30, 2024 and June 30, 2023, since the service conditions were not probable of being met in those periods.

11. Share-Based and Unit-Based Compensation

2021 Incentive Plan

Our 2021 Omnibus Incentive Plan, as amended (the "2021 Incentive Plan"), became effective on the Closing Date with the approval of VIH's shareholders and the Board of Directors. The 2021 Incentive Plan allows us to make equity and equity-based incentive awards to employees, non-employee directors and consultants. As of December 31, 2023, there were 2,096,295 shares of Class A Common Stock reserved for issuance under the 2021 Incentive Plan which can be granted as stock options, stock appreciation rights, restricted shares, restricted stock units ("RSUs"), performance stock units ("PSUs"), dividend equivalent rights and other share-based awards. On May 31, 2024, the 2021 Incentive Plan was amended to increase by 938,625 shares the number of authorized shares of Class A Common Stock available for issuance for a new aggregate total of 3,034,920 shares authorized. No award may vest earlier than the first anniversary of the date of grant, subject to limited exceptions.

Share-Based Compensation Expense

During the three and six months ended June 30, 2024, we granted 545,553 and 1,028,152 RSUs, respectively, to employees and directors. During the three and six months ended June 30, 2024, we did not grant any PSUs. During the three and six months ended June 30, 2023, we granted 127,155 and 307,610 RSUs, respectively, to employees and directors. During the three months ended June 30, 2023, we granted 26,945 PSUs to employees and directors. We did not grant any PSUs during the first quarter of 2023.

We recorded $2.4 million and $10.1 million of share-based compensation expense related to RSUs during the three and six months ended June 30, 2024, respectively. We recorded $3.6 million and $9.4 million of share-based compensation expense related to RSUs during the three and six months ended June 30, 2023, respectively. We recorded zero and $0.3 million of share-based compensation expense related to PSUs during the three and six months ended June 30,

2024, respectively. We recorded $0.5 million and $1.9 million of share-based compensation expense related to PSUs during the three and six months ended June 30, 2023, respectively. Share-based compensation expense for both RSUs and PSUs, except for share-based compensation expense related to the Company's restructuring efforts discussed below, is included in “Compensation and benefits” in the consolidated statements of operations.

Unrecognized compensation expense as of June 30, 2024 and December 31, 2023 was $14.3 million and $14.3 million, respectively, for the RSUs and PSUs. The unrecognized compensation expense as of June 30, 2024 and December 31, 2023 will be recognized over a weighted-average period of 1.71 years and 1.38 years, respectively.

RSU and PSU Activity

The following tables summarize RSU and PSU activity under the 2021 Incentive Plan for the six months ended June 30, 2024 and June 30, 2023 (in thousands, except per unit data):

RSUs and PSUs	Number of RSUs and PSUs	Weighted Average Remaining Contractual Term (years)	Weighted Average Grant Date Fair Value	Aggregate Intrinsic Value
Outstanding as of December 31, 2022	551	2.05	$ 101.25	
Granted	334		$ 37.25	$ 12,468
Forfeited	(75)			
Vested	(205)			
Outstanding as of June 30, 2023	605	1.79	$ 73.25	
Outstanding as of December 31, 2023	521	1.38	$ 69.75	
Granted	1,028		$ 12.05	12,393
Forfeited	(115)			
Vested	(325)			
Outstanding as of June 30, 2024	1,109	1.71	$ 19.46	

During the three and six months ended June 30, 2024, we recorded $4.9 million and $4.9 million, respectively, of share-based compensation expense related to the accelerated vesting of awards for certain employees, primarily related to the termination of a former executive. Acceleration of share-based compensation expense related to our restructuring efforts is included in “Restructuring expenses” in the consolidated statements of operations. We also recorded reversal of share-based compensation expense of $0.3 million and $0.4 million during the three and six months ended June 30, 2024, respectively, for forfeitures related to the termination of employees. Reversal of share-based compensation expense related to the Company's restructuring efforts is included in “Restructuring expenses” in the consolidated statements of operations.

Total fair value of vested RSU and PSU awards was $1.6 million and $6.4 million for the three and six months ended June 30, 2024, respectively. Total fair value of vested RSU and PSU awards was $3.8 million and $8.2 million for the three and six months ended June 30, 2023, respectively.

The fair value of the RSUs and PSUs used in determining share-based compensation expense is based on the closing price of our common stock on the grant date.

PSUs provide an opportunity for the recipient to receive a number of shares of our Class A Common Stock based on various performance metrics. Upon vesting, each performance stock unit equals one share of Class A Common Stock of the Company. We accrue compensation expense for the PSUs based on our assessment of the probable outcome of the performance conditions. The metrics for PSUs granted during 2022 relate to our performance during fiscal years 2022, 2023 and 2024, as measured against objective performance goals approved by the Board. The actual number of units earned may range from 0% to 150% of the target number of units depending upon achievement of each year's performance

goals. PSUs granted in 2022 vest in three equal annual installments, subject to a catch-up provision over the three annual performance targets. The metrics for PSUs granted during 2023 relate to our performance during fiscal year 2023, as measured against objective performance goals approved by the Board. The actual number of units earned may range from 0% to 150% of the target number of units depending upon achievement of the 2023 performance goals. PSUs granted in 2023 vest in three equal annual installments from 2024 to 2026.

Opco Plan

Preferred incentive units and common incentive units (collectively, "incentive units") represent an ownership interest in Opco and are entitled to receive distributions from Opco, subject to certain vesting conditions. Opco classifies incentive units as equity awards on its consolidated balance sheets. Participation units, issued directly by Opco to Opco Plan participants, do not represent an ownership interest in Opco but rather provide Opco Plan participants the contractual right to participate in the value of Opco, if any, through either a cash payment or issuance of Class A Common Stock upon the occurrence of certain events following vesting of the participation units. Refer to Note 11 to our consolidated financial statements included in our Form 10-K where the modifications to the Opco Plan are described in detail.

Upon consummation of the VIH Business Combination, the 76,475,000 outstanding preferred incentive units and 23,219,745 outstanding common incentive units were converted into 698,934 common incentive units, and the 10,811,502 outstanding participation units were converted into 1,197,250 participation units. Opco preferred incentive units and common incentive units outstanding prior to the VIH Business Combination, as well as participation units, were not impacted by the Reverse Stock Split discussed in Note 2, therefore these amounts are presented without consideration of the Reverse Stock Split Ratio. Contemporaneously with the conversion, approximately one-third of the awards in the Opco Plan vested. The second tranche vested on the one-year anniversary of the Closing Date and the third tranche vested on the two-year anniversary of the Closing Date, although under the terms of the Opco Plan, employees who were terminated without cause after the Closing Date would vest in the unvested portion of their awards immediately upon their termination date. There has not been, and will not be, any additional awards made under the Opco Plan following the VIH Business Combination.

Unit-Based Compensation Expense

Unit-based compensation expense for the three and six months ended June 30, 2023 was as follows (in thousands):

Type of unit	Three Months Ended June 30, 2023	Six Months Ended June 30, 2023
Common incentive unit	$ 377	$ 919
Participation unit	(111)	27
Total	$ 266	$ 946

As of December 31, 2023, all Common Incentive Units and Participation Units had vested or been forfeited and there was no unrecognized unit-based compensation expense.

Incentive Unit Activity

The following table summarizes common incentive unit activity under the Opco Plan for the six months ended June 30, 2024 (in thousands, except per unit data):

Common Incentive Units	Number of Common Incentive Units	Weighted Average Remaining Contractual Term (years)	Weighted Average Grant Date Fair Value	Aggregate Intrinsic Value
Outstanding as of December 31, 2023	309	0.00	$ 166.75	$ 51,467
Granted	—			
Forfeited	—			
Exchanged	(5)			
Outstanding as of June 30, 2024	304	0.00	$ 166.75	$ 50,677

Common Incentive Units	Number of Common Incentive Units	Weighted Average Remaining Contractual Term (years)	Weighted Average Grant Date Fair Value	Aggregate Intrinsic Value
Outstanding as of December 31, 2022	332	0.79	$ 157.50	$ 67,635
Granted	—			
Forfeited	—			
Exchanged	(8)			
Outstanding as of June 30, 2023	324	0.54	$ 157.50	$ 65,980

There were no participation units granted during the three and six months ended June 30, 2023. We did not make any cash payments to settle vested participation units during the three months ended June 30, 2023. We made cash payments of less than $0.1 million to settle vested participation units during the six months ended June 30, 2023.

Determination of Fair Value

The fair value of incentive and participation units granted is calculated through a Monte Carlo simulation based on various outcomes. Opco determined that a Monte Carlo simulation was an appropriate estimation model because of the market conditions associated with the vesting of the units. The determination of the fair value of the units is affected by Opco's stock price and certain assumptions such as Opco's expected stock price volatility over the term of the units, risk-free interest rates, and expected dividends, which are determined as follows:

- Expected term – The expected term represents the period that a unit is expected to be outstanding.
- Volatility – Opco has limited historical data available to derive its own stock price volatility. As such, Opco estimates stock price volatility based on the average historic price volatility of comparable public industry peers.
- Risk-free interest rate – The risk-free rate is based on the U.S. Treasury yield curve in effect on the grant date for securities with similar expected terms to the term of Opco's incentive units.
- Expected dividends – Expected dividends is assumed to be zero as Opco has not paid and does not expect to pay cash dividends or non-liquidating distributions.
- Discount for lack of marketability – an estimated two-year time to exit Predecessor awards and the six-month lock-up restriction on Successor awards is reflected as a discount for lack of marketability estimated using the Finnerty model.

12. Net Loss per share

Basic earnings per share is based on the weighted average number of shares of Class A Common Stock issued and outstanding. Diluted earnings per share is based on the weighted average number shares of Class A Common Stock issued and outstanding and the effect of all dilutive common stock equivalents and potentially dilutive share-based awards outstanding. There is no difference in the number of shares used to calculate basic and diluted shares outstanding due to our net loss position. The potentially dilutive securities that would be anti-dilutive due to our net loss are not included in the calculation of diluted net loss per share attributable to controlling interest.

The following is a reconciliation of the denominators of the basic and diluted per share computations for net loss (in thousands, except share and per share data):

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net Loss per share:				
Numerator – basic and diluted:				
Net loss	$ (35,512)	$ (50,511)	$ (56,787)	$ (95,366)
Less: Net loss attributable to noncontrolling interest	(19,088)	(33,663)	(32,198)	(64,546)
Net loss attributable to Bakkt Holdings, Inc. – basic	(16,424)	(16,848)	(24,589)	(30,820)
Net loss and tax effect attributable to noncontrolling interests	—	—	—	—
Net loss attributable to Bakkt Holdings, Inc. – diluted	$ (16,424)	$ (16,848)	$ (24,589)	$ (30,820)
Denominator – basic and diluted:				
Weighted average shares outstanding – basic	6,161,704	3,593,491	5,279,065	3,435,211
Weighted average shares outstanding – diluted	6,161,704	3,593,491	5,279,065	3,435,211
Net loss per share – basic	$ (2.67)	$ (4.69)	$ (4.66)	$ (8.97)
Net loss per share – diluted	$ (2.67)	$ (4.69)	$ (4.66)	$ (8.97)

Potential common shares issuable to employees or directors upon exercise or conversion of shares under our share-based and unit-based compensation plans and upon exercise of warrants are excluded from the computation of diluted earnings per common share when the effect would be anti-dilutive.

No shares that are contingently issuable as part of the Bakkt Crypto Solutions acquisition have been included in the calculation of diluted EPS as no amounts are payable as of June 30, 2024. The following table summarizes the total potential common shares excluded from diluted loss per common share as their effect would be anti-dilutive (in thousands):

	As of June 30, 2024
RSUs and PSUs	1,109
Public warrants	286
Opco warrants	32
Class 1 and Class 2 warrants	2,307
Opco common units	7,195
Total	10,929

13. Capital Requirements

Bakkt Trust is subject to certain regulatory capital requirements imposed by NYDFS. These capital requirements require Bakkt Trust to maintain in cash the greater of a defined positive net worth or the sum of the required percentages

established for transmitted assets and cold wallet and hot wallet custody assets. The amounts set aside to satisfy these requirements are included within "Restricted cash" in the consolidated balance sheets.

Bakkt Crypto holds a BitLicense from NYDFS, which subjects it to NYDFS's oversight with respect to business activities conducted in New York State and with New York residents, and is required to maintain a capital balance equal to the greater of a predefined minimum amount or the sum of the required percentages established for transmitted assets, cold wallet and hot wallet custody assets, and predefined wind-down costs, or expected costs associated with the orderly wind-down of the business. Bakkt Crypto also has money transmitter licenses wherever its business model requires (46 states plus Washington D.C., giving effect to the surrender of duplicative and unneeded licenses following the merger of Bakkt Crypto Solutions and Bakkt Marketplace discussed below) which require it to maintain a minimum tangible net worth. Several states have adopted the Model Money Transmission Modernization Act ("MMTMA"), which defined tangible net worth as the aggregate assets of a licensee excluding all intangible assets, less liabilities, and established a calculation for minimum tangible net worth as a percentage of total assets. For states that have not adopted the MMTMA, Bakkt Crypto is required to maintain tangible net worth of a minimum amount, plus the amount of customer funds held in transit. In March 2024, we received approval from NYDFS to merge, and have since merged, Bakkt Crypto Solutions and Bakkt Marketplace into one legal entity, now referred to as Bakkt Crypto.

Bakkt Brokerage is registered as a broker-dealer with the Financial Industry Regulatory Authority and is required to maintain a minimum amount of net capital. Bakkt Brokerage's net capital requirement is not material. Bakkt Brokerage was registered as a broker-dealer with the Financial Industry Regulatory Authority, which filed for a withdrawal of its membership on July 16, 2024, and was required to maintain a non-material minimum amount of net capital. The Financial Industry Regulatory Authority has expelled Bakkt Brokerage for a failure to file independently audited financial statements for 2023, a period when Bakkt Brokerage was inactive. Bakkt Brokerage is working to correct this filing prior to final withdrawal of its membership

As of June 30, 2024 and December 31, 2023, the above mentioned subsidiaries were in compliance with their respective regulatory capital requirements. The minimum capital requirements to which our subsidiaries are subject may restrict their ability to transfer cash. We may also be required to transfer cash to our subsidiaries such that they may continue to meet these minimum capital requirements.

14. Commitments and Contingencies

401(k) Plan

We sponsor a 401(k) defined contribution plan covering all eligible U.S. employees. Both Company and employee contributions to the 401(k) plan are discretionary. For the three and six months ended June 30, 2024, we recorded approximately $0.6 million and $1.3 million, respectively, of expenses related to the 401(k) plan, which is included in "Compensation and benefits" in the consolidated statements of operations. For the three and six months ended June 30, 2023, we recorded approximately $0.7 million and $1.7 million, respectively, of expenses related to the 401(k) plan, which is included in "Compensation and benefits" in the consolidated statements of operations.

Tax Receivable Agreement

The Company is party to a TRA with certain Opco equity holders. As of June 30, 2024, the Company has not recorded a liability under the TRA related to the income tax benefits originating from the exchanges of Opco Common Units as it is not probable that the Company will realize such tax benefits. The amounts payable under the TRA will vary depending upon a number of factors, including the amount, character, and timing of the taxable income of the Company in the future. Should the Company determine that the payment of the TRA liability becomes probable at a future date based on new information, any changes will be recorded on the Company's consolidated statements of operations and comprehensive loss at that time.

Litigation

As described above, in October 2021, we completed the VIH Business Combination with VIH, pursuant to which VIH changed its name to Bakkt Holdings, Inc. and the current directors and officers of the Company replaced the directors and officers in place prior to the VIH Business Combination. On April 21, 2022, a putative class action was filed against Bakkt Holdings, Inc. and certain of its directors and officers prior to the VIH Business Combination in the U.S. District Court for the Eastern District of New York on behalf of certain purchasers of securities of VIH and/or purchasers of Bakkt Class A Common Stock issued in connection with the VIH Business Combination. On August 3, 2022, the Court appointed lead plaintiffs and lead counsel and on October 18, 2022, lead plaintiffs filed an amended complaint (the "Amended Complaint"). The Amended Complaint alleged that VIH made false or misleading statements and omissions of material fact in the registration statement and prospectus/proxy statement filing in connection with the VIH Business Combination and in other SEC filings made by VIH, in violation of federal securities laws in connection with disclosures relating to certain of VIH's financial statements, accounting, and internal controls and that, as a result, VIH securities traded at artificially inflated prices. Plaintiffs sought certification of a class of purchasers of (1) VIH/Bakkt's publicly traded securities between March 31, 2021 and November 19, 2021, and/or (2) Bakkt's publicly traded securities pursuant and/or traceable to the registration statement. The Amended Complaint sought damages, as well as fees and costs. The Amended Complaint named as defendants only one current director, and no current officers, of Bakkt. On March 14, 2023, the parties reached a settlement in principle. On April 12, 2023, the parties completed a stipulation of settlement resolving the litigation for $3.0 million, subject to Court approval. On September 21, 2023, the Court granted the motion for preliminary approval. On February 27, 2024, the Court held a final approval hearing at which the Court sought certain limited additional information from Plaintiffs, which Plaintiffs provided on March 5, 2024. On April 17, 2024, the Court granted the Plaintiffs' motion for final approval and terminated the class action. We expect the settlement will be covered by our insurance less our contractual retention.

On June 23, 2023, an "opt-out" action related to the foregoing class action was filed against Bakkt Holdings, Inc. and the individuals named in the class action. In late February 2024, plaintiff provided notice that he intended to pursue his remedies as a class member, and therefore did not expect further to pursue this action. On March 1, 2024, the parties filed a joint stipulation of dismissal without a settlement or compromise between the parties, and on March 5, 2024 the Court issued an order dismissing the action.

On February 20, 2023, a derivative action related to the foregoing class action was filed against Bakkt Holdings, Inc. and all of its directors in the U.S. District Court for the Eastern District of New York. On June 13, 2023, the defendants filed with the Court a pre-motion letter setting forth the reasons for the dismissal of the action. On July 20, 2023, the parties filed with the Court a stipulation of a voluntary dismissal of the action without a settlement or compromise between them. On July 31, 2023, the Court issued an order to dismiss the action.

Prior to its acquisition by the Company, Apex Crypto received requests from the SEC for documents and information about certain aspects of its business, including the operation of its trading platform, processes for listing assets, the classification of certain listed assets, and relationships with customers and service providers, among other topics. The SEC has since made a number of follow-up requests for additional documents and information, and the Company has continued to respond to those requests on a timely basis. Based on the ongoing nature of this matter, the outcome remains uncertain and the Company cannot estimate the potential impact, if any, on its business or financial statements at this time.

On January 25, 2024, the Company's subsidiary, Aspire Loyalty Travel Solutions, LLC ("Aspire") received a letter from one of its vendors alleging breach of its agreement with that vendor relating to a migration of Aspire's systems to a different vendor. The alleged breach relates to a contractual provision requiring Aspire to originate at least a given percentage of its redemptions on the vendor's systems. In May 2024, we settled the matter for $1.1 million. We recognized $0.4 million of expense for this matter during the six months ended June 30, 2024.

Other legal and regulatory proceedings have arisen and may arise in the ordinary course of business. However, we do not believe that the resolution of these matters will have a material adverse effect on our financial position, results of

operations or cash flows. However, future results could be materially and adversely affected by new developments relating to the legal proceedings and claims.

Commercial Purchasing Card Facility

On April 7, 2022, we entered into a corporate card services agreement with Bank of America to provide a purchasing card facility that we utilize for redemption purchases made from vendors as part of our loyalty redemption platform. Total borrowing capacity under the facility was $35 million and there is no defined maturity date. Expenditures made using the purchasing card facility are payable at least bi-monthly, are not subject to formula-based restrictions and do not bear interest if amounts outstanding are paid when due and in full. The purchasing card facility requires us to maintain a concentration account with the lender subject to a minimum liquidity maintenance requirement of $7.0 million along with the accounts receivable of our subsidiary, within the loyalty business. Bakkt Holdings, Inc. serves as the guarantor on behalf of our subsidiary under the commercial purchasing card facility. We began using the purchasing card facility in August 2022.

In March 2024, Bank of America required us to pledge as collateral the amounts which were previously required to be maintained in the concentration account. In April 2024, Bank of America reduced our credit line associated with the purchasing card facility from $35.0 million to $20.0 million.

Purchase Obligations

In December 2021, we entered into a four-year cloud computing arrangement which includes minimum contractual payments due to the third-party provider. In December 2023, we agreed to amend the contract and extend the payment period for an additional year. During the year ended December 31, 2023, we entered into a five-year strategic marketing agreement which required a committed spend. In July 2024, we terminated the agreement, which required a settlement payment of $1.1 million and resulted in the release from future obligations. As of June 30, 2024, our outstanding purchase obligations, inclusive of the settlement described above, consisted of the following future minimum commitments (in thousands):

	Payments Due by Period				
	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Purchase obligations	$ 6,100	$ 10,500	$ —	$ —	$ 16,600

15. Income Taxes

As a result of the VIH Business Combination, the Company acquired a controlling interest in Opco, which is treated as a partnership for U.S. federal income tax purposes, and in most applicable state and local income tax jurisdictions. As a partnership, Opco is not itself subject to U.S. federal and certain state and local income taxes. Any taxable income or loss generated by Opco is passed through to and included in the taxable income or loss of its partners, including the Company following the VIH Business Combination, on a pro rata basis. The Company's U.S. federal and state income tax expense primarily relates to the Company’s allocable share of any taxable income or loss of Opco following the VIH Business Combination. In addition, Opco’s wholly owned corporate subsidiaries that are consolidated for U.S. GAAP purposes but separately taxed for federal, state, and foreign income tax purposes as corporations are generating federal, state, and foreign income tax expense.

Our effective tax rate of (0.3)% and (0.4)% for the three and six months ended June 30, 2024, respectively, differ from statutory rates primarily due to the loss that is not taxed to the Company and the absence of taxable income to realize the Company's net operating losses and other deferred tax assets.

Our effective tax rate of (0.2)% and (0.4)% for the three and six months ended June 30, 2023, respectively, differ from statutory rates primarily due to the loss that is not taxed to the Company and the absence of taxable income to realize the Company's net operating losses and other deferred tax assets.

Deferred tax assets are reduced by a valuation allowance if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Our realizability of our deferred tax assets, in each jurisdiction, is dependent upon the generation of future taxable income sufficient to utilize the deferred tax assets on income tax returns, including the reversal of existing temporary differences, historical and projected operating results and tax planning strategies. We assessed that substantially all of our deferred tax assets were not more likely than not to be realized. As of June 30, 2024 and December 31, 2023, the Company believed that it was not more likely than not that the net deferred tax assets would be realizable and thus has maintained a full valuation allowance.

The effects of uncertain tax positions are recognized in the consolidated financial statements if these positions meet a “more-likely-than-not” threshold. For those uncertain tax positions that are recognized in the consolidated financial statements, liabilities are established to reflect the portion of those positions it cannot conclude “more-likely-than-not” to be realized upon ultimate settlement. The Company had no unrecognized tax benefits or related interest and penalties accrued as of June 30, 2024 or December 31, 2023.

16. Fair Value Measurements

Financial assets and liabilities that are measured at fair value on a recurring basis are classified as Level 1, Level 2 and Level 3 as follows (in thousands):

	As of June 30, 2024			
	Total	Level 1	Level 2	Level 3
Assets:				
U.S. Treasury debt securities	$ 13,170	$ 13,170	$ —	$ —
Safeguarding asset for crypto	974,486	—	974,486	—
Total Assets	$ 987,656	$ 13,170	$ 974,486	$ —
Liabilities:				
Safeguarding obligation for crypto	974,486	—	974,486	—
Warrant liability - Class 1 and Class 2 warrants	37,543	—	—	37,543
Warrant liability - public warrants	1,214	1,214	—	—
Total Liabilities	$ 1,013,243	$ 1,214	$ 974,486	$ 37,543

	As of December 31, 2023			
	Total	Level 1	Level 2	Level 3
Assets:				
U.S. Treasury debt securities	$ 17,398	$ 17,398	$ —	$ —
Safeguarding asset for crypto	701,556	—	701,556	—
Total Assets	$ 718,954	$ 17,398	$ 701,556	$ —
Liabilities:				
Safeguarding obligation for crypto	$ 701,556	$ —	$ 701,556	$ —
Warrant liability - public warrants	2,356	2,356	—	—
Total Liabilities	$ 703,912	$ 2,356	$ 701,556	$ —

The carrying amounts of certain financial instruments, including cash and cash equivalents, accounts receivables, unbilled accounts receivables, due from related party, deposits with clearinghouse, due to related party, accounts payable and accrued liabilities, and operating lease obligations approximate their fair values due to their short-term nature. The balance of deposits with clearinghouse not invested in U.S. government securities are in the form of cash, and therefore approximate fair value.

Our investments in debt securities consist of U.S. Treasury debt securities held in the custody of a major financial institution. As of June 30, 2024, our investment in available-for-sale debt securities was determined to be a Level 1 investment based on quoted prices in active markets and was recorded in the consolidated balance sheet at fair value.

The fair value of the safeguarding obligation for crypto and the corresponding safeguarding asset for crypto was determined using Level 2 inputs which included using the value of the safeguarded asset determined as the mid-point of a bid-ask spread in the market we determined to be the principal market for the related crypto as of June 30, 2024.

The contingent consideration associated with the acquisition of Bakkt Crypto Solutions is valued using Level 3 inputs, which includes a Monte Carlo simulation. The inputs for the Monte Carlo simulation included forecasted financial performance of Bakkt Crypto Solutions and estimated earnings volatility. The contingent consideration liability is revalued each reporting period and any change in the liability is reflected in the Company's statements of operations in “Acquisition-related expenses". As of the acquisition date, the fair value of the contingent consideration was estimated to be $2.9 million and used an estimated gross profit volatility of 66%. As of December 31, 2023, we determined the value of the contingent consideration was zero, based on our forward-looking projections and minimum profit requirements associated with the contingent consideration and reversed the accrual through acquisition expenses. As of June 30, 2024, we determined the value of the contingent consideration remained zero.

Our public warrant liability is valued based on quoted prices in active markets and is classified within Level 1. During the three months ended June 30, 2024, our Class 1 Warrants and Class 2 Warrants were valued using the Black-Scholes-Merton model and a binomial lattice model, respectively, both of which utilize certain Level 3 inputs. Prior to the three months ended June 30, 2024, our Class 1 Warrants and Class 2 Warrants were valued using the Black-Scholes-Merton model and a Monte Carlo simulation, respectively. A significant input to the Monte Carlo simulation included the volatility of movement in the price of the stock underlying the warrants, which was estimated using the historical volatility of our Class A Common Stock over the contractual period of the warrant.

The significant unobservable inputs used for the fair value measurement of our Class 1 Warrants and Class 2 Warrants liabilities as of June 30, 2024 are summarized as follows:

Expected term (years)	5.18 - 5.50
Continuous risk-free rate	4.12% - 4.59%
Expected volatility	125.0% - 145.0%

The preceding methods described may produce fair value calculations that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although we believe our valuation techniques are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

As described in Note 5, our owned crypto is continually evaluated for impairment using the lowest quoted price in the market we determine to be the principal market for the related crypto, which we determined was a Level 2 input. Other fair value inputs associated with non-recurring impairment analyses are discussed in the notes of the related assets.

17. Leases

We lease real estate for office space under operating leases. On December 21, 2023, we signed an agreement to sublease a portion of our corporate headquarters office space in Alpharetta, Georgia. The sublease commenced in March 2024. On March 15, 2023, we signed an amendment to our Scottsdale, Arizona lease that extended the lease term. The amended lease has a term of 89 months and total fixed lease payments over the term of the amended lease are $5.7 million. During the year ended December 31, 2023, we entered into a new real estate lease for office space in New York, New York, that commenced on January 31, 2022. The lease has a term of 94 months and the total fixed lease payments over the term of the lease are $7.3 million. On April 25, 2022, we signed a lease agreement for call center office space in Alpharetta, Georgia. On May 12, 2022, we executed our option to lease additional space for the Alpharetta call center. The call center lease commenced on June 3, 2022. The lease has a term of 47 months and total fixed lease payments over the term of the lease are $5.9 million. We consider a lease to have commenced on the date when we are granted access to the leased asset. Several of these leases include escalation clauses for adjusting rentals. As of June 30, 2024, we do not have any active finance leases.

Our real estate leases have remaining lease terms as of June 30, 2024 ranging from 22 months to 99 months, with three of our leases containing an option to extend the term for a period of 5 years exercisable by us, which we are not reasonably certain of exercising at commencement. None of our leases contain an option to terminate the lease without cause at the option of either party during the lease term.

Certain of our real estate leasing agreements include terms requiring us to reimburse the lessor for its share of real estate taxes, insurance, operating costs and utilities which we account for as variable lease costs when incurred since we have elected to not separate lease and non-lease components, and hence are not included in the measurement of lease liability. There are no restrictions or covenants imposed by any of the leases, and none of our leases contain material residual value guarantees.

The discount rates for all of our leases are based on our estimated incremental borrowing rate since the rates implicit in the leases were not determinable. Our incremental borrowing rate is based on management’s estimate of the rate of interest we would have to pay to borrow on a fully collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment.

We have elected the practical expedient under which lease components would not be separated from the non-lease components for all our classes of underlying assets. Accordingly, each lease component and the non-lease components related to the lease component are accounted for as a single lease component. As of June 30, 2024, the weighted average remaining lease term for our operating leases was approximately 80 months, and the weighted average discount rate for our operating leases was 5.3%. As of December 31, 2023, the weighted average remaining lease term for our operating leases was approximately 84 months, and the weighted average discount rate for our operating leases was 5.3%. We were party to short-term leases during the three and six months ended June 30, 2024, which resulted in less than $0.1 million and less than $0.1 million of rent expense, respectively. We were party to short-term leases during the three and six months ended June 30, 2023, which resulted in less than $0.1 million and less than $0.1 million of rent expense, respectively.

18. Safeguarding Obligation For Crypto

We provide custody services for Bakkt Crypto's customers and for Bakkt Trust's standalone custody customers. Bakkt Trust may also provide sub-custodian services for Bakkt Crypto customers. We do not own crypto held in a custodial capacity on behalf of our customers. We maintain the internal recordkeeping of those assets and are obligated to safeguard the assets and protect them from loss or theft. We hold the controlling majority of cryptographic key information on behalf of our Bakkt Trust custodial customers. A significant portion of the crypto we hold in a custodial capacity are

custodied by institutional grade sub-custodians. Sub-custodians used by Bakkt Crypto hold our customer cryptographic key information and are not permitted to move assets without our specific authorization.

As of June 30, 2024, we have a safeguarding obligation for crypto of $974.5 million. The safeguarding liability, and corresponding safeguarding asset for crypto on the balance sheet, are measured at the fair value of the crypto held for our customers. We are not aware of any actual or possible safeguarding loss events as of June 30, 2024. Therefore, the safeguarding obligation for crypto and the related safeguarding asset for crypto are recorded at the same amount.

We are responsible for holding the following crypto on behalf of our customers as of June 30, 2024 and December 31, 2023 (in thousands):

	June 30, 2024	December 31, 2023
Bitcoin	$ 389,991	$ 262,231
Ether	233,233	196,016
Shiba Inu	211,181	143,237
Dogecoin	109,860	78,524
Other	30,221	21,548
Safeguarding obligation for crypto	$ 974,486	$ 701,556
Safeguarding asset for crypto	$ 974,486	$ 701,556

19. Investment in Debt Securities

We have investments in certain debt securities, which we record at fair value and present as "Available-for-sale securities" in the consolidated balance sheets.

Unrealized gains and temporary losses, net of related taxes, are included in accumulated other comprehensive income (loss) ("AOCI"). Upon realization, those amounts are reclassified from AOCI to earnings. The amortization of premiums and discounts on the investments are included in our results of operations. Realized gains and losses are calculated based on the specific identification method. We classify our investments as current or noncurrent based on the nature of the investments and their availability for use in current operations.

The cost basis and fair value of available-for-sale debt securities with unrealized gains and losses included in “Accumulated other comprehensive loss” in the consolidated balance sheets were as follows (in thousands):

	June 30, 2024			December 31, 2023		
Available-for-sale securities	**Cost Basis**	**Unrealized Gain, net**	**Fair Value**	**Cost Basis**	**Unrealized Gain, net**	**Fair Value**
Government debt						
U.S. treasury bonds	12,998	172	13,170	17,230	168	17,398
Total available-for-sale securities	$ 12,998	$ 172	$ 13,170	$ 17,230	$ 168	$ 17,398

There were no available-for-sale debt securities in an unrealized loss position as of June 30, 2024 or December 31, 2023. We may sell certain investments depending on liquidity needs of the business; however, it is not likely that we will be required to sell the investments before recovery of their respective amortized cost basis. In addition, there were no credit losses on these investments as of June 30, 2024.

The cost basis and fair value of available-for-sale debt securities at June 30, 2024, by contractual maturity, are shown below (in thousands). Expected maturities may differ from contractual maturities because borrowers may have the right to prepay and creditors may have the right to call obligations.

	June 30, 2024	
	Cost Basis	Fair Value
Due in one year or less	$ 12,998	$ 13,170
Due after one year through five years	—	—
Total debt securities - available-for-sale	$ 12,998	$ 13,170

20. Subsequent Events

On August 12, 2024, Bakkt and Opco entered into the ICE Credit Facility, with certain subsidiaries of Bakkt party thereto from time to time, as guarantors, whereby the Lender agreed to provide for a $40.0 million secured revolving line of credit for working capital and general corporate purposes. Any borrowings under the facility made prior to December 31, 2024 require the consent of the Lender in its sole discretion. For the period beginning December 31, 2024 through March 30, 2025, Opco can borrow up to an aggregate principal amount (excluding any capitalized interest) of $10.0 million. For the period beginning March 31 through June 29, 2025, Opco can borrow up to an aggregate principal amount (excluding any capitalized interest) of $20.0 million. From the period beginning June 30 through September 29, 2025, Opco can borrow up to an aggregate principal amount (excluding any capitalized interest) of $30.0 million. On or after September 30, 2025, Opco can borrow up to an aggregate principal amount (excluding any capitalized interest) of $40.0 million. As of August 12, 2024, no loans were outstanding under the ICE Credit Facility.

Loans under the ICE Credit Facility do not amortize and mature on December 31, 2026. Borrowings under the ICE Credit Facility accrue interest at a rate equal to, at Opco's election, either the secured overnight financing rate ("SOFR") for a term of one, three or six months plus 12%, or the prime rate plus 11%. Interest is payable quarterly in arrears with respect to borrowings bearing interest at the prime rate or on the last day of an interest period, but at least every three months, with respect to borrowings bearing interest at the term SOFR rate; provided, that Opco can elect to pay interest in kind by adding such interest amount to the principal amount of the outstanding borrowings under the ICE Credit Facility. For any interest period for which Opco has elected to pay interest in kind, the applicable margin on the outstanding loans will increase by 1% per annum. Under certain circumstances, a default interest rate will apply on all obligations during the existence of an event of default under the ICE Credit Facility at a per annum rate equal to 2% above the otherwise applicable interest rate.

Opco will pay a commitment fee of 0.5% per annum on the daily average of the available commitment that can be borrowed, less the outstanding principal amount of all loans (excluding any capitalized interest). Fees are payable in cash quarterly and at maturity. Loans under the ICE Credit Facility can be prepaid without penalty, subject to customary breakage costs for loans bearing interest at the term SOFR rate. Amounts repaid under the ICE Credit Facility can be reborrowed prior to the maturity date, subject to certain customary conditions set forth in the ICE Credit Facility.

The ICE Credit Facility contains customary affirmative and negative covenants, including negative covenants limiting the ability of the Company and its subsidiaries to, among other things, incur debt, grant liens, undergo certain fundamental changes, dispose of assets, make certain restricted payments and prepayments, enter into restrictive agreements, enter into transactions with affiliates, make investments, and amend certain agreements relating to debt, in each case, subject to limitations and exceptions set forth in the ICE Credit Facility. The ICE Credit Facility also contains various customary events of default that include, among others, payment defaults, breach of covenants, inaccuracy of representations and warranties, cross defaults to certain other indebtedness, bankruptcy and insolvency events, judgment defaults, and events constituting a change of control, subject to thresholds and cure periods as set forth in the ICE Credit Facility.

The obligations under the ICE Credit Facility are required to be guaranteed by Bakkt and certain material domestic subsidiaries of the Company and secured by substantially all of the personal property of the Company and such subsidiary guarantors.

The foregoing description of the ICE Credit Facility and the transactions contemplated thereby is not complete and is subject to, and qualified in its entirety by reference to, the revolving credit agreement governing the ICE Credit Facility, a copy of which is filed as Exhibit 10.2 to this Report, which is incorporated herein by reference.

Management evaluated subsequent events through the date of issuance of these consolidated financial statements and determined that no other events or transactions, other than those disclosed above, met the definition of a subsequent event for purposes of recognition or disclosure in the accompanying consolidated financial statements.

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

The following discussion and analysis of financial condition and results of operations should be read together with the accompanying consolidated financial statements and related notes thereto included elsewhere in this Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (this "Report") and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, which is incorporated herein by reference. References in this section to "we," "us," "our," "Bakkt" or the "Company" and like terms refer to Bakkt Holdings, Inc. and its subsidiaries for the three and six months ending June 30, 2024, unless the context otherwise requires. Some of the information contained in this discussion and analysis or set forth elsewhere in this Report, including information with respect to our plans and strategy for our business, includes forward-looking statements. Such forward-looking statements are based on the beliefs of our management, as well as assumptions made by, and information currently available to, our management. Actual results could differ materially from those contemplated by the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those factors discussed above in "Cautionary Statement Regarding Forward-Looking Statements" and "Item 1A. Risk Factors."

Overview

In this section and elsewhere in this Report, we use the following terms, which are defined as follows:

- **"Client"** means businesses with whom we contract to provide services to customers on our platform, and includes financial institutions, hedge funds, merchants, retailers, third party partners and other businesses (except in the accompanying notes to the consolidated financial statements, where we refer to revenue earned from customers, instead of clients. The term customers is in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers*.)
- **"Crypto" or "Crypto asset"** means an asset that is built using blockchain technology, including virtual currencies (as used in the State of New York), coins, cryptocurrencies, stablecoins, and other tokens. Our platform enables transactions in certain supported crypto assets. For purposes of this Form 10-Q, we use crypto assets, virtual currency, coins, and tokens interchangeably.
- **"Customer"** means an individual user of our platform. Customers include customers of our loyalty clients who use our platform to transact in loyalty points, as well as customers of our clients who transact in crypto through, and have accounts on, our platform (except as defined for ASC 606 purposes above).
- **"Loyalty points"** means loyalty and/or reward points that are issued by clients to their customers.

Founded in 2018, Bakkt builds technology that connects the digital economy by offering one ecosystem for crypto and loyalty points. We enable our clients to deliver new opportunities to their customers through software as a service ("SaaS") and API solutions that unlock crypto and drive loyalty, powering engagement and performance. The global market for crypto, while nascent, is rapidly evolving and expanding. We believe we are well-positioned to provide innovative, multi-faceted product solutions and grow with this evolving market. Our platform is uniquely positioned to power commerce by enabling consumers, brands, and financial institutions to better manage, transact with and monetize crypto in exciting new ways.

Our platform is built to operate across various crypto assets and offers clients the flexibility to choose some or all of our capabilities, and the manner in which these capabilities are enabled for consumers, based on their needs and objectives. Some clients may choose to enable our capabilities directly in their experience, while others may want a "ready-to-go" storefront and leverage capabilities such as our web-based technology. Our institutional-grade platform, born out of our former parent company, Intercontinental Exchange, Inc. ("ICE"), supports "know your customer" ("KYC"), anti-money laundering ("AML"), and other anti-fraud measures to combat financial crime.

Recent Developments

Revolving Credit Facility

On August 12, 2024, Bakkt and Opco executed a revolving credit facility with Intercontinental Exchange Holdings, Inc. (the "Lender") and certain subsidiaries of Bakkt party thereto from time to time, as guarantors, whereby the Lender agreed to provide for a $40.0 million secured revolving line of credit for working capital and general corporate purposes. The ICE Credit Facility is available in defined commitment amounts at specified dates in the future. Refer to Liquidity and Capital Resources elsewhere in this section of this Report.

Reverse Stock Split

On April 29, 2024, following approval by our stockholders and Board of Directors, we effected a reverse stock split (the "Reverse Stock Split") of our Class A Common Stock, par value $0.0001 per share ("Class A Common Stock"), and Class V Common Stock, par value $0.0001 per share ("Class V Common Stock" and collectively with the Class A Common Stock, the "Common Stock"), at a ratio of 1-for-25 (the "Reverse Stock Split Ratio"), effective as of 12:01 a.m. eastern time on April 29, 2024 (the "Effective Time"). Our Class A Common Stock began trading on a reverse-split adjusted basis on the New York Stock Exchange (the "NYSE") as of the open of trading on April 29, 2024. After the Effective Time, the Class A Common Stock will continue to be listed on the NYSE under the symbol "BKKT". As such, the Reverse Stock Split has been retroactively applied to all share and per share information throughout this Quarterly Report on Form 10-Q (unless otherwise noted).

The Reverse Stock Split increased the price per share of our Class A Common Stock above the $1.00 per share minimum bid price requirement of Section 802.01C of the NYSE Listed Company Manual (the "Listing Rule"), as discussed below. We, however, cannot assure that the price per share following the Reverse Stock Split will be maintained for any period of time, or that the price will remain above the pre-split trading price or $1.00 per share.

In connection with the Reverse Stock Split, we effected a corresponding and proportional adjustment to our authorized shares of Common Stock, such that the 1,000,000,000 authorized shares of Common Stock, consisting of 750,000,000 shares of Class A Common Stock and 250,000,000 shares of Class V Common Stock were reduced proportionately to 40,000,000 authorized shares of Common Stock, consisting of 30,000,000 shares of Class A Common Stock and 10,000,000 shares of Class V Common Stock. The par value per share of Common Stock, the par value per share of preferred stock and the number of authorized shares of preferred stock did not change.

We did not issue fractional shares in connection with the Reverse Stock Split. Stockholders who would have otherwise held fractional shares because the number of shares of Class A Common Stock they held before the Reverse Stock Split was not evenly divisible by the Reverse Stock Split Ratio received cash (without interest, and subject to any required tax withholding applicable to a holder) in lieu of such fractional shares. To maintain parity with the Class A Common Stock, holders of paired interests (each of which is a combination of one share of Class V Common Stock and one common unit of Opco and is exchangeable into a share of Class A Common Stock on a one-for-one basis) were also correspondingly adjusted for the Reverse Stock Split and paid out in cash, applying the same per-share price, for any resulting fractional interests. The aggregate cash in respect of fractional interests was not material. Immediately after the Reverse Stock Split, each stockholder's percentage ownership interest and proportional voting power remained unchanged, except for minor changes that resulted from the treatment of fractional shares.

All of our outstanding warrants to purchase Class A Common Stock were proportionately adjusted as a result of the Reverse Stock Split in accordance with the terms of the warrants. Proportionate adjustments were also made to our employees and directors' outstanding equity awards, as well as to the number of shares issuable under our 2021 Omnibus Incentive Plan, as amended (the "2021 Omnibus Incentive Plan").

February 2024 Concurrent Registered Direct Offerings

On February 29, 2024, we entered into a securities purchase agreement (the "Third-Party Purchase Agreement") with certain institutional investors (the "Third-Party Purchasers"). The consummation of the transactions contemplated by the Third-Party Purchase Agreement (the "Third-Party Closing") occurred on March 4, 2024. At the Third-Party Closing, pursuant to the Third-Party Purchase Agreement, we issued and sold to the Third-Party Purchasers an aggregate of 1,396,701 shares of our Class A Common Stock, Class 1 Warrants ("Class 1 Warrants") to purchase an aggregate of 922,722 shares of Class A Common Stock, Class 2 Warrants ("Class 2 Warrants") to purchase an aggregate of 922,722 shares of Class A Common Stock and Pre-Funded Warrants ("Pre-Funded Warrants") to purchase an aggregate of 448,742 shares of Class A Common Stock. As of the date of this report, holders have exercised all of the Pre-Funded Warrants. The offering of such securities was conducted in a registered direct offering (the "Third-Party Offering"). The purchase price of each share of Class A Common Stock and accompanying Class 1 Warrant or Class 2 Warrant (each, a "Warrant") was $21.675 and the purchase price of each Pre-Funded Warrant and accompanying Warrant was $21.6725.

In the Concurrent Offerings, we entered into ICE Purchase Agreement, pursuant to which we issued and sold to ICE an aggregate of 461,361 shares of Class A Common Stock, Class 1 Warrants to purchase an aggregate of 230,680 shares of Class A Common Stock, and Class 2 Warrants to purchase an aggregate of 230,680 shares of Class A Common Stock. The purchase price of each share of Class A Common Stock and accompanying Warrant in the ICE Offering was $21.675.

In the ICE Offering, we closed the sale and issuance to ICE of 110,480 shares of Class A Common Stock, Class 1 Warrants to purchase up to 55,240 shares of Class A Common Stock and Class 2 Warrants to purchase up to 55,240 shares of Class A Common Stock, concurrently with the Third-Party Closing (the "Initial ICE Closing"). The closing of the issuance and sale of the remaining 350,880 shares of Class A Common Stock, Class 1 Warrants to purchase up to 175,440 shares of Class A Common Stock and Class 2 Warrants to purchase up to 175,440 shares of Class A Common Stock in the ICE Offering occurred on April 25, 2024, after we obtained stockholder approval for such issuances under the rules and regulations of the NYSE on April 23, 2024.

See "*Liquidity and Capital Resources*" below for management's assertions on the impact of the Concurrent Offerings on our going concern considerations.

Crypto Market Developments

After a year of significant volatility in crypto asset prices, a loss of confidence in many participants in the crypto asset ecosystem, regulatory actions and adverse publicity around specific companies in 2023, the crypto markets in 2024 continue to be impacted by the broader macroeconomic conditions, including the strength of the overall macroeconomic environment, high interest rates, spikes in inflation rates, general market volatility, and geopolitical concerns. We expect the macroeconomic environment and the state of the crypto markets to remain dynamic in the near-term.

In addition, crypto assets and crypto market participants have recently faced increased scrutiny by regulators. For example, in 2023, the SEC brought charges against a number of crypto asset exchanges, including Bittrex, Coinbase, Binance, Kraken, and other crypto asset service providers, identifying a number of crypto assets as securities and alleging violations of, and non-compliance with, U.S. federal securities laws. We continue to monitor regulatory developments in this area and assess our business model and the assets we support in light of such developments.

In January 2024, the SEC approved a number of applications for spot-traded bitcoin exchange-traded funds, or ETFs. Since then, the crypto market has seen a significant increase in interest from, and participation by, institutional investors. In May 2024, the SEC approved a number of applications for spot-traded ETH ETFs, furthering the momentum of institutional investor interest. We believe this increase in institutional interest and adoption intersects with our strengths, as we were originally conceived as an institutionally-focused crypto company.

Apex Crypto Acquisition

On April 1, 2023, we completed the acquisition of 100% of the ownership interests of Apex Crypto LLC (“Apex Crypto”) and subsequently changed the name of the legal entity to Bakkt Crypto Solutions, LLC (“Bakkt Crypto Solutions”). On March 20, 2024, Bakkt Marketplace, LLC ("Bakkt Marketplace") merged with Bakkt Crypto Solutions. The newly merged entity operates under the name Bakkt Crypto Solutions, LLC ("Bakkt Crypto"). We are leveraging Bakkt Crypto’s proprietary trading platform and existing relationships with liquidity providers to provide a wider range of assets and competitive pricing to our customers. Our acquisition of Bakkt Crypto Solutions complements our B2B2C growth strategy by broadening our business partnerships to fintechs and neobanks. Specifically, Bakkt Crypto offers customers the ability to purchase, sell, store and, in approved jurisdictions, deposit and withdraw approved crypto assets, all from within the applications of its clients with whom customers already have a relationship. Using Bakkt Crypto's platform, customers can purchase approved crypto assets, store crypto assets in custodial wallets, liquidate their holdings, and transfer supported crypto assets between a custodial wallet maintained by Bakkt Crypto and external wallets in certain jurisdictions, if enabled by the client.

In addition, Bakkt Crypto is in the process of enhancing capabilities on its trading platform, including support for larger orders and recurring buys, and extending the platform to support institutional execution.

As part of our ongoing review of potential services, we continually evaluate how we can most effectively improve our platform and service offerings in a manner that is compliant with applicable governance and regulatory considerations. In such review, we may determine to stop pursuing a potential service offering in light of, among other things, revenue expectations and compliance with applicable laws. For example, following discussion with our clients we have elected to suspend the development of our Bakkt Payouts product indefinitely. Furthermore, we considered developing the capability for registered customers to transfer crypto assets to and from other registered customers within our platform but have indefinitely postponed further development and rollout of such functionality. In addition, we evaluated opportunities to offer staking, as well as opportunities to offer non-fungible tokens, and have postponed further development and rollout for both such functionalities indefinitely.

At the time our acquisition of Bakkt Crypto Solutions closed, Bakkt Crypto Solutions had agreements with more than 30 fintech clients pursuant to which the clients made Bakkt Crypto Solutions’ crypto asset trading service available to their customer base. Our acquisition of Bakkt Crypto Solutions resulted in us obtaining access to such partners. The majority of these fintech clients are also part of Apex Fintech Solutions’ client network.

The agreements with these fintech clients provide for licensing of their front-end trading platforms by Bakkt Crypto and cooperation between the parties in facilitating consumers’ transactions in crypto assets. The agreements are for a term of either one or two years and can be terminated by either party for breach or in case of a change of control. In most cases, the agreements also contain provisions giving Bakkt Crypto discretion in the choice of crypto assets offered to each client through its platform, and, in some cases, exclusivity covenants pursuant to which clients have agreed not to refer their customers to other crypto asset trading platforms.

Following the closing of the acquisition of Bakkt Crypto Solutions and in light of recent regulatory developments, we reviewed all crypto assets then available on the Bakkt Crypto Solutions platform and determined it was appropriate to delist certain of such crypto assets. In effecting such delisting decisions, we attempted to mitigate impacts on our business and customers by affording customers a period in which to exit their positions in the impacted crypto assets as part of an orderly wind-down. The delisting process was completed on September 21, 2023 and we recognized transactional revenue associated with delisted crypto assets of approximately $27.6 million on that date.

NYSE Listing Notification

On March 13, 2024, we were notified by NYSE that we were not in compliance with the Listing Rule because the average closing stock price of a share of our Class A Common Stock was less than $1.00 per share over a consecutive 30 trading-day period. Pursuant to the Listing Rule, we have six months following the NYSE notification to regain compliance with the Listing Rule, during which time our Class A Common Stock will continue to be listed on the NYSE.

Under the NYSE's rules, if a Company determines it will cure its noncompliance with the Listing Rule by taking an action that will require stockholder approval, it must so inform the NYSE, and the noncompliance with the Listing Rule will be deemed cured if the price promptly exceeds $1.00 per share and the price remains above that level for at least the following 30 trading days. On June 3, 2024, we received notice that we had regained compliance with the Listing Rule.

Executive Officer Transition

On March 18, 2024, Gavin Michael resigned as President, Chief Executive Officer and as a director of the Company, as well as from all positions held with the Company's subsidiaries, effective March 25, 2024. Mr. Michael has been engaged as an advisor to the Company for a period of one year.

On March 18, 2024, the Company announced that the Company's Board of Directors (the "Board") appointed Andrew Main to serve as the Company's President and Chief Executive Officer, effective as of March 26, 2024. In connection with his appointment as the Company's President and Chief Executive Officer, Mr. Main resigned from his position as a member of the Compensation Committee of the Board, effective as of March 26, 2024. Mr. Main will continue to serve as a member of the Board.

On April 29, 2024, Charles Goodroe resigned from his position as Chief Accounting Officer of the Company, effective May 22, 2024. Effective as of Mr. Goodroe's resignation, Karen Alexander, the Company's Chief Financial Officer and principal financial officer, assumed the role of the Company's principal accounting officer.

On July 8, 2024, the Company appointed Joe Henderson as Vice President, Chief Accounting Officer and principal accounting officer of the Company, effective July 8, 2024.

Key Factors Affecting Our Performance

Growing Our Client Base

Our ability to increase our revenue stream depends on our ability to grow clients on our platform. We collaborate with leading brands and have built an extensive network across numerous industries including financial institutions, merchants and travel and entertainment. To date, management has been focused on building through clients within a business-to-business-to-consumer ("B2B2C") model. Our goal is to provide these clients opportunities to leverage our capabilities either through their existing environment or by leveraging our platform. Our acquisition of Bakkt Crypto Solutions complements our B2B2C growth strategy by broadening our business partnerships to fintechs and neo-banks.

Product Expansion and Innovation

The crypto marketplace is rapidly evolving. We believe our ability to continue innovating our platform will increase the attractiveness of our platform to clients. Our ability to meet the capability demands of our clients will allow us to continue to grow revenue.

Competition

The crypto marketplace is highly competitive with numerous participants competing for the same clients. We believe we are well positioned with our ability to provide capabilities around emerging crypto alongside loyalty points on a single, highly secure, institutional-grade technology platform.

General Economic and Market Conditions

Our performance is impacted by the strength of the overall macroeconomic environment and crypto market conditions, which are beyond our control. Negative market conditions hinder client activity, including extended decision timelines around implementing crypto strategies. See *"Crypto Market Developments"* above.

Regulations in U.S. & International Markets

We are subject to many complex, uncertain and overlapping local, state and federal laws, rules, regulations, policies and legal interpretations (collectively, "laws and regulations") in the markets in which we operate. These laws and regulations govern, among other things, consumer protection, privacy and data protection, labor and employment, anti-money laundering, money transmission, competition, and marketing and communications practices. These laws and regulations will likely have evolving interpretations and applications, particularly as we introduce new products and services and expand into new jurisdictions.

We are seeking to bring trust and transparency to crypto. We are and will continue to be subject to laws and regulations relating to the collection, use, retention, security, and transfer of information, including the personally identifiable information of our clients and all of the users in the information chain. We have developed and frequently evaluate and update our compliance models to ensure that we are complying with applicable restrictions.

We continue to work with regulators to address the emerging global landscape for crypto. As investment continues, the intersection of technology and finance will require ongoing engagement as new applications emerge. Crypto asset and distributed ledger technology have significant, positive potential with proper collaboration between industry and regulators.

Safeguarding Obligation Liability and Safeguarding Asset Related to Crypto Held for Other Parties

As detailed in Note 18 in the unaudited consolidated financial statements included in this Report, upon the adoption of Staff Accounting Bulletin 121 ("SAB 121"), we recorded a safeguarding obligation liability and a corresponding safeguarding asset related to the crypto held for other parties. As of June 30, 2024, the safeguarding obligation liability related to crypto assets held for other parties was approximately $974.5 million. We have taken steps to mitigate the potential risk of loss for the crypto we hold for other parties, including holding insurance coverage specifically for certain crypto incidents and using secure cold storage to store the vast majority of crypto that we hold. SAB 121 also asks us to consider the legal ownership of the crypto held for other parties, including whether the crypto held for other parties would be available to satisfy general creditor claims in the event of our bankruptcy.

The legal rights with respect to crypto held on behalf of third parties by a custodian, such as us, upon the custodian's bankruptcy have not yet been settled by courts and are highly fact-dependent. However, based on the terms of our terms of service and applicable law, in the event that we were to enter bankruptcy, we believe the crypto that we hold in custody for users of our platform should be respected as users' property (and should not be available to satisfy the claims of our general creditors). We do not allow users to purchase crypto on margin, and crypto held on our platform does not serve as collateral for margin loans. We hold crypto in custody for users in one or more omnibus crypto wallets. We hold cryptographic key information and maintain internal record keeping for the crypto we hold in custody for users, and we are obligated to secure such assets from loss or theft. Our contractual arrangements state that our customers and clients retain legal ownership of the crypto custodied by us on their behalf; they also benefit from the rewards and bear the risks associated with their ownership, including as a result of any price fluctuations. We have been monitoring and will continue to actively monitor legal and regulatory developments and may consider further steps, as appropriate, to support this contractual position so that in the event of our bankruptcy, the crypto custodied by us should not be deemed to be part of our bankruptcy estate. We do not expect potential future cash flows associated with the crypto safeguarding obligation liability.

Key Performance Indicators

We use four key performance indicators ("KPIs") that are key to understanding our business performance, as they reflect the different ways we enable clients to engage with our platform.

- ***Crypto-enabled accounts.*** We define crypto-enabled accounts as the total crypto accounts open on our platform. There were 6.4 million and 6.2 million crypto-enabled accounts as of June 30, 2024 and December 31, 2023, respectively.

- ***Transacting accounts.*** We define transacting accounts as unique accounts that perform transactions on our platform each month. We use transacting accounts to reflect how users across our platform use the variety of services we offer, such as buying and selling crypto to facilitate everyday purchases, redeeming loyalty points for travel or merchandise, or converting loyalty points to cash or gift cards. There were 0.7 million and 1.5 million unique monthly transacting accounts during the three and six months ending June 30, 2024, respectively.

- ***Notional traded volume.*** We define notional traded volume as the total notional volume of transactions across crypto and loyalty platforms. The figures we use represent gross values recorded as of the order date. Notional traded volumes were $672.3 million and $1,713.0 million during the three and six months ending June 30, 2024, respectively.

- ***Assets under custody.*** We define assets under custody as the sum of coin quantities held by customers multiplied by the final quote for each coin on the last day of the quarter. Assets under custody were $974.5 million and $701.6 million as of June 30, 2024 and December 31, 2023, respectively.

Results of Operations

The following table is our consolidated statements of operations for the three and six months ended June 30, 2024 and June 30, 2023, respectively (in thousands):

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Revenues:				
Crypto services	$ 497,141	$ 335,333	$ 1,338,481	$ 335,776
Loyalty services, net	12,757	12,296	25,999	25,072
Total revenues	509,898	347,629	1,364,480	360,848
Operating expenses:				
Crypto costs	491,701	331,810	1,323,673	332,173
Execution, clearing and brokerage fees	3,392	2,205	9,022	2,205
Compensation and benefits	22,381	27,066	46,912	61,209
Professional services	3,639	2,864	7,274	5,242
Technology and communication	3,651	4,393	9,423	10,111
Selling, general and administrative	5,516	7,566	13,326	14,275
Acquisition-related expenses	55	17,016	66	17,792
Depreciation and amortization	117	3,821	174	6,884
Related party expenses	150	1,512	300	2,112
Impairment of long-lived assets	—	—	288	—
Restructuring expenses	926	220	7,067	4,471
Other operating expenses	387	244	809	908
Total operating expenses	531,915	398,717	1,418,334	457,382
Operating loss	(22,017)	(51,088)	(53,854)	(96,534)
Interest income, net	1,245	701	2,201	2,326
(Loss) gain from change in fair value of warrant liability	(15,114)	357	(6,068)	(643)
Other (expense) income, net	448	(329)	1,164	(345)
Loss before income taxes	(35,438)	(50,359)	(56,557)	(95,196)
Income tax expense	(74)	(152)	(230)	(170)
Net loss	$ (35,512)	$ (50,511)	$ (56,787)	$ (95,366)
Less: Net loss attributable to noncontrolling interest	(19,088)	(33,663)	(32,198)	(64,546)
Net loss attributable to Bakkt Holdings, Inc.	(16,424)	(16,848)	(24,589)	(30,820)
Net loss per share attributable to Class A Common Stockholders.				
Basic	$ (2.67)	$ (4.69)	$ (4.66)	$ (8.97)
Diluted	$ (2.67)	$ (4.69)	$ (4.66)	$ (8.97)

Three Months Ended June 30, 2024 compared to Three Months Ended June 30, 2023

Financial Summary

The three months ended June 30, 2024 included the following notable items relative to the three months ended June 30, 2023:

- Revenue increased $162.3 million primarily driven by an increase in crypto trading volume compared to the prior year second quarter; and
- Operating expenses increased $133.2 million primarily driven by higher crypto trading costs in connection with higher crypto trading volume compared to the prior year second quarter.

Revenue

Revenues consist of crypto and loyalty revenue. We earn revenue when consumers use our services to buy, sell, and store crypto and redeem loyalty points. We generate revenue across our platform in the following key areas:

- Subscription and service revenue. We receive a recurring subscription revenue stream from client platform fees as well as service revenue from software development fees and call center support.
- Transaction revenue. We generate transaction revenue from crypto buy/sell trades where we earn a spread on both legs of the transaction (reported gross) and through loyalty redemption volumes where we receive a percentage fee based on the volume (reported net of associated costs).

Crypto Services Revenue

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
Crypto services	$ 497,141	$ 335,333	$ 161,808	48.3 %

Crypto services revenue increased by $161.8 million, or 48.3%, for the three months ended June 30, 2024 compared to the three months ended June 30, 2023. The increase was primarily driven by increased crypto trading volume due to improved market trading volume for crypto as compared to the prior year second quarter.

Loyalty Services Revenue

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
Loyalty services, net	$ 12,757	$ 12,296	$ 461	3.7 %

Loyalty services revenue increased by $0.5 million, or 3.7%, for the three months ended June 30, 2024 compared to the three months ended June 30, 2023. The increase was primarily related to a $1.1 million increase in subscription and services revenue, partially offset by a $0.7 million reduction in transaction revenue. Approximately half of the increase in subscription and services revenue was driven by an adjustment to the remaining life of one of our service contracts.

Operating Expenses

Operating expenses consist of crypto costs, execution, clearing and brokerage fees, compensation and benefits, professional services, technology and communication expenses, selling, general and administrative expenses, acquisition-related expenses, depreciation and amortization, related party expenses, goodwill and intangible assets impairments, impairment of long-lived assets, restructuring charges, and other operating expenses.

Crypto Costs

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
Crypto costs	$ 491,701	$ 331,810	$ 159,891	48.2 %

Crypto costs represent the gross value of crypto sold by our customers on our platform. These costs are measured at the executed price at the time of the trade. Crypto costs increased by $159.9 million, or 48.2%, for the three months ended June 30, 2024 compared to the three months ended June 30, 2023. The increase reflects increased volume driven by improved crypto market trading relative to the prior year second quarter.

Execution, Clearing and Brokerage Fees

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
Execution, clearing and brokerage fees	$ 3,392	$ 2,205	$ 1,187	53.8 %

Execution, clearing and brokerage fees primarily represent payments to clients in exchange for driving order flow to our platform. Execution, clearing and brokerage fees increased by $1.2 million during the three months ended June 30, 2024. The increase reflects increased crypto transaction volume as described above.

Compensation and Benefits

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
Compensation and Benefits	$ 22,381	$ 27,066	$ (4,685)	(17.3 %)

Compensation and benefits expense include all salaries and benefits, compensation for contract labor, incentive programs for employees, payroll taxes, share-based and unit-based compensation and other employee related costs.

Our headcount decreased year over year as we undertook restructuring actions and right sized our expense base to meet current market demand. We expect to limit future hiring and further optimize our headcount as we complete development projects on our platform. Compensation and benefits expense is a significant component of our operating expenses, and we expect this will continue to be the case. However, we expect that our compensation and benefits expenses will decrease as a percentage of our revenue over time. Compensation and benefits decreased by $4.7 million, or 17.3%, for the three months ended June 30, 2024 compared to the three months ended June 30, 2023. The decrease was primarily due to decreases of $3.3 million in salaries and wages and $1.1 million in non-cash compensation.

Professional Services

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
Professional Services	$ 3,639	$ 2,864	$ 775	27.1 %

Professional services expense includes fees for accounting, legal and regulatory fees. Professional services increased by $0.8 million, or 27.1%, for the three months ended June 30, 2024 compared to the three months ended June 30, 2023. The increase was primarily due to an increase of $0.7 million in audit and tax fees.

Technology and Communication

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
Technology and Communication	$ 3,651	$ 4,393	$ (742)	(16.9 %)

Technology and communication costs represent all non-headcount related costs to deliver technological solutions. Such costs principally include amounts paid for software licenses and software-as-a-service arrangements utilized for operating, administrative and information security activities, fees paid for third-party data center hosting arrangements, and fees paid to telecommunications service providers and for telecommunication software platforms necessary for operation of our customer support operations. These costs are driven by client requirements, system capacity, functionality and redundancy requirements.

Technology and communications expense also includes fees paid for access to external market data and associated licensing costs, which may be impacted by growth in electronic contract volume, our capacity requirements, changes in the number of telecommunications hubs, and connections with customers to access our electronic platforms directly. Technology and communications expense decreased by $0.7 million, or 16.9%, for the three months ended June 30, 2024 compared to the three months ended June 30, 2023. The decrease was primarily due to a decrease of $0.9 million in hardware and software license fees, partially offset by an increase of $0.2 million in hosting fees. We expect these costs to decline in the future as we optimize our operational footprint.

Selling, General and Administrative

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
Selling, General and Administrative	$ 5,516	$ 7,566	$ (2,050)	(27.1 %)

Selling, general and administrative expenses include marketing, advertising, business insurance, rent and occupancy, bank service charges, dues and subscriptions, travel and entertainment, rent and occupancy, and other general and administrative costs. Our marketing activities primarily consist of web-based promotional campaigns, promotional activities with clients, conferences and user events, and brand-building activities. Selling, general and administrative expenses do not include any headcount cost, which is reflected in the compensation and benefits financial statement line item. We expect these costs will decrease as a percentage of our revenue in future years as we gain improved operating leverage from our projected revenue growth and exercise prudent expense management.

Selling, general and administrative costs decreased by $2.1 million, or 27.1%, for the three months ended June 30, 2024 compared to the three months ended June 30, 2023. The decrease was primarily due to decreases of $1.5 million in insurance costs and $0.4 million in occupancy costs.

Acquisition-related Expenses

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
Acquisition-related expenses	$ 55	$ 17,016	$ (16,961)	(99.7 %)

Acquisition-related expenses decreased by $17.0 million for the three months ended June 30, 2024 compared to the three months ended June 30, 2023. Acquisition-related expenses for the three months ended June 30, 2024 primarily consist of changes in the fair value of the contingent consideration associated with the acquisition of Bakkt Crypto, and fees for investment banking advisors, lawyers, accountants, tax advisors and public relations firms related to the same acquisition.

Depreciation and Amortization

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
Depreciation and amortization	$ 117	$ 3,821	$ (3,704)	(96.9 %)

Depreciation and amortization expense consists of amortization of intangible assets from business acquisitions and internally developed software and depreciation of purchased software and computer and office equipment over their estimated useful lives. Depreciation and amortization decreased by $3.7 million, or 96.9%, for the three months ended June 30, 2024 compared to the three months ended June 30, 2023. The decrease was primarily due to lower net book values of intangible assets after impairments were recognized in 2023.

Related Party Expenses

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
Related party expenses	$ 150	$ 1,512	$ (1,362)	(90.1 %)

Related party expenses consist of fees for transition services agreements. Related party expenses decreased by $1.4 million, or 90.1%, for the three months ended June 30, 2024 compared to the three months ended June 30, 2023. The decrease was due to the termination of the ICE transition services agreement in December 2023.

Restructuring Expenses

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
Restructuring expenses	$ 926	$ 220	$ 706	n/m

Restructuring expenses of $0.9 million during the three months ended June 30, 2024 consist of severance costs related to the May 2, 2024 reduction in force that resulted in the termination of 28 employees.

(Loss) Gain from Change in Fair Value of Warrant Liability

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
(Loss) gain from change in fair value of warrant liability	$ (15,114)	$ 357	$ (15,471)	n/m

We recorded a loss of $15.1 million during the three months ended June 30, 2024 for the change in fair value on the revaluation of our warrant liabilities associated with our public warrants and warrants from the Concurrent Offerings. We recorded a gain of $0.4 million during the three months ended June 30, 2023 for the change in fair value on the revaluation of our warrant liability associated with our public warrants. These are non-cash losses and gains and are driven by fluctuations in the market price of our public warrants and valuation of our warrants from the Concurrent Offerings.

Other (Expense) Income, net

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
Other (expense) income, net	$ 448	$ (329)	$ 777	n/m

Other income, net primarily consists of non-operating gains and losses. During the three months ended June 30, 2024, we had income of $0.4 million primarily related to foreign currency translation. During the three months ended June 30, 2023, we recognized a loss of $0.3 million primarily related to foreign currency translation.

Income Tax Expense

($ in thousands)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	$ Change	% Change
Income tax expense	$ (74)	$ (152)	$ 78	(51.3 %)

Income tax expense during the three months ended June 30, 2024 primarily consists of current state tax expense related to certain state jurisdictions wherein we are required to file income tax returns. Income tax benefit during the three months ended June 30, 2023 primarily consists of current state tax expense related to certain state jurisdictions wherein we are required to file income tax returns.

Six Months Ended June 30, 2024 compared to Six Months Ended June 30, 2023

Financial Summary

The six months ended June 30, 2024 included the following notable items relative to the six months ended June 30, 2023:

- Revenue increased $1,003.6 million primarily driven by a significant increase in crypto trading revenue due to our acquisition of Bakkt Crypto; and
- Operating expenses increased $961.0 million primarily driven by increased crypto trading costs in connection with our acquisition of Bakkt Crypto, partially offset by decreases in acquisition costs and compensation and benefits.

Crypto Services Revenue

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Crypto services	$ 1,338,481	$ 335,776	$ 1,002,705	298.6 %

Crypto services revenue increased by $1,002.7 million, or 298.6%, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023. The increase was primarily driven by increased crypto trading volume due to our acquisition of Bakkt Crypto Solutions.

Loyalty Services Revenue

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Loyalty services, net	$ 25,999	$ 25,072	$ 927	3.7 %

Loyalty services revenue increased by $0.9 million, or 3.7%, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023. The increase was driven by a $2.2 million increase in subscription and services revenue, partially offset by decline in transaction volume. Approximately half of the increase in subscription and services revenue was driven by an adjustment to the remaining life of one of our service contracts.

Operating Expenses

Operating expenses consist of crypto costs, execution, clearing and brokerage fees, compensation and benefits, professional services, technology and communication expenses, selling, general and administrative expenses, acquisition-related expenses, depreciation and amortization, goodwill and intangible assets impairments, related party expenses, restructuring expenses, and other operating expenses.

Crypto Costs

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Crypto costs	$ 1,323,673	$ 332,173	$ 991,500	298.5 %

Crypto costs increased by $991.5 million, or 298.5%, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023. The increase reflects increased volume driven by our acquisition of Bakkt Crypto.

Execution, Clearing and Brokerage Fees

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Execution, clearing and brokerage fees	$ 9,022	$ 2,205	$ 6,817	309.2 %

Execution, clearing and brokerage fees increased $6.8 million, or 309.2%, during the six months ended June 30, 2024. The increase reflects increased volume driven by our acquisition of Bakkt Crypto.

Compensation and Benefits

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Compensation and Benefits	$ 46,912	$ 61,209	$ (14,297)	(23.4 %)

Compensation and benefits decreased by $14.3 million, or 23.4%, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023. The decrease was primarily due to decreases of $5.6 million in salaries and wages, $5.5 million in non-cash compensation and incentive bonuses, and $2.2 million in contract labor.

Professional Services

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Professional Services	$ 7,274	$ 5,242	$ 2,032	38.8 %

Professional services increased by $2.0 million, or 38.8%, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023. The increase was primarily due to increases of $1.6 million in audit and tax fees and $0.4 million in legal fees.

Technology and Communication

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Technology and Communication	$ 9,423	$ 10,111	$ (688)	(6.8 %)

Technology and communications expense decreased by $0.7 million, or 6.8%, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023. The decrease was primarily due to a decrease of $0.8 million in hardware and software license fees, partially offset by an increase of $0.1 million in telecommunications fees.

Selling, General and Administrative

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Selling, General and Administrative	$ 13,326	$ 14,275	$ (949)	(6.6 %)

Selling, general and administrative costs decreased by $0.9 million, or 6.6%, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023. The decrease was primarily due to a $1.8 million reduction of insurance expenses, partially offset by increases of $0.7 million in marketing and promotion costs and $0.2 million in non-recurring deal costs.

Acquisition-related Expenses

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Acquisition-related expenses	$ 66	$ 17,792	$ (17,726)	n/m

Acquisition-related expenses decreased by $17.7 million for the six months ended June 30, 2024 compared to the six months ended June 30, 2023. Acquisition-related expenses for the six months ended June 30, 2024 primarily consist of changes in the fair value of the contingent consideration associated with the acquisition of Bakkt Crypto and fees for investment banking advisors, lawyers, accountants, tax advisors and public relations firms related to the acquisitions of Bakkt Crypto and Bakkt Brokerage.

Depreciation and Amortization

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Depreciation and amortization	$ 174	$ 6,884	$ (6,710)	(97.5 %)

Depreciation and amortization decreased by $6.7 million, or 97.5%, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023. The decrease was primarily due to lower net book values of intangible assets after impairments were recorded in 2023.

Related Party Expenses

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Related party expenses	$ 300	$ 2,112	$ (1,812)	(85.8 %)

Related party expenses decreased by $1.8 million, or 85.8%, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023. The decrease was due to the expiration of the ICE transition services agreement in December 2023.

Restructuring Expenses

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Restructuring expenses	$ 7,067	$ 4,471	$ 2,596	58.1 %

Restructuring expenses of $7.1 million during the six months ended June 30, 2024 consist of $4.9 million of accelerated vesting of non-cash compensation related to the termination of a former executive and certain employees and $2.2 million of severance costs.

Loss from Change in Fair Value of Warrant Liability

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Loss from change in fair value of warrant liability	$ (6,068)	$ (643)	$ (5,425)	n/m

We recorded a loss of $6.1 million during the six months ended June 30, 2024 for the change in fair value on the revaluation of our warrant liabilities associated with our public warrants and warrants from the Concurrent Offerings. We recorded a loss of $0.6 million during the six months ended June 30, 2023 for the change in fair value on the revaluation of

our warrant liability associated with our public warrants. These are non-cash losses and gains and are driven by fluctuations in the market price of our public warrants and valuation of our warrants from the Concurrent Offerings.

Other Income, net

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Other income, net	$ 1,164	$ (345)	$ 1,509	n/m

Other income, net primarily consists of non-operating gains and losses. During the six months ended June 30, 2024, we recognized income of $1.2 million primarily related to foreign currency translation. During the six months ended June 30, 2023, we recognized a loss of $0.3 million primarily related to foreign currency translation.

Income Tax Expense

($ in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	$ Change	% Change
Income tax expense	$ (230)	$ (170)	$ (60)	35.3 %

Income tax expense during the six months ended June 30, 2024 primarily consists of current state tax expense related to certain state jurisdictions wherein we are required to file income tax returns. Income tax benefit during the six months ended June 30, 2023 primarily consists of current state tax expense related to certain state jurisdictions wherein we are required to file income tax returns.

Liquidity and Capital Resources

As of June 30, 2024, we had $47.5 million and $34.0 million of cash and cash equivalents and restricted cash, respectively. Additionally, as of June 30, 2024, we had $13.2 million of available-for-sale debt securities that mature over the next one to four months. Cash and cash equivalents consist of cash deposits at banks and money market funds. Restricted cash is held to satisfy certain minimum capital requirements pursuant to regulatory requirements, or as collateral for insurance contracts and our purchasing card facility. Restricted cash decreased by $10.0 million in the second quarter of 2024 due to the reduction of insurance collateral requirements following the NYDFS approval of the merger of Bakkt Crypto Solutions and Bakkt Marketplace in March 2024.

As discussed above, we consummated the Concurrent Offerings in March and April 2024. As of June 30, 2024, we have raised net proceeds from the Concurrent Offerings of approximately $46.5 million, after deducting the placement agent's fees and offering expenses payable by us.

On August 12, 2024, Bakkt and Opco executed the ICE Credit Facility, with certain subsidiaries of Bakkt to be party thereto from time to time, as guarantors, whereby the Lender agreed to provide for a $40.0 million secured revolving line of credit for working capital and general corporate purposes. Any borrowings under the facility made prior to December 31, 2024 require the consent of the Lender. For the period beginning December 31, 2024 through March 30, 2025, Opco can borrow up to an aggregate principal amount (excluding any capitalized interest) of $10.0 million. For the period beginning March 31 through June 29, 2025, Opco can borrow up to an aggregate principal amount (excluding any capitalized interest) of $20.0 million. From the period beginning June 30 through September 29, 2025, Opco can borrow up to an aggregate principal amount (excluding any capitalized interest) of $30.0 million. On or after September 30, 2025, Opco can borrow up to an aggregate principal amount (excluding any capitalized interest) of $40.0 million. As of August 12, 2024, no loans were outstanding under the facility.

Loans under the ICE Credit Facility do not amortize and mature on December 31, 2026. Borrowings under the ICE Credit Facility incur an interest rate equal to, at Opco's election, either SOFR for a term of one, three or six months plus 12%, or the prime rate plus 11%. Interest is payable quarterly in arrears with respect to borrowings bearing interest at

the prime rate or on the last day of an interest period, but at least every three months, with respect to borrowings bearing interest at the term SOFR rate; provided that Opco can elect to pay interest in kind by adding such interest amount to the principal amount of the outstanding borrowings under the ICE Credit Facility. For any interest period for which Opco has elected to pay interest in kind, the applicable margin on the outstanding loans will increase by 1% per annum.

Opco will pay a commitment fee of 0.5% per annum on the daily average of the available commitment that can be borrowed, less the outstanding principal amount of all loans (excluding any capitalized interest). Fees are payable in cash quarterly and at maturity. Loans under the ICE Credit Facility can be prepaid without penalty, subject to customary breakage costs for loans bearing interest at the term SOFR rate. Amounts repaid under the ICE Credit Facility can be reborrowed prior to the maturity date, subject to certain customary conditions set forth in the ICE Credit Facility.

We intend to use our unrestricted cash, inclusive of the net proceeds from the Concurrent Offerings, and proceeds from maturity of available-for-sale debt securities primarily to fund our day-to-day operations, including, but not limited to funding our regulatory capital requirements, compensating balance arrangements and other similar commitments, each of which is subject to change, and as available (i) activate new crypto clients, (ii) maintain our product development efforts, and (iii) optimize our technology infrastructure and operational support. We continue to evaluate our headcount and expense base. We completed a reduction in force on May 2, 2024, and may take further action to right-size headcount and expenses in 2024. Excluding the cash purchase price to acquire Bakkt Crypto Solutions in 2023, we expect our operating cash usage in 2024 (exclusive of potential acquisitions or other strategic initiatives) to decline from 2023 levels driven by the combined impact of increased revenue and expense reductions related to the completion of large-dollar investments in 2023 and benefits from restructuring actions. In addition, we may in the future enter into arrangements to acquire or invest in complementary businesses, services, technologies or intellectual property rights. However, we have no agreements or commitments with respect to any such acquisitions or investments at this time. Our expected uses of available funds are based on our present plans, objectives and business condition. Based on fully implemented operating budgets and forecasts, which exclude forecasts for new products or markets, our cash and proceeds from the maturity of available for sale debt securities, along with the ICE Credit Facility, as of the date of the filing of this Report are estimated to fund our operations for at least 12 months.

Our future cash requirements will depend on many factors, including our revenue growth rate, the timing and extent of overhead, sales and marketing expenditures to support projected growth, and our ability to limit our software development investments to features and functionality with a clear line of sight to revenue generation. We made substantial investments in our platforms in 2023, which we expect will enable us to simplify our organization and focus on the core capabilities that are critical to our strategy.

Our losses and projected cash needs, combined with our liquidity level, initially raised substantial doubt about our ability to continue as a going concern in the third quarter of 2023, which we alleviated through management plans which emphasized reducing headcount and other cost cutting measures. In connection with the filing of subsequent amendments thereto, we disclosed that without additional equity financing we could not conclude that we could maintain our operations for a period of at least 12 months from the dates of such amendment filings. We subsequently closed on the Concurrent Offerings that, when considered with management's other plans, resulted in management concluding that, notwithstanding the initial doubt that was raised, management's plans were expected to alleviate substantial doubt. As of the date of this filing, management believes the expected impact on our liquidity and cash flows resulting from the operational initiatives outlined above are probable of occurring, if not already completed as discussed above, and along with the amounts available for borrowing under the ICE Credit Facility are sufficient to enable us to meet our obligations for at least 12 months from the date the consolidated financial statements in this Report are issued. However, there are certain risks associated with this determination. Please see "*Risk Factors - Risks Related to Our Business, Finance and Operations—We might not be able to continue as a going concern*." in our Annual Report on Form 10-K filed with the SEC on March 25, 2024 (our "Form 10-K") for more information.

The following table summarizes our cash flows for the periods presented (in thousands):

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net cash used in operating activities	$ (27,540)	$ (78,486)
Net cash provided by investing activities	$ 1,993	$ 75,116
Net cash provided by (used in) financing activities	$ 44,190	$ (2,502)

Operating Activities

Since our inception, we have yet to achieve positive cash flow from operations. Our primary uses of cash include compensation and benefits for headcount-related expenses, investment in software and product development of our technology platforms, and associated non-headcount technology and communication cost to develop, operate and support our customer-facing technology platforms.

Net cash flows used in operating activities of $27.5 million for the six months ended June 30, 2024 was primarily related to our net loss of $56.8 million, offset by net cash inflows resulting from changes in our operating assets and liabilities of $11.3 million and non-cash charges of $17.9 million. Net cash inflows from changes in our operating assets and liabilities for the six months ended June 30, 2024 resulted primarily from a $20.4 million increase in customer funds and a decrease in prepaid insurance of $7.1 million, partially offset by a decrease of accounts payable and accrued liabilities of $16.1 million. The non-cash charges primarily consisted of share-based compensation of $10.4 million, loss from change in fair value of warrant liability of $6.1 million, and non-cash lease expense of $1.0 million.

Net cash flows used in operating activities of $78.5 million for the six months ended June 30, 2023 was primarily related to our net loss of $95.4 million and net cash outflows resulting from changes in our operating assets and liabilities of $4.5 million, offset by non-cash charges of $21.4 million. Net cash outflows from changes in our operating assets and liabilities for the six months ended June 30, 2023 resulted primarily from a $11.1 million decrease of accounts payable and accrued liabilities, which was partially offset by a decrease in prepaid insurance of $6.9 million. The non-cash charges primarily consisted of share-based compensation of $11.3 million and depreciation and amortization of $6.9 million.

Investing Activities

Net cash flows provided by investing activities of $2.0 million for the six months ended June 30, 2024 consisted of the receipt of $22.2 million of proceeds from the sale of available-for-sale securities, partially offset by the purchase of $18.0 million of available-for-sale debt securities and $2.2 million of capitalized costs of internally developed software for our technology platforms.

Net cash flows provided by investing activities of $75.1 million for the six months ended June 30, 2023 consisted of the receipt of $153.2 million of proceeds from the sale of available-for-sale securities, partially offset by the purchase of $27.0 million of available-for-sale debt securities, $6.0 million of capitalized costs of internally developed software for our technology platforms, $44.4 million net cash used to acquire Bakkt Crypto and $0.6 million cash used to acquire Bakkt Brokerage.

Financing Activities

Net cash flows provided by financing activities of $44.2 million during the six months ended June 30, 2024 primarily consisted of $46.5 million in proceeds from our Concurrent Offerings, partially offset by the repurchase and retirement of $2.3 million of Class A Common Stock that was withheld from vested equity grants.

Net cash flows used in financing activities of $2.5 million during the six months ended June 30, 2023 resulted from the repurchase and retirement of Class A Common Stock that was withheld from vested equity grants.

Tax Receivable Agreement

Concurrently with the completion of the VIH Business Combination, we entered into a Tax Receivable Agreement ("TRA") with certain Opco Equity Holders. Pursuant to the TRA, among other things, holders of Opco Common Units may, subject to certain conditions, from and after April 16, 2022, exchange such Opco Common Units (along with a corresponding number of shares of our Class V Common Stock), for Class A Common Stock on a one-for-one basis, subject to the terms of the Exchange Agreement, including our right to elect to deliver cash in lieu of Class A Common Stock and, in certain cases, adjustments as set forth therein. Opco will have in effect an election under Section 754 of the Internal Revenue Code for each taxable year in which an exchange of Opco Common Units for Class A Common Stock (or cash) occurs.

The exchanges are expected to result in increases in the tax basis of the tangible and intangible assets of Opco. These increases in tax basis may reduce the amount of tax that we would otherwise be required to pay in the future. These increases in tax basis may also decrease gains (or increase losses) on future dispositions of certain capital assets to the extent tax basis is allocated to those capital assets.

The TRA provides for the payment by us to exchanging holders of Opco Common Units of 85% of certain net income tax benefits, if any, that we realize (or in certain cases is deemed to realize) as a result of these increases in tax basis related to entering into the TRA, including tax benefits attributable to payments under the TRA. This payment obligation is an obligation of the Company and not of Opco. For purposes of the TRA, the cash tax savings in income tax will be computed by comparing our actual income tax liability (calculated with certain assumptions) to the amount of such taxes that we would have been required to pay had there been no increase to the tax basis of the assets of Opco as a result of Opco having an election in effect under Section 754 of the Code for each taxable year in which an exchange of Opco Common Units for Class A Common Stock occurs and had we not entered into the TRA. Such change will be calculated under the TRA without regard to any transfers of Opco Common Units or distributions with respect to such Opco Common Units before the exchange under the Exchange Agreement to which Section 743(b) or 734(b) of the Code applies. As of June 30, 2024, 1,043,210 Opco Common Units were exchanged for Class A Common Stock. Based on our history of taxable losses, we have concluded that it is not probable to expect cash tax payments in the foreseeable future and as such, no value has been recorded under the TRA.

Contractual Obligations and Commitments

The following is a summary of our significant contractual obligations and commitments as of June 30, 2024 (in thousands):

	Payments Due by Period				
	Less than 1 year	**1-3 years**	**3-5 years**	**More than 5 years**	**Total**
Purchase obligations[1]	$ 6,100	$ 10,500	$ —	$ —	$ 16,600
Future minimum operating lease payments[2]	5,055	8,771	7,656	8,748	30,230
Total contractual obligations	$ 11,155	$ 19,271	$ 7,656	$ 8,748	$ 46,830

(1) Represents minimum commitment payments under a four-year cloud computing arrangement and a separate five-year marketing partnership. In December 2023, we agreed to amend the cloud computing arrangement and extended the payment period for an additional year.

(2) Represents rental payments under operating leases with remaining non-cancellable terms in excess of one year.

On April 7, 2022, we entered into a corporate card services agreement with Bank of America to provide a purchasing card facility that we utilize for redemption purchases made from vendors as part of our loyalty redemption platform. Total borrowing capacity under the facility is $35.0 million and there is no defined maturity date. Expenditures

made using the purchasing card facility are payable at least bi-monthly, are not subject to formula-based restrictions and do not bear interest if amounts outstanding are paid when due and in full. The purchasing card facility requires us to maintain a concentration account with the lender subject to a minimum liquidity maintenance requirement of $7.0 million along with the accounts receivable of our subsidiary, within the loyalty business. Bakkt Holdings, Inc. serves as the guarantor on behalf of our subsidiary under the commercial purchasing card facility. We began using the purchasing card facility in August 2022.

In March 2024, Bank of America required us to pledge as collateral the amounts which were previously required to be maintained in the concentration account. In April 2024, Bank of America reduced our credit line associated with the purchasing card facility from $35.0 million to $20.0 million.

Non-GAAP Financial Measures

We use non-GAAP financial measures to assist in comparing our performance on a consistent basis for purposes of business decision-making by removing the impact of certain items that management believes do not directly reflect our core operations. We believe that presenting non-GAAP financial measures is useful to investors because it (a) provides investors with meaningful supplemental information regarding financial performance by excluding certain items that we believe do not directly reflect our core operations, (b) permits investors to view performance using the same tools that we use to budget, forecast, make operating and strategic decisions, and evaluate historical performance, and (c) otherwise provides supplemental information that may be useful to investors in evaluating our results.

We believe that the presentation of the following non-GAAP financial measures, when considered together with the corresponding GAAP financial measures and the reconciliations to those measures provided herein, provides investors with an additional understanding of the factors and trends affecting our business that could not be obtained absent these disclosures.

Adjusted EBITDA

We present Adjusted EBITDA as a non-GAAP financial measure.

We believe that Adjusted EBITDA provides relevant and useful information, which is used by management in assessing the performance of our business. Adjusted EBITDA is defined as earnings before interest, income taxes, depreciation, amortization, acquisition-related expenses, share-based and unit-based compensation expense, goodwill and intangible assets impairments, restructuring charges, changes in the fair value of our warrant liability and certain other non-cash and/or non-recurring items that do not contribute directly to our evaluation of operating results and are not components of our core business operations. Adjusted EBITDA provides management with an understanding of earnings before the impact of investing and financing transactions and income taxes, and the effects of aforementioned items that do not reflect the ordinary earnings of our operations. This measure may be useful to an investor in evaluating our performance. Adjusted EBITDA is not a measure of our financial performance under GAAP and should not be considered as an alternative to net income (loss) or other performance measures derived in accordance with GAAP. Our definition of Adjusted EBITDA may not be comparable to similarly titled measures used by other companies.

Non-GAAP financial measures like Adjusted EBITDA have limitations, should be considered as supplemental in nature and are not meant as a substitute for the related financial information prepared in accordance with GAAP. The non-GAAP financial measures should be considered alongside other financial performance measures, including net loss and our other financial results presented in accordance with GAAP.

The following table presents a reconciliation of net loss, the most directly comparable GAAP operating performance measure, to our Adjusted EBITDA for each of the periods indicated (in thousands):

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net loss	$ (35,512)	$ (50,511)	$ (56,787)	$ (95,366)
Depreciation and amortization	117	3,821	174	6,884
Interest income, net	(1,245)	(701)	(2,201)	(2,326)
Income tax expense (benefit)	74	152	230	170
EBITDA	(36,566)	(47,239)	(58,584)	(90,638)
Acquisition-related expenses	55	17,016	66	17,792
Share-based and unit-based compensation expense	2,406	4,352	10,420	12,273
Loss (gain) from change in fair value of warrant liability	15,114	(357)	6,068	643
Impairment of long-lived assets	—	—	288	—
Restructuring expenses	926	220	7,067	—
Shelf registration expenses	—	—	200	4,471
Transition services expense	150	1,512	300	2,112
Adjusted EBITDA loss	$ (17,915)	$ (24,496)	$ (34,175)	$ (53,347)

Adjusted EBITDA loss for the three months ended June 30, 2024 decreased by $6.6 million or 26.9% as compared to the three months ended June 30, 2023. The decreased loss was primarily due to the contribution of increased revenues, a $2.7 million decrease in compensation and benefits expense and a $2.1 million decrease in selling, general and administrative expenses.

Adjusted EBITDA loss for the six months ended June 30, 2024 decreased by $19.2 million or 35.9% as compared to the six months ended June 30, 2023. The decreased loss was primarily due to the contribution of increased revenues and a $12.4 million decrease in compensation and benefits expense.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with GAAP, which requires us to make estimates and apply judgments that affect the reported amounts. In our notes to the unaudited consolidated financial statements, we describe the significant accounting policies used in preparing the consolidated financial statements. Our management has discussed the development, selection, and disclosure of our critical accounting policies and estimates with the Audit Committee of our Board of Directors. For further information about our critical accounting policies and estimates, refer to "*Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations*" in our Form 10-K. There have been no material changes to our critical accounting policies and estimates since our Form 10-K.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. We base our estimates and assumptions on various judgments that we believe to be reasonable under the circumstances. The significant estimates and assumptions that affect the financial statements may include, but are not limited to, going concern, those that are related to income tax valuation allowances, useful lives of intangible assets and property, equipment and software, fair value of financial assets and liabilities, determining provision for credit losses, valuation of acquired tangible and intangible assets, the impairment of intangible assets and goodwill, and fair market value

of Bakkt common units, incentive units and participation units. Actual results and outcomes may differ from management's estimates and assumptions and such differences may be material to our consolidated financial statements.

Recently Issued and Adopted Accounting Pronouncements

Recently issued and adopted accounting pronouncements are described in Note 2 in the unaudited consolidated financial statements included in this Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended (the Exchange Act), we have evaluated, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Report. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer), as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the SEC. Based on the evaluation of our disclosure controls and procedures, our Chief Executive Officer and Chief Financial Officer have concluded that as of June 30, 2024, our disclosure controls and procedures were not effective because of the previously identified material weakness in our internal control over financial reporting described further below.

Previously Reported Material Weakness

As previously disclosed in Part I, Item 4, "Controls and Procedures" of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, we identified a material weakness in our internal control over financial reporting relating to the review of the work performed by a third-party valuation specialist. The specialist was used in the valuation of our Class 1 Warrants and Class 2 Warrants issued in connection with the Concurrent Offerings.

Notwithstanding such material weakness, our management believes that our financial statements included in this Report present fairly, in all material respects, our financial position, results of operations and cash flows for the periods presented in accordance with U.S. GAAP.

Remediation Status of Material Weakness

We are continuing to design and implement measures to remediate this material weakness and improve our overall internal control environment. As of the date of this filing, we have designed and implemented enhanced management review procedures to validate the compliance of third-party valuation specialist's assumptions with U.S. GAAP and to evaluate the appropriateness of significant unobservable inputs used to measure fair value. Additionally, we have expanded and enhanced existing documentation to demonstrate the level of precision and procedures performed in our review of work prepared by a third-party valuation specialist.

These actions are subject to an ongoing management review and the oversight of our Board of Directors and its Audit and Risk Committee. The material weakness cannot be considered remediated until the applicable remedial controls operate for a sufficient period of time and our management has concluded, through testing, that these controls are operating

effectively. We will continue to monitor the design and effectiveness of these and other processes, procedures and controls and implement any additional measures our management deems appropriate.

In designing and evaluating the disclosure controls and procedures, our management recognizes that a system of controls, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues have been detected. The design of any control system is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Changes in Internal Control Over Financial Reporting

Except as described above, there were no changes to our internal control over financial reporting (as defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act) during the quarter ended June 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time we are subject to legal proceedings and claims arising in the ordinary course of business. Based on our current knowledge, we believe that the amount or range of reasonably possible losses will not, either individually or in the aggregate, have a material adverse effect on our business, results of operations, or financial condition.

Prior to its acquisition by the Company, Bakkt Crypto received requests from the SEC for documents and information about certain aspects of its business, including the operation of its trading platform, processes for listing assets, the classification of certain listed assets, and relationships with customers and service providers, among other topics. The SEC has since made a number of follow-up requests for additional documents and information, and we have continued to respond to those requests on a timely basis. Based on the ongoing nature of this matter, the outcome remains uncertain and we cannot estimate the potential impact, if any, on our business or financial statements at this time.

The results of any litigation cannot be predicted with certainty, and an unfavorable resolution in any legal proceedings could materially affect our future business, results of operations, or financial condition. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors. For additional information regarding our ongoing legal proceedings, refer to Note 14 in our unaudited consolidated financial statements included in this Report.

Item 1A. Risk Factors.

In addition to the information set forth in this Report, you should carefully consider the risk factors and other cautionary statements described under the heading "*Item 1A. Risk Factors*" included in our Form 10-K, which could materially affect our businesses, financial condition, or future results. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition, or future results. There have been no material changes in our risk factors from those described in our Form 10-K, other than as set forth below:

We might not be able to continue as a going concern.

We intend to use our unrestricted cash, proceeds from maturity of available-for-sale debt securities and the ICE Credit Facility primarily to fund our day-to-day operations, including, but not limited to funding our regulatory capital requirements, compensating balance arrangements and other similar commitments, each of which is subject to change, and as available, to (i) activate new crypto clients, (ii) launch new crypto products in the institutional space and maintain our product development efforts, and (iii) optimize our technology infrastructure and operational support. Substantial doubt was initially raised about our ability to continue as a going concern in connection with the filing of our Quarterly Report on Form 10-Q for the quarterly period ending September 30, 2023. In connection with the filing of subsequent amendments thereto, we disclosed that, without additional equity financing, we could not conclude that we could maintain our operations for a period of at least 12 months from the dates of such filings. We subsequently closed on equity offerings and, most recently, the ICE Credit Facility (see Note 20, *Subsequent Events* in the accompanying notes to the consolidated financial statements included in Part I, Item 1 of this Report for additional information) that, when considered with management's other plans, resulted in management concluding that the Company has sufficient capital to continue as a going concern for at least 12 months from the date of this Report. However, that determination may change in the future. If we cannot continue as a viable entity, our stockholders will likely lose most or all of their investment in us.

We have experienced and may continue to experience impacts to our business as a result of our partners and customers concern regarding our ability to continue as a going concern. For example, (i) one of our partners closed out of all customer positions, (ii) we have received inquiries from partners and prospective partners about our financial position,

(iii) certain of our surety bond providers have requested additional collateral, (iv) we were required to pledge as collateral the amounts that were previously required to be maintained in a concentration account for our purchasing card facility, and (v) certain of our liquidity providers have requested updated payment arrangements. There can be no assurance that we will not experience additional adverse impacts to our business, including additional or accelerated account closures, loss of future potential business, and additional demands for cash or collateral, which, individually or in the aggregate may further impair our business and exacerbate the risks related to our ability to continue as a going concern.

There is significant uncertainty associated with our expansion to new markets, our launch of new products, and the growth of our revenue base given the rapidly evolving environment associated with crypto assets. Accordingly, we cannot conclude it is probable we will be able to increase revenues substantially beyond levels that we have attained in the past in order to generate sustainable operating profit and sufficient cash flows to continue doing business without raising additional capital in the near future.

If we are required to raise additional funding in the future to maintain our operations or we are unable to access any or all of the amounts available under the ICE Credit Facility, we cannot be certain that additional capital, whether through selling additional equity or debt securities or obtaining additional lines of credit or other loans, will be available to us or, if available, will be on terms acceptable to us. If we issue additional securities to raise funds, these securities may have rights, preferences, or privileges senior to those of our common stock, and our current stockholders may experience dilution. If we are unable to obtain funds when needed or on acceptable terms, we may be required to curtail our current platform expansion programs, cut operating costs, forego future development and other opportunities or even terminate our operations. In addition, even though as of the filing of this Report we determined that the Company has sufficient capital to continue as a going concern for at least 12 months, we may be unable to recover with investors, partners and customers due to the adverse reputational effects we experienced previously or may experience in the future.

We may require additional capital to support the growth of our business, and such capital might not be available on acceptable terms, if at all.

We have funded our operations since inception primarily through equity financings and payments received from our platform. We cannot be certain when or if our operations will generate sufficient cash to fully fund our ongoing operations or the growth of our business. We intend to continue to make investments to support our business, which may require us to engage in equity or debt financings to secure additional funds. For example, in Concurrent Offerings we issued and sold an aggregate of 1,858,062 shares of our Class A Common Stock, warrants to purchase an aggregate of 2,306,804 shares of Class A Common Stock at an exercise price of $21.6725 per share, and pre-funded warrants to purchase an aggregate of 448,742 shares of Class A Common Stock at an exercise price of $0.0001 per share for aggregate net proceeds of $46.5 million. Furthermore, while the ICE Credit Facility allows us to borrow up to $40,000,000, there are certain limitations on such borrowings, including a prohibition on incurring any borrowings prior to December 31, 2024 and graduated availability thereafter through September 29, 2025.

Additional financing may not be available on terms favorable to us, if at all. For example, we may be required to seek the approval of ICE under the ICE Credit Facility in order to incur other indebtedness. If adequate funds are not available on acceptable terms, we may be unable to invest in future growth opportunities, which could harm our business, financial condition, or results of operations. If we incur debt, including under the ICE Credit Facility, the debt holders would have rights senior to holders of existing securities to make claims on our assets, and the terms of any debt could restrict our operations, including our ability to pay dividends on our Class A Common Stock. Furthermore, if we issue additional equity securities, stockholders will experience dilution, and the new equity securities could have rights senior to those of our existing securities. Our decision to issue securities in the future will depend on numerous considerations, including factors beyond our control, thus we cannot predict or estimate the amount, timing, or nature of any future issuances of debt or equity securities. As a result, our stockholders bear the risk of future issuances of debt or equity securities reducing the value of our securities and diluting their interests.

The ICE Credit Facility restricts our current and future operations, particularly our ability to respond to changes or to take certain actions.

In August 2024, we entered into the ICE Credit Facility pursuant to which we obtained and secured a revolving loan of up to $40,000,000 that will mature on December 31, 2026. Under the ICE Credit Facility, we are subject to certain fees, conditions, security arrangements and covenants, including negative covenants that restrict our ability to engage in certain transactions, which may limit our ability to respond to changes in business and economic conditions. Such negative covenants include, among other things, limitations on our ability and the ability of our subsidiaries to incur debt or liens, make investments (including acquisitions), sell assets and pay dividends on our capital stock.

If we are not able to maintain compliance with the covenants under the ICE Credit Facility or are unsuccessful in obtaining waivers or amendments for any covenant defaults in the future, in addition to other actions ICE may require, the amounts outstanding under the ICE Credit Facility may become immediately due and payable. This immediate payment may negatively impact our financial condition. In addition, any failure to make scheduled payments of interest and principal on our outstanding indebtedness would likely harm our ability to incur additional indebtedness on acceptable terms. Our cash flow and capital resources may be insufficient to pay interest and principal on our debt in the future. If that should occur, our capital raising or debt restructuring measures may be unsuccessful or inadequate to meet our scheduled debt service obligations, which could cause us to default on our obligations and further impair our liquidity.

Our ability to make scheduled payments on our debt and other financial obligations and comply with financial covenants depends on our financial and operating performance. Our financial and operating performance will continue to be subject to prevailing economic conditions and to financial, business and other factors, some of which are beyond our control. Failure within any applicable grace or cure periods to make such payments or any other non-financial or restrictive covenant, would create a default under our ICE Credit Facility. Our cash flow and existing capital resources may be insufficient to repay our debt at maturity, in which such case prior thereto we would have to extend such maturity date, or otherwise repay, refinance and or restructure the obligations under the ICE Credit Facility, including with proceeds from the sale of assets, and additional equity or debt capital. If we are unsuccessful in obtaining such extension, or entering into such repayment, refinance or restructure prior to maturity, or any other default existed under the ICE Credit Facility, ICE could accelerate the indebtedness under the ICE Credit Facility, or seek other remedies, which would jeopardize our ability to continue our current operations.

ICE may exert significant influence over us and its interests may conflict with yours or those of other stockholders in the future.

Each share of Class A Common Stock and Class V Common Stock entitles its holder to one vote on all matters presented to stockholders generally. Accordingly, ICE is able to exert significant influence over the election and removal of our directors and thereby significantly influence corporate and management policies, including potential mergers or acquisitions, payment of dividends, asset sales, amendment of our Certificate of Incorporation and By-Laws and other significant corporate transactions for so long as it retains significant ownership. This concentration of ownership may delay or deter possible changes in control, which may reduce the value of an investment in our securities. So long as ICE continues to own a significant amount of the combined voting power, even if such amount is less than 50%, ICE will continue to be able to strongly influence our decisions. While the Voting Agreement (as defined below) limits ICE to vote only an aggregate of 30% of its voting power, such amount may result in substantial influence in voting matters. The Voting Agreement provides that this limitation on ICE's voting power will terminate at such time as its ownership is less than a majority of the outstanding voting power, at which time ICE will be entitled to vote all of its voting shares, which may result in an increase in its potential influence.

Additionally, the ICE Credit Facility contains certain conditions and covenants, including negative covenants that restrict our ability to engage in certain transactions, which may limit our ability to respond to changes in business and economic conditions. Such negative covenants include, among other things, limitations on our ability and the ability of our

subsidiaries to incur debt or liens, make investments (including acquisitions), sell assets and pay dividends on our capital stock. For additional detail, see Note 20 in the unaudited consolidated financial statements included in this Report.

We have identified a material weakness in our internal control over financial reporting. This material weakness, or other material weaknesses not yet identified, could continue to adversely our ability to report our results of operations or produce timely and accurate financial statements, which could have a material adverse effect on our business.

In connection with the preparation our financial statements for the period ended March 31, 2024, we identified a material weakness in our internal control over financial reporting relating to the review of the work performed by a third-party valuation specialist. The specialist was used in the valuation of our Class 1 Warrants and Class 2 Warrants issued in connection with the Concurrent Offerings.

The material weakness described above or any newly identified material weakness could limit our ability to prevent or detect a misstatement of our accounts or disclosures that could result in a material misstatement of our annual or interim financial statements. We cannot assure you that the measures we have taken to date, or any measures we may take in the future, will be sufficient to remediate the control deficiency that led to the material weakness in our internal control over financial reporting described above or to avoid potential future material weaknesses.

While we have taken steps to remediate the material weakness discussed above, and plan to take additional steps to further improve our overall internal control environment there is no assurance that we will remediate such material weakness or not identify other control deficiencies or material weaknesses in the future.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective internal control over financial reporting and disclosure controls and procedures. Pursuant to the Sarbanes-Oxley Act we are required to make a formal assessment of the effectiveness of our internal control over financial reporting.

Any failure to maintain effective disclosure controls and procedures or internal control over financial reporting could have an adverse effect on our business and operating results, and cause a decline in the price of our securities.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Securities Trading Plans of Directors and Executive Officers

During our last fiscal quarter, no director or officer, as defined in Rule 16a-1(f), adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," each as defined in Regulation S-K Item 408.

ICE Credit Facility

On August 12, 2024, Bakkt and Opco executed the ICE Credit Facility, with certain subsidiaries of Bakkt party thereto from time to time, as guarantors, whereby the Lender agreed to provide for a $40.0 million secured revolving line

of credit for working capital and general corporate purposes. Any borrowings under the facility made prior to December 31, 2024 require the consent of the Lender in its sole discretion. For the period beginning December 31, 2024 through March 30, 2025, Opco can borrow up to an aggregate principal amount (excluding any capitalized interest) of $10.0 million. For the period beginning March 31 through June 29, 2025, Opco can borrow up to an aggregate principal amount (excluding any capitalized interest) of $20.0 million. From the period beginning June 30 through September 29, 2025, Opco can borrow up to an aggregate principal amount (excluding any capitalized interest) of $30.0 million. On or after September 30, 2025, Opco can borrow up to an aggregate principal amount (excluding any capitalized interest) of $40.0 million. As of August 12, 2024, no loans were outstanding under the facility.

Loans under the ICE Credit Facility do not amortize and mature at the earlier of December 31, 2026, and change of control of the Company. Borrowings under the ICE Credit Facility incur an interest rate equal to, at Opco's election, either the secured overnight financing rate ("SOFR") for a term of one, three or six months plus 12%, or the prime rate plus 11%. Interest is payable quarterly in arrears with respect to borrowings bearing interest at the prime rate or on the last day of an interest period, but at least every three months, with respect to borrowings bearing interest at the term SOFR rate; provided that Opco can elect to pay interest in kind by adding such interest amount to the principal amount of the outstanding borrowings under the ICE Credit Facility. For any interest period for which Opco has elected to pay interest in kind, the applicable margin on the outstanding loans will increase by 1% per annum. Under certain circumstances, a default interest rate will apply on all obligations during the existence of an event of default under the ICE Credit Facility at a per annum rate equal to 2% above the otherwise applicable interest rate.

Opco will pay a commitment fee of 0.5% per annum on the daily average of the available commitment that can be borrowed, less the outstanding principal amount of all loans (excluding any capitalized interest). Fees are payable in cash quarterly and at maturity. Loans under the ICE Credit Facility can be prepaid without penalty, subject to customary breakage costs for loans bearing interest at the term SOFR rate. Amounts repaid under the ICE Credit Facility can be reborrowed prior to the maturity date, subject to certain customary conditions set forth in the ICE Credit Facility.

The ICE Credit Facility contains customary affirmative and negative covenants, including negative covenants limiting the ability of the Company and its subsidiaries to, among other things, incur debt, grant liens, undergo certain fundamental changes, dispose of assets, make certain restricted payments and prepayments, enter into restrictive agreements, enter into transactions with affiliates, make investments, and amend certain agreements relating to debt, in each case, subject to limitations and exceptions set forth in the ICE Credit Facility. The ICE Credit Facility also contains various customary events of default that include, among others, payment defaults, breach of covenants, inaccuracy of representations and warranties, cross defaults to certain other indebtedness, bankruptcy and insolvency events, judgment defaults, and events constituting a change of control, subject to thresholds and cure periods as set forth in the Credit Agreement.

The obligations under the ICE Credit Facility are required to be guaranteed by certain material domestic subsidiaries of the Company and secured by substantially all of the personal property of the Company and such subsidiary guarantors.

ICE is an existing stockholder of Bakkt and holds greater than ten percent (10%) of Bakkt's capital stock. In addition, an affiliate of ICE employs David Clifton, who is currently serving on the Company's board of directors. Bakkt also has certain commercial agreements with certain affiliates of ICE. See "Opco Related Transactions" of Bakkt's most recent proxy statement on Schedule 14A, filed with the Securities and Exchange Commission on April 19, 2024, which such section is incorporated by reference, for more information. The foregoing description of the ICE Credit Facility does not purport to be complete and is qualified in its entirety by reference to the full text of the ICE Credit Facility, which is filed as Exhibit 10.2 to this Quarterly Report on Form 10-Q.

Item 6. Exhibits.

Exhibit Number	Description	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
2.1	Amendment No. 1 To Membership Interest Purchase Agreement, dated as of March 30, 2023, by and among the Company, Bakkt Marketplace, Apex Fintech Solutions Inc. and Apex Crypto, LLC.	8-K	001-39544	2.2	April 3, 2023
3.1	Certificate of Incorporation of the Company, as currently in effect	S-8	333-280724	4.1	July 29, 2024
3.2	By-laws of the Company, as currently in effect	8-K	001-39544	3.2	October 21, 2021
4.1	First Amendment to Third Amended and Restated Limited Liability Company Agreement, dated April 29, 2024, by and between the Company and Intercontinental Exchange Holdings, Inc.	8-K	001-39544	4.1	April 29, 2024
10.1	Amendment No. 2 to Bakkt Holdings, Inc. 2021 Omnibus Incentive Plan	S-8	333-280724	4.6	July 9, 2024
10.2*	Revolving Credit Agreement, dated as of August 12, 2024, by and among the Company, Bakkt Opco Holdings LLC, as borrower, certain subsidiaries of the Company and Intercontinental Exchange Holdings, Inc., as lender.				
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
32.1†	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				
32.2†	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				
101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.				
101.SCH*	Inline XBRL Taxonomy Extension Schema Document				
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document				

101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

† These exhibits are furnished with this Quarterly Report on Form 10-Q and are not deemed filed with the Securities and Exchange Commission and are not incorporated by reference in any filing of Bakkt Holdings, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof and irrespective of any general incorporation language contained in such filings.

SIGNATURES

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

Bakkt Holdings, Inc.

Date: August 14, 2024

By: /s/ Andrew Main
Andrew Main
Chief Executive Officer, President and Director
(Principal Executive Officer)

Date: August 14, 2024

By: /s/ Karen Alexander
Karen Alexander
Chief Financial Officer
(Principal Financial Officer)

REVOLVING CREDIT AGREEMENT

dated as of August 12, 2024,

among
BAKKT HOLDINGS, INC.,
as Holdings,

BAKKT OPCO HOLDINGS, LLC,
as the Borrower,
THE SUBSIDIARIES OF HOLDINGS
FROM TIME TO TIME PARTY HERETO,
as Guarantors

and

INTERCONTINENTAL EXCHANGE HOLDINGS, INC.,
as Lender

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SCHEDULES:

Schedule 2.01 – Commitment
Schedule 5.13 – Post-Closing Items

EXHIBITS:

Exhibit A – Form of Borrowing Request
Exhibit B – Form of Notice of Interest Rate Election
Exhibit C – Form of PIK Election Notice
Exhibit D – Form of Joinder Agreement

REVOLVING CREDIT AGREEMENT, dated as of August 12, 2024 (this "**Agreement**"), by and among Bakkt Holdings, Inc., a corporation organized under the laws of the State of Delaware ("**Holdings**"), Bakkt Opco Holdings, LLC, a limited liability company organized under the laws of the State of Delaware (the "**Borrower**"), the SUBSIDIARIES of Holdings from time to time party hereto as guarantors, and Intercontinental Exchange Holdings, Inc., a corporation organized under the laws of Delaware (the "**Lender**"), as the lender.

RECITALS

WHEREAS, the Borrower has requested that the Lender agree to make available to the Borrower a Commitment to make revolving credit loans from time to time up to an aggregate principal amount at any one time outstanding of $40,000,000 (exclusive of any PIK Interest Amounts added to the principal balance of the Loans in accordance with Section 2.06(c)); and

WHEREAS, the Lender is willing to make such Commitment available to the Borrower on the terms and subject to the conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the foregoing premises and the covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Accordingly, the parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

SECTION 1.1. Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"**Adverse Proceeding**" means any action, suit, proceeding (whether administrative, judicial or otherwise), governmental investigation or arbitration (whether or not purportedly on behalf of Holdings or any of its Subsidiaries) at law or in equity, or before or by any Governmental Authority, domestic or foreign (including any Environmental Claims), whether pending or, to the knowledge of Holdings, threatened in writing against or affecting Holdings or any of its Subsidiaries or any property of Holdings or any of its Subsidiaries.

"**Affiliate**" means, as applied to any Person, any other Person directly or indirectly Controlling, Controlled by, or under common Control with, that Person and shall include any Person that directly or indirectly owns 10% or more of any class of Capital Stock of the Person specified. None of the Lender or any of its Affiliates shall be considered an Affiliate of Holdings or any subsidiary thereof for purposes of this Agreement and the other Loan Documents.

"**Agreement**" has the meaning assigned to such term in the preamble to this Agreement.

"**Anti-Corruption Laws**" means Requirements of Law relating to antibribery or anti-corruption (governmental or commercial), including, without limitation, laws that prohibit the corrupt payment, offer, promise, or authorization of the payment or transfer of anything of value (including gifts or entertainment), directly or indirectly, to any foreign government official, foreign government employee, person or commercial entity to obtain a business advantage, or the offer, promise, or gift of, or the request for, agreement to receive or receipt of a financial or other advantage to induce or reward the improper proper performance of a relevant function or activity; such as, without limitation, the U.S. Foreign

Corrupt Practices Act of 1977, as amended from time to time, and all laws enacted to implement the Organisation for Economic Co-operation and Development Convention on Combating Bribery of Foreign Public Officials in International Business Transactions applicable in the United States.

"**Anti-Terrorism Laws**" means Requirements of Law relating to terrorism or money laundering in the United States, including the Executive Order, the USA PATRIOT Act, together with all rules, regulations and interpretations thereunder or related thereto.

"**Applicable Margin**" means, at any time, the rate per annum equal to (a) in the case of Term SOFR Loans, 12.0% and (b) in the case of Base Rate Loans, 11.0%.

"**Available Tenor**" means, as of any date of determination and with respect to the then-current Benchmark, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an Interest Period or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 1.06(d).

"**Bankruptcy Code**" means Title 11 of the U.S. Code (11 U.S.C. § 101 et seq.).

"**Base Rate**" means, for any day, a rate per annum equal to the highest of (a) the rate last quoted by The Wall Street Journal as the "Prime Rate" in the United States or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Lender) or any similar release by the Federal Reserve Board (as determined by the Lender) (the "**Prime Rate**") for such day, (b) the sum of 0.50% plus the Federal Funds Rate for such day and (c) Term SOFR, as determined pursuant to clause (b) of the definition thereof, with an Interest Period of one month plus 1.00%. Any change in the Base Rate due to a change in the Prime Rate, the Federal Funds Rate or Term SOFR shall be effective as of the opening of business on the day of such change in the Prime Rate, the Federal Funds Rate or Term SOFR, respectively; *provided* that if the Base Rate shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"**Base Rate Loan**" means a Loan to be made by the Lender as a Loan accruing interest by reference to the Base Rate in accordance with the applicable Borrowing Request or pursuant to Section 2.15.

"**Base Rate Term SOFR Determination Day**" has the meaning specified in the definition of "Term SOFR".

"**Benchmark**" means, the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate, then "Benchmark" means, with respect to such obligations, interest, fees, commissions or other amounts, the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 1.06.

"**Benchmark Replacement**" means, with respect to any Benchmark Transition Event for the then-current Benchmark, the sum of: (i) the alternate benchmark rate that has been selected by the Lender and the Borrower as the replacement for such Benchmark giving due consideration to (A) any selection or

recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for such Benchmark for syndicated credit facilities denominated in the applicable currency at such time and (ii) the related Benchmark Replacement Adjustment; *provided* that, if such Benchmark Replacement as so determined would be less than zero, such Benchmark Replacement will be deemed to be zero percent for the purposes of this Agreement.

"**Benchmark Replacement Adjustment**" means, with respect to any replacement of any then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Available Tenor, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Lender and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities denominated in the applicable currency.

"**Benchmark Replacement Conforming Changes**" means, with respect to the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate" (if applicable), the definition of "Business Day," the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, and other technical, administrative or operational matters) that the Lender decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Lender in a manner substantially consistent with market practice (or, if the Lender decides that adoption of any portion of such market practice is not administratively feasible or if the Lender determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Lender decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark for any currency:

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event", the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of "Benchmark Transition Event", the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks; *provided*, that such non-representativeness or non-compliance will be determined by reference to the most recent statement or publication referenced in such clause (c)

and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Transition Event**" means, with respect to the then-current Benchmark, the occurrence of one or more of the following events with respect to such Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, the central bank for the currency applicable to such Benchmark, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Transition Start Date**" means, with respect to any Benchmark, in the case of a Benchmark Transition Event, the earlier of (a) the applicable Benchmark Replacement Date and (b) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

"**Benchmark Unavailability Period**" means, with respect to any then-current Benchmark, the period (if any) (a) beginning at the time that a Benchmark Replacement Date with respect to such Benchmark pursuant to clauses (a) or (b) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 1.06 and (ii) ending at the time that a Benchmark Replacement has replaced such Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 1.06.

"**Board**" means the Board of Governors of the Federal Reserve System of the U.S.

"**Board of Directors**" means, with respect to any Person, (a) in the case of any corporation, the board of directors of such Person or any committee thereof duly authorized to act on behalf of such board, (b) in the case of any limited liability company, the board of managers, board of directors, manager or managing member of such Person or the functional equivalent of the foregoing, (c) in the case of any partnership, the board of directors, board of managers, manager or managing member of a general partner of such Person or the functional equivalent of the foregoing and (d) in any other case, the functional equivalent of the foregoing.

"**Borrower**" shall have the meaning given to such term in the preamble hereto.

"**Borrowing**" means a borrowing of a Loan (which may be a Term SOFR Borrowing or a Base Rate Borrowing) pursuant to Section 2.01.

"**Borrowing Request**" shall have the meaning given to such term in Section 2.02.

"**Business Day**" means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed.

"**Capital Stock**" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation), including partnership interests and membership interests, and any and all warrants, rights or options to purchase or other arrangements or rights to acquire any of the foregoing, but excluding for the avoidance of doubt any Indebtedness convertible into or exchangeable for any of the foregoing.

"**Cash**" means money, currency or a credit balance in any demand account or deposit account. For the avoidance of doubt, and in respect of any financial covenant or ratio, the amount of Cash at any time shall be determined in accordance with GAAP.

"**Cash Equivalents**" means, as at any date of determination:

(a) readily marketable securities (i) issued or directly and unconditionally guaranteed or insured as to interest and principal by the government of the U.S., Canada, the United Kingdom or any member nation of the European Union rated at least A-2 from S&P or at least P-2 from Moody's (or, if at any time either S&P or Moody's is not rating such obligations, an equivalent rating from another nationally recognized statistical rating agency) or (ii) issued by any agency or instrumentality of any of the foregoing, the obligations of which are backed by the full faith and credit of the U.S., Canada, the United Kingdom or any such member nation of the European Union, as applicable, in each case having average maturities of not more than 24 months from the date of acquisition thereof and, in each case, repurchase agreements and reverse repurchase agreements relating thereto;

(b) readily marketable direct obligations issued by any state, commonwealth or territory of the U.S. or any political subdivision, taxing authority or any public instrumentality thereof or by any foreign government, in each case having average maturities of not more than 24 months from the acquisition thereof and having, at the time of the acquisition thereof, a rating of at least A-2 from S&P or at least P-2 from Moody's (or, if at any time either S&P or Moody's is not rating such obligations, an equivalent rating from another nationally recognized statistical rating agency) or otherwise having an investment grade rating from S&P or Moody's and, in each case, repurchase agreements and reverse repurchase agreements relating thereto;

(c) commercial paper and variable fixed rate notes having average maturities of not more than 24 months from the date of creation thereof and having, at the time of the acquisition thereof, a rating of at least A-2 from S&P or at least P-2 from Moody's (or, if at any time either S&P or Moody's is not rating such obligations, an equivalent rating from another nationally recognized statistical rating agency);

(d) deposits, money market deposits, time deposit accounts, certificates of deposit or bankers' acceptances (or similar instruments) maturing within one year after such date and issued or accepted by the Lender or by any bank organized under, or authorized to operate as a bank under, the laws of the U.S., any state thereof or the District of Columbia or any political subdivision thereof and that has capital and surplus of not less than $100,000,000 and, in each case, repurchase agreements and reverse repurchase agreements relating thereto;

(e) securities with maturities of six months or less from the date of acquisition backed by standby letters of credit issued by any commercial bank having capital and surplus of not less than $500,000,000;

(f) marketable short-term money market and similar highly liquid funds (i) having a rating of at least P-2 or A-2 from either Moody's or S&P, respectively (or, if at any time either S&P or Moody's is not rating such obligations, an equivalent rating from another nationally recognized statistical rating agency) or (ii) having assets in excess of (x) $500,000,000 in the case of U.S. banks or other U.S. financial institutions and (y) $250,000,000 (or the dollar equivalent as of the date of determination) in the case of non-U.S. banks or other non-U.S. financial institutions; and

(g) other Investments made in accordance with Holding's investment policy, as approved by Holdings' board of directors and as in effect on the Closing Date and as amended from time to time with the prior written consent of the Lender.

"**CFC**" means a "controlled foreign corporation" within the meaning of Section 957 of the Code.

"**Change of Control**" means the earliest to occur of:

(a) the acquisition by any Person or group, including any group acting for the purpose of acquiring, holding or disposing of Securities, other than the Lender or an Affiliate of the Lender, of the direct or indirect beneficial ownership of Capital Stock representing more than 30% of the total voting power of all of the outstanding Voting Stock of Holdings or the Borrower;

(b) a transaction or a series of related transactions occurs that results in the holders of the total voting power of all of the outstanding Voting Stock of Holdings existing immediately

prior to the commencement of such transaction(s), together, ceasing to beneficially own at least 60% of the total voting power of all of the outstanding Voting Stock of Holdings;

(c) during any period of 12 consecutive months, a majority of the members of the Board of Directors of Holdings cease to be composed of individuals (i) who were members of such Board of Directors on the first day of such period, (ii) whose election or nomination to such Board of Directors was approved by individuals referred to in the preceding clause (i) constituting at the time of such election or nomination at least a majority of such Board of Directors or (iii) whose election or nomination to such Board of Directors was approved by individuals referred to in the preceding clauses (i) and (ii) constituting at the time of such election or nomination at least a majority of such Board of Directors; or

(d) Holdings ceases to be the managing member of the Borrower.

For purposes of this definition including other defined terms used herein in connection with this definition (i) "beneficial ownership" shall be as defined in Rules 13(d)-3 and 13(d)-5 under the Exchange Act as in effect on the date hereof and (ii) the words "Person" and "group" shall be within the meaning of Section 13(d) or 14(d) of the Exchange Act as in effect on the date hereof.

"**Closing Date**" has the meaning set forth in Section 4.01 (it being understood and agreed that such date occurred on August 12, 2024).

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Collateral**" means any and all property of a Loan Party subject to a Lien under the Collateral Documents and any and all other property of any Loan Party, now existing or hereafter acquired, that is or becomes subject to a Lien pursuant to the Collateral Documents to secure the Obligations.

"**Collateral Documents**" means, collectively, the Pledge and Security Agreement and any other documents granting a Lien upon the Collateral as security for payment of the Obligations pursuant to the terms hereof or any other Loan Document.

"**Commitment**" means the amount set forth opposite the name of the Lender on Schedule 2.01, as such amount may be reduced from time to time pursuant to Section 2.08.

"**Confidential Information**" has the meaning assigned to such term in Section 8.13(a).

"**Contractual Obligation**" means, as applied to any Person, any provision of any Security issued by that Person or of any material indenture, mortgage, deed of trust, contract, undertaking, agreement or other instrument to which that Person is a party or by which it or any of its properties is bound or to which it or any of its properties is subject.

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

"**Default**" means any event or condition which upon notice, lapse of time or both would (unless cured or waived) become an Event of Default.

"**Derivative Transaction**" means (a) any interest-rate transaction, including any interest-rate swap, basis swap, forward rate agreement, interest rate option (including a cap, collar or floor), and any other instrument linked to interest rates that gives rise to similar credit risks (including when-issued securities and forward deposits accepted), (b) any exchange-rate transaction, including any cross-currency interest-rate swap, any forward foreign-exchange contract, any currency option, and any other instrument linked to exchange rates that gives rise to similar credit risks, (c) any equity derivative transaction, including any equity-linked swap, any equity-linked option, any forward equity-linked contract, and any other instrument linked to equities that gives rise to similar credit risk and (d) any commodity (including precious metal) derivative transaction, including any commodity-linked swap, any commodity-linked option, any forward commodity-linked contract, and any other instrument linked to commodities that gives rise to similar credit risks.

"**Disclosure Letter**" means the disclosure letter to this Agreement, dated as of the Closing Date, executed and delivered by Holdings and Borrower to Lender in connection with this Agreement, as may be updated from time to time in accordance with the Loan Documents.

"**Disposition**" or "**Dispose**" means the sale, lease, sublease, or other disposition of any property of any Person.

"**Disqualified Capital Stock**" means any Capital Stock which, by its terms (or by the terms of any Security into which it is convertible or for which it is exchangeable), or upon the happening of any event, (a) matures (excluding any maturity as the result of an optional redemption by the issuer thereof) or is mandatorily redeemable (other than for Qualified Capital Stock and Cash in lieu of fractional shares), pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (other than for Qualified Capital Stock and Cash in lieu of fractional shares), in whole or in part, on or prior to 91 days following the Termination Date at the time such Capital Stock is issued, (b) is or becomes convertible into or exchangeable (unless at the sole option of the issuer thereof) for (i) debt securities or loans or (ii) any Capital Stock that would constitute Disqualified Capital Stock, in each case at any time on or prior to 91 days following the Termination Date at the time such Capital Stock is issued, (c) contains any mandatory repurchase obligation which may come into effect prior to the Termination Date (or the date that is 91 days following the Termination Date at the time such Capital Stock is issued) or (d) provides for the scheduled payments of dividends in Cash on or prior to 91 days following the Termination Date at the time such Capital Stock is issued; provided, however, that only the portion of Capital Stock that so matures or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date shall be deemed to be Disqualified Capital Stock.

"**Dollars**" or "**$**" refers to lawful money of the United States.

"**Domestic Subsidiary**" means any Subsidiary incorporated or organized under the laws of United States or any state thereof.

"**Environment**" shall mean ambient air, indoor air, surface water, groundwater, drinking water, land surface, sediments, and subsurface strata & natural resources such as wetlands, flora and fauna.

"**Environmental Claim**" means any notice, notice of violation, claim, action, suit, proceeding, demand, abatement order or other order or directive (conditional or otherwise), by any Governmental Authority or any other Person, arising out of any Environmental Law, including (a) pursuant to or in connection with any actual or alleged violation of any Environmental Law; (b) in connection with any

Release or threatened Release of Hazardous Material or any actual or alleged Hazardous Materials Activity; or (c) in connection with any actual or alleged damage, injury, threat or harm to natural resources or the environment.

"**Environmental Laws**" means any and all applicable foreign or domestic, federal, provincial, territorial or state (or any subdivision of either of them), statutes, ordinances, orders, rules, regulations, judgments, Governmental Authorizations, or any other applicable requirements of Governmental Authorities and the common law relating to the protection of the environment, including those relating to any Hazardous Materials Activity, or the generation, use, storage, transportation or disposal of or exposure to Hazardous Materials, in any manner applicable to Holdings or any of its Subsidiaries or any Facility.

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

"**ERISA**" means the Employee Retirement Income Security Act of 1974.

"**ERISA Affiliate**" means, as applied to any Person, (a) any corporation which is a member of a controlled group of corporations within the meaning of Section 414(b) of the Code of which that Person is a member, (b) any trade or business (whether or not incorporated) which is a member of a group of trades or businesses under common control within the meaning of Section 414(c) of the Code of which that Person is a member and (c) for purposes of Section 302 of ERISA and Section 412 of the Code, any organization which is a member of an affiliated service group within the meaning of Section 414(m) of the Code of which that Person is a member or any other Person which is treated as a single employer with such Person under Section 414(o) of the Code.

"**ERISA Event**" means (a) a "reportable event" within the meaning of Section 4043 of ERISA and the regulations issued thereunder with respect to any Pension Plan (excluding those for which the 30-day notice period has been waived); (b) the failure to meet the minimum funding standard of Section 412 of the Code or Section 302 of ERISA with respect to any Pension Plan; (c) the provision by the administrator of any Pension Plan pursuant to Section 4041(a)(2) of ERISA of a notice of intent to terminate such plan in a distress termination described in Section 4041(c) of ERISA; (d) the withdrawal by Holdings, any of its Subsidiaries or any of their respective ERISA Affiliates from any Pension Plan with two or more contributing sponsors or the termination of any such Pension Plan resulting in liability to Holdings, any of its Subsidiaries or any of their respective ERISA Affiliates pursuant to Section 4063 or 4064 of ERISA; (e) the institution by the PBGC of proceedings to terminate any Pension Plan, or the appointment of a trustee to administer any Pension Plan; (f) the imposition of liability on Holdings, any of its Subsidiaries or any of their respective ERISA Affiliates pursuant to Section 4062(e) or 4069 of ERISA or by reason of the application of Section 4212(c) of ERISA; (g) a complete or partial withdrawal (within the meaning of Sections 4203 and 4205 of ERISA) of Holdings, any of its Subsidiaries or any of their respective ERISA Affiliates from any Multiemployer Plan if there is any liability therefor under Title IV of ERISA, or the receipt by Holdings, any of its Subsidiaries or any of their respective ERISA Affiliates of notice from any Multiemployer Plan that it is in insolvency pursuant to Section 4245 of ERISA, or that it intends to terminate or has terminated under Section 4041A or 4042 of ERISA; (h) the occurrence of an

act or omission which could reasonably be expected to give rise to the imposition on Holdings, any of its Subsidiaries or any of their respective ERISA Affiliates of fines, penalties, excise taxes or related charges under Chapter 43 of the Code or under Section 409, Section 502(c), (i) or (l), or Section 4071 of ERISA in respect of any Pension Plan; or (i) the incurrence of liability or the imposition of a Lien pursuant to Section 436 or 430(k) of the Code or pursuant to ERISA with respect to any Pension Plan, other than for PBGC premiums due but not delinquent.

"**Event of Default**" has the meaning assigned to such term in Article 7.

"**Exchange Act**" means the Securities Exchange Act of 1934 and the rules and regulations of the SEC promulgated thereunder.

"**Excluded Assets**" means (i) any fee-owned or leased real property, (ii) any property, to the extent a security interest in any such property would be prohibited or restricted by any contract, license, franchise, charter, authorization, agreement, instrument or other document binding upon Holdings or any Subsidiary of Holdings (including any legally effective prohibition or restriction) or would give rise to a right of termination in favor of any counterparty to such contract, license, franchise, charter, authorization, agreement, instrument or other document after giving effect to the applicable anti-assignment clauses of the Uniform Commercial Code and other applicable laws, other than the proceeds and receivables thereof the assignment of which is expressly deemed effective under the Uniform Commercial Code and other applicable laws notwithstanding such prohibition (unless such consent, approval, license or authorization has been received and, in any event, only for so long as such restriction exists), (iii) motor vehicles and other assets and personal property subject to certificates of title to the extent a Lien thereon cannot be perfected by the filing of a UCC financing statement or equivalent under applicable law, (iv) assets and personal property for which a pledge thereof or a security interest therein is prohibited by applicable laws (including any legally effective requirement to obtain the consent of any Governmental Authority) after giving effect to the applicable anti-assignment clauses of the Uniform Commercial Code and other applicable laws, other than the proceeds and receivables thereof the assignment of which is expressly deemed effective under the Uniform Commercial Code and other applicable laws notwithstanding such prohibition, (v) Excluded Capital Stock, (vi) assets and personal property to the extent a security interest in such assets would result in material adverse tax consequences as reasonably determined by the Borrower in good faith and consented to by the Lender, (vii) any intent-to-use trademark application prior to the filing of a "Statement of Use" or "Amendment to Allege Use" with respect thereto and (viii) any lease, license, contract, instrument or other agreements or any property (including personal property) subject to a purchase money security interest, Financing Lease Obligation or similar arrangements, in each case to the extent permitted under the Loan Documents, to the extent that a pledge thereof or a security interest therein would violate or invalidate such lease, license, contract, instrument or agreement, purchase money, Financing Lease Obligation or similar arrangement, or create a right of termination in favor of any other party thereto (other than the Borrower or a Guarantor) after giving effect to the applicable anti-assignment clauses of the Uniform Commercial Code and other applicable laws, other than the proceeds and receivables thereof the assignment of which is expressly deemed effective under the Uniform Commercial Code and other applicable laws notwithstanding such prohibition.

"**Excluded Capital Stock**" means (i) any Capital Stock with respect to which, in the reasonable judgment of the Lender and the Borrower, the cost of pledging such Capital Stock shall be excessive in view of the benefits to be obtained by the Lender therefrom, (ii) solely in the case of any pledge of Capital Stock of any Subsidiary that is a CFC or FSHCO to secure the Obligations, any Capital Stock that are Voting Stock of such Subsidiary that is a CFC or FSHCO in excess of 65% of the outstanding Capital

Stock that are Voting Stock of such Subsidiary that is a CFC or FSHCO, (iii) any Capital Stock to the extent, and for so long as, the pledge thereof would be prohibited by any applicable law (including any legally effective requirement to obtain the consent of any Governmental Authority unless such consent has been obtained), (iv) Capital Stock of any Person (other than any Wholly-Owned Subsidiary) acquired after the Closing Date to the extent, and for so long as, the pledge of such Capital Stock would be prohibited by, or would create an enforceable right of termination in favor of any other party thereto (other than Holdings, the Borrower or any Wholly-Owned Subsidiary) under, the terms of any Contractual Obligation, Organizational Document, joint venture agreement or shareholders' agreement applicable to such Person (but only to the extent any of the foregoing is not rendered ineffective by, or is otherwise unenforceable under, the UCC or any other applicable law) (and so long as such Contractual Obligation or other relevant restriction was not incurred in contemplation of such acquisition), (v) the Capital Stock of any Subsidiary of a CFC or FSHCO and (vi) any Capital Stock of any Subsidiary to the extent that the pledge of such Capital Stock would result in material adverse tax consequences to Holdings, the Borrower or any Subsidiary of the Borrower as reasonably determined by the Borrower in good faith and as consented to by the Lender.

"**Excluded Subsidiary**" means:

(a) any Subsidiary that is prohibited by (x) applicable law or (y) Contractual Obligation from guaranteeing the Obligations (and for so long as such restriction is in effect); provided that in the case of clause (y), such Contractual Obligation existed on the Closing Date or, with respect to any Subsidiary acquired by Holdings or a Subsidiary after the Closing Date (and so long as such Contractual Obligation was not incurred in contemplation of such acquisition), on the date such Subsidiary is so acquired;

(b) (i) any direct or indirect Foreign Subsidiary, (ii) any Subsidiary that is a FSHCO, (iii) any direct or indirect Subsidiary of a CFC or FSHCO, or (iv) any other Subsidiary for which the provision of a Guarantee would result in a material adverse tax consequence to Holdings, the Borrower or any Subsidiary (as reasonably determined by the Borrower in good faith and as agreed to by the Lender);

(c) any Immaterial Subsidiary (including, as of the Closing Date: Bakkt Trade, LLC; Bakkt Clearing, LLC; and B2S Canada, LLC);

(d) Bakkt Crypto Solutions, LLC; Bakkt Trust Company LLC; and Bakkt Brokerage, LLC; and

(e) any other Subsidiary with respect to which, in the reasonable judgment of the Lender in consultation with the Borrower (confirmed in writing by notice to the Borrower), the cost of providing a Guarantee shall be excessive in view of the benefits to be obtained by the Lender therefrom.

Notwithstanding anything to the contrary in the foregoing, (x) no Subsidiary organized under the laws of the United States shall be considered an Excluded Subsidiary on the basis that the provision of a Loan Guaranty by such Subsidiary would result in material adverse tax consequences as a result of the operation of Section 956 of the Code or otherwise (other than to the extent such Subsidiary would otherwise be an Excluded Subsidiary pursuant to clause (b) or (c) of this definition), (y) the Borrower shall not be an Excluded Subsidiary and (z) no Subsidiary that owns Capital Stock of the Borrower shall be an Excluded Subsidiary.

"**Excluded Taxes**" means, with respect to a Recipient, (a) Taxes imposed on (or measured by) its income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a

result of such Recipient being organized under the laws of, or having its principal office or its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Recipient with respect to an applicable interest in the Loan pursuant to a law in effect on the date on which (i) such Recipient acquires such interest in the Loan or (ii) such Recipient changes its lending office, except in each case to the extent that, pursuant to Section 2.14, amounts with respect to such Taxes were payable either to such Recipient's assignor immediately before such recipient became a party hereto or to such Recipient immediately before it changed its lending office, (c) any Tax under FATCA, (d) Taxes attributable to such Recipient's failure to comply with Section 2.14(f), and (d) U.S. federal backup withholding Taxes pursuant to Section 3406 of the Code (or any successor provision).

"**Facility**" means any real property (including all buildings, fixtures or other improvements located thereon) now, hereafter or heretofore owned, leased, operated or used by Holdings or any of its Subsidiaries.

"**FATCA**" means Sections 1471 through 1474 of the Code, as of the Closing Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations promulgated thereunder or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code, and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention entered into in connection with the implementation of such Sections of the Code.

"**Federal Funds Rate**" means, for any day, the rate per annum (rounded upwards, if necessary, to the nearest 1/100th of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate quoted to the Lender, on such day on such transactions as determined by the Lender; *provided*, *further*, that if the Federal Funds Rate shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"**Financial Officer**" of any Person means (i) the chief financial officer, the treasurer, any assistant treasurer, any vice president of finance or the controller of such Person or any officer with substantially equivalent responsibilities of any of the foregoing or (ii) the chief executive officer or president of such Person.

"**Financial Officer Certification**" means, with respect to the financial statements for which such certification is required, the certification of a Financial Officer of Holdings or the Borrower that such financial statements fairly present, in all material respects, in accordance with GAAP, the consolidated financial condition of Holdings as at the dates indicated and the results of its consolidated operations and cash flows for the periods indicated, subject to, in the case of quarterly financial statements, the absence of footnotes and changes resulting from audit and normal year-end audit adjustments.

"Financing Lease Obligation" means, as applied to any Person, an obligation that is required to be accounted for as a financing or capital lease (and, for the avoidance of doubt, not as an operating lease) for financial reporting purposes in accordance with GAAP. At the time any determination thereof is to be

made, the amount of the liability in respect of a financing or capital lease would be the amount required to be reflected on the applicable financial statements of such Person as a liability in accordance with GAAP; provided, that for all purposes hereunder, any obligations of such Person that would have been treated as operating leases in accordance with Accounting Standards Codification 840 (regardless of whether or not then in effect) shall be treated as operating leases for purposes of all financial definitions, calculations and covenants (other than for purposes of the delivery of financial statements prepared in accordance with GAAP), without giving effect to Accounting Standards Codification 842 requiring operating leases to be recharacterized or treated as capital or finance leases.

"**Fiscal Quarter**" means a fiscal quarter of any Fiscal Year.

"**Fiscal Year**" means the fiscal year of Holdings, ending on December 31 of each year.

"**Foreign Subsidiary**" means any Subsidiary that is not a Domestic Subsidiary.

"**FSHCO**" means any direct or indirect Subsidiary of the Borrower that has no material assets other than equity and/or indebtedness of one or more Foreign Subsidiaries of the Borrower that are CFCs.

"**GAAP**" means generally accepted accounting principles in the U.S. in effect and applicable to the accounting period in respect of which reference to GAAP is being made, subject to the provisions of Section 1.03.

"**Global Intercompany Note**" means an intercompany promissory note in a form reasonably acceptable to the Lender and the Borrower.

"**Governmental Authority**" means any federal, state, provincial, territorial, municipal, national or other government, governmental department, commission, board, bureau, court, agency or instrumentality or political subdivision thereof or any entity or officer exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any government or any court (including any supra-national body exercising such powers or functions, such as the European Union or the European Central Bank), in each case, whether associated with a state or locality of the U.S., the U.S., or a foreign government.

"**Governmental Authorization**" means any permit, license, authorization, plan, directive, consent order or consent decree of or from any Governmental Authority.

"**Guarantee**" of or by any Person (the "**guarantor**") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness of any other Person (the "**Primary Obligor**") in any manner and including any obligation of the guarantor, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the Primary Obligor so as to enable the Primary Obligor to pay such Indebtedness, (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or monetary obligation, (e) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part) or (f) secured by any Lien on any assets of such guarantor securing any Indebtedness of any other Person, whether or not such Indebtedness is assumed by such guarantor (or any right, contingent or otherwise, of any holder of such Indebtedness to

obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith.

"**Guaranteed Obligations**" has the meaning assigned to such term in Section 9.01.

"**guarantor**" has the meaning assigned to such term in the definition of "Guarantee".

"**Guarantor Percentage**" has the meaning assigned to such term in Section 9.10.

"**Hazardous Materials**" means petroleum products and other hydrocarbons, solvents, polychlorinated bi-phenyls, asbestos and asbestos-containing materials and any other chemical, material, substance or waste, or any constituent thereof, that is prohibited, limited or regulated by any Environmental Law.

"**Hazardous Materials Activity**" means any past, current, proposed or threatened activity, event or occurrence involving any Hazardous Material, including the use, manufacture, possession, storage, holding, presence, existence, location, Release, threatened Release, discharge, placement, generation, transportation, processing, construction, treatment, abatement, removal, remediation, disposal, disposition or handling of any Hazardous Material, and any corrective action or response action with respect to any of the foregoing.

"**Holdings**" has the meaning assigned to such term in the preamble to this Agreement.

"**Immaterial Subsidiary**" means, as of any date, any Subsidiary of Holdings (other than the Borrower) for which (a) the consolidated total assets (determined in accordance with GAAP) of such Subsidiary and its Subsidiaries constitute less than 5% of consolidated total assets and (b) the consolidated revenues (determined in accordance with GAAP) of such Subsidiary and its Subsidiaries constitute less than 5% of the consolidated revenues (determined in accordance with GAAP) of Holdings and its Subsidiaries, in each case, as of the last day of and for the most recently ended four consecutive Fiscal Quarters then most recently ended for which financial statements of the type described in Section 5.01(a) or 5.01(b), as applicable, have been delivered; provided that the consolidated total assets (as so determined) and revenues (as so determined) of all Immaterial Subsidiaries shall not exceed 10% of consolidated total assets or 10% of the consolidated revenues of Holdings and its Subsidiaries that are not otherwise Excluded Subsidiaries by virtue of any of clauses (a) through (c) or (e) through (g) of the definition of "Excluded Subsidiary" as of the last day of and for the relevant most recent four consecutive Fiscal Quarters then most recently ended for which financial statements of the type described in Section 5.01(a) or 5.01(b), as applicable, have been delivered, as the case may be. Notwithstanding the foregoing, for purposes of Article 7 of this Agreement, the term "Immaterial Subsidiary" shall not include any "significant subsidiaries" (as defined in Article 1 of Regulation S-X) or group of subsidiaries that would together constitute a "significant subsidiary" (as so defined).

"**Indebtedness**", as applied to any Person, means, without duplication, (a) all indebtedness for borrowed money (including, for the avoidance of doubt, the Loan); (b) Financing Lease Obligations; (c) all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or similar instruments; (d) any obligation owed for all or any part of the deferred purchase price of property or services (other than (i) trade accounts payable or accrued expenses and (ii) any contingent obligation incurred in connection with any Investment permitted under Section 6.05 unless such obligation is not paid within five (5) Business Days after becoming due and payable); (e) all Indebtedness of others

secured by any Lien on any property or asset owned or held by such Person regardless of whether the Indebtedness secured thereby shall have been assumed by such Person or is non-recourse to the credit of such Person (provided that the amount of any such Indebtedness that is nonrecourse shall be deemed to be equal to the lesser of (i) the amount for which such Person is actually liable and (ii) the fair market value of the property securing such obligations); (f) the amount of any letter of credit issued for the account of such Person or as to which such Person is otherwise liable for reimbursement of drawings; (g) the Guarantee by such Person of the Indebtedness of another; (h) all obligations of such Person in respect of any Disqualified Capital Stock and (i) all net obligations of such Person in respect of any Derivative Transaction, including any hedge agreement, whether or not entered into for hedging or speculative purposes. For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture in which such Person is a general partner or a joint venturer, except to the extent such Person's liability for such Indebtedness is otherwise limited.

"**Indemnified Taxes**" means (a) Taxes imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document other than Excluded Taxes and (b) to the extent not otherwise described in clause (a), Other Taxes.

"**Indemnitee**" has the meaning set forth in Section 8.03(b).

"**Interest Payment Date**" means, (a) as to any Term SOFR Loan, the last day of each Interest Period applicable to such Loan and the Termination Date; provided that if any Interest Period for a Term SOFR Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates and (b) as to any Base Rate Loan, the last Business Day of each March, June, September and December and the Termination Date.

"**Interest Period**" means:

(a) with respect to each Base Rate Borrowing, the period commencing on the date of such Borrowing and ending 30 days thereafter; provided that:

(i) any Interest Period which would otherwise end on a day which is not a Business Day shall be extended to the next succeeding Business Day; and

(ii) any Interest Period which would otherwise end after the Termination Date shall end on the Termination Date; and

(b) with respect to each Term SOFR Borrowing, the period commencing on the date of such Borrowing and ending one, three or six months thereafter, as the Borrower may elect in the applicable Borrowing Request or Notice of Interest Rate Election; provided that:

(i) any Interest Period which would otherwise end on a day which is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(ii) any Interest Period which begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall, subject to clause (iii) below, end on the last Business Day of a calendar month;

(iii) any Interest Period which would otherwise end after the Termination Date shall end on the Termination Date; and

(iv) no tenor that has been removed from this definition pursuant to Section 1.06(d) shall be available for specification in such Borrowing Request or Notice of Interest Rate Election;

For purposes of this definition, the date of a Borrowing shall initially be the date on which such Borrowing is to be advanced and shall thereafter be the effective date of the most recent conversion or continuation of such Borrowing pursuant to Section 2.15.

"**Interpolated Screen Rate**" means, with respect to Term SOFR, the rate which results from interpolating on a linear basis between:

(a) the Term SOFR Screen Rate for the longest period for which the Term SOFR Screen Rate is available for such Term SOFR Loan, which period is less than the Interest Period of such Term SOFR Loan; and

(b) the Term SOFR Screen Rate for the shortest period for which the Term SOFR Screen Rate is available for such Term SOFR Loan, which period exceeds the Interest Period of such Term SOFR Loan;

provided that if any such Interpolated Screen Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"**Investment**" means (a) any purchase or other acquisition, or ownership, by Holdings or any of its Subsidiaries of any of the Securities of any other Person (other than Holdings or any other Loan Party), (b) the acquisition by purchase or otherwise (other than purchases or other acquisitions of inventory, materials, supplies and/or equipment in the ordinary course of business) of all or substantially all of the business, property or fixed assets of any Person or any division or line of business or other business unit of any Person, (c) any Guarantee by Holdings or any of its Subsidiaries of Indebtedness of any other Person (other than Holdings or any other Loan Party) and (d) any loan, advance (other than advances made on an intercompany basis between or among Holdings and the other Loan Parties in the ordinary course of business for the purchase of inventory, materials, supplies and/or equipment or in respect of allocation of corporate overhead expenses) or capital contribution by Holdings or any of its Subsidiaries to any other Person (other than Holdings or any Subsidiary Guarantor). The amount, as of any date of determination, of any Investment in the form of a Guarantee shall be equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof, as determined in good faith by Holdings in accordance with GAAP. For purposes of covenant compliance with Section 6.05, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment, less any amount paid, repaid, returned, distributed or otherwise received in Cash in respect of such Investment.

"**IP Rights**" has the meaning assigned to such term in Section 3.05(b).

"**IRS**" means the U.S. Internal Revenue Service.

"**Joinder Agreement**" has the meaning assigned to such term in Section 5.10(a).

"**Junior Debt**" means any Indebtedness of Holdings and its Subsidiaries that is (i) unsecured or expressly subordinated in right of payment to the Obligations (other than Indebtedness among Holdings and its Subsidiaries) or (ii) secured by a Lien on the Collateral that ranks junior in right of security to the Liens on the Collateral securing the Obligations.

"**Lender**" means Intercontinental Exchange Holdings, Inc., a Delaware corporation, together with its permitted successors and assigns, acting in such capacity under this Agreement.

"**Lien**" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any Financing Lease Obligation having substantially the same economic effect as any of the foregoing), in each case, in the nature of security.

"**Loan**" means a Loan made by the Lender (which may be a Term SOFR Loan or a Base Rate Loan) in accordance with the applicable Borrowing Request (and for the avoidance of doubt shall include all PIK Interest Amounts added thereon in accordance with Section 2.06(c)).

"**Loan Documents**" means this Agreement and the Collateral Documents then in effect and any other document or instrument designated by the Borrower and the Lender as a "Loan Document" entered into in accordance with Section 8.02. Any reference in this Agreement or any other Loan Document to a Loan Document shall include all appendices, exhibits or schedules thereto, and all amendments, restatements, amendments and restatements, supplements or other modifications thereto.

"**Loan Guarantor**" means each Loan Party (except, solely with respect to obligations of the Borrower, the Borrower).

"**Loan Guaranty**" means the guaranty set forth in Article 9 of this Agreement.

"**Loan Parties**" means Holdings, the Borrower and each Subsidiary Guarantor.

"**Margin Stock**" has the meaning assigned to such term in Regulation U.

"**Material Adverse Effect**" means a material adverse effect on (i) the business, operations, properties, assets or financial condition, in each case, of Holdings and its Subsidiaries, taken as a whole, (ii) the legality, validity, binding effect or enforceability against a Loan Party of a material Loan Document to which it is a party, (iii) the rights, remedies and benefits available to, or conferred upon, the Lender under the applicable Loan Documents or (iv) the ability of the Borrower and the Loan Guarantors to perform their obligations under the Loan Documents.

"**Maximum Liability**" has the meaning assigned to such term in Section 9.09.

"**Moody's**" means Moody's Investors Service, Inc. and any successor to its rating agency business.

"**Multiemployer Plan**" means any employee benefit plan which is a "multiemployer plan" as defined in Section 3(37) of ERISA, to which Holdings or any of its Subsidiaries, or any of their respective ERISA Affiliates, makes or is obligated to make contributions and with respect to which any of them has an ongoing obligation.

"**Non-Paying Guarantor**" has the meaning assigned to such term in Section 9.10.

"**Notice of Interest Rate Election**" shall have the meaning given to such term in Section 2.15.

"**Obligated Party**" has the meaning assigned to such term in Section 9.02.

"**Obligations**" means all unpaid principal of and accrued and unpaid interest (including any interest, fees and other amounts accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Loan, all accrued and unpaid fees and all expenses, reimbursements, indemnities and all other advances to, debts, liabilities, obligations, covenants and duties of any Loan Party to the Lender or any indemnified party arising under the Loan Documents, whether direct or indirect (including those acquired by assumption), absolute, contingent, due or to become due, now existing or hereafter arising.

"**OFAC**" means the U.S. Department of the Treasury's Office of Foreign Assets Control.

"**Organizational Documents**" means (a) with respect to any corporation, its certificate or articles of incorporation, formation or organization and its by-laws, (b) with respect to any limited partnership, its certificate of limited partnership, and its partnership agreement, (c) with respect to any general partnership, its partnership agreement, (d) with respect to any limited liability company, its articles of organization or certificate of formation, and its operating agreement and (e) with respect to any other form of entity, such other organizational documents required by local Requirements of Law or customary under such jurisdiction to document the formation and governance principles of such type of entity.

"**Other Connection Taxes**" means Taxes imposed on any Recipient as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising solely from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, or engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in the Loan or any Loan Document).

"**Other Taxes**" means any and all present or future stamp, court or documentary, recording or filing Taxes or any other similar Taxes arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or the other Loan Documents, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

"**Paying Guarantor**" has the meaning assigned to such term in Section 9.10.

"**PBGC**" means the Pension Benefit Guaranty Corporation or any successor thereto.

"**Pension Plan**" means any employee pension benefit plan, as defined in Section 3(2) of ERISA (other than a Multiemployer Plan), subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which Holdings or any of its Subsidiaries, or any of their respective ERISA Affiliates, is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"**Periodic Term SOFR Determination Day**" has the meaning specified in the definition of "Term SOFR".

"**Permitted Liens**" means Liens permitted pursuant to Section 6.02.

"**Permitted Refinancing Indebtedness**" means, any Indebtedness that is incurred to refund, refinance, replace, exchange, renew, repay or extend any Indebtedness existing on the Closing Date or incurred (or established) in compliance with this Agreement; provided, however, that: (1) (a) such Permitted Refinancing Indebtedness has a Weighted Average Life to Maturity at the time such Permitted Refinancing Indebtedness is incurred which is not less than the remaining Weighted Average Life to Maturity of the Indebtedness being refunded, refinanced, replaced, exchanged, renewed, repaid or extended; and (b) to the extent such Permitted Refinancing Indebtedness refinances Junior Debt, such Permitted Refinancing Indebtedness is Junior Debt and, in the case of Indebtedness subordinated in right of payment to the Loans, is subordinated to the Loans on customary terms (as determined by the Lender in good faith); (2) Permitted Refinancing Indebtedness shall not include Indebtedness of a Subsidiary of Holdings that is not a Guarantor or Borrower that refinances Indebtedness of the Borrower or a Guarantor; (3) such Permitted Refinancing Indebtedness is incurred in an aggregate principal amount that is equal to or less than the sum of (x) the aggregate principal amount (or if issued with original issue discount, the then outstanding Indebtedness being refinanced, plus (y) accrued and unpaid interest, dividends, premiums, fees, costs and expenses in connection with such refinancing; and (4) the terms and conditions (including, if applicable, as to collateral but excluding as to subordination, interest rates (including through fixed interest rates), interest rate margins, rate floors, fees, funding discounts, original issue discounts and redemption or prepayment terms and premiums) of any such Permitted Refinancing Indebtedness, taken as a whole, are not materially more restrictive on Holdings and its Subsidiaries, when taken as a whole, than the terms and conditions of the Indebtedness being refinanced.

"**Person**" means any natural person, corporation, unlimited liability company, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or any other entity.

"**PIK Election Notice**" means a written notice of election to pay interest in kind pursuant to and in accordance with Section 2.06(c) with respect to any interest period in advance of the applicable Interest Payment Date and substantially in the form of Exhibit C or such other form as may be approved by the Lender.

"**PIK Interest Amount**" has the meaning set forth in Section 2.06(c).

"**PIK Premium**" has the meaning set forth in Section 2.06(c).

"**Pledge and Security Agreement**" means that certain Pledge and Security Agreement, among the Borrower, the other Loan Parties and the Lender in a form reasonably acceptable to the Lender and the Borrower.

"**Primary Obligor**" has the meaning assigned to such term in the definition of "Guarantee".

"**Qualified Capital Stock**" of any Person means any Capital Stock of such Person that is not Disqualified Capital Stock.

"**Recipient**" means any recipient of any payment to be made by or on account of any obligation of the Borrower or any other Loan Party.

"**Regulation U**" means Regulation U of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"**Regulation X**" means Regulation X of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"**Related Parties**" means, with respect to any specified Person, such Person's Affiliates and the respective directors, officers, trustees, employees, partners, agents, advisors and other representatives of such Person and such Person's Affiliates.

"**Release**" means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, dispersal, dumping, leaching or migration of any Hazardous Material into the Environment (including the abandonment or disposal of any barrels, containers or other closed receptacles containing any Hazardous Material), including the movement of any Hazardous Material through the air, soil, surface water or groundwater.

"**Relevant Governmental Body**" means the Federal Reserve Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York, or any successor thereto.

"**Representatives**" has the meaning assigned to such term in Section 8.13(a).

"**Requirements of Law**" means, with respect to any Person, collectively, the common law and all federal, state, provincial, territorial, local, foreign, multinational or international laws, statutes, codes, treaties, standards, rules and regulations, guidelines, ordinances, orders, judgments, writs, injunctions, decrees (including administrative or judicial precedents or authorities) and the interpretation or administration thereof by, and other determinations, directives, requirements or requests of any Governmental Authority, in each case whether or not having the force of law and that are applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"**Responsible Officer**" of any Person means the chief executive officer, a director, the president, executive vice president, any senior vice president, any vice president, the chief operating officer or any Financial Officer of such Person and any other individual or similar official thereof responsible for the administration of the obligations of such Person in respect of this Agreement.

"**Restricted Debt Payments**" has the meaning set forth in Section 6.04(b).

"**Restricted Payment**" means (a) any dividend or other distribution on account of any shares of any class of the Capital Stock of Holdings or any Subsidiary now or hereafter outstanding, except a dividend payable solely in shares of Qualified Capital Stock to the holders of such class, (b) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value of any shares of any class of the Capital Stock of Holdings or any Subsidiary now or hereafter outstanding and (c) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire shares of any class of the Capital Stock of Holdings or any Subsidiary now or hereafter outstanding.

"**Revolving Credit Period**" means the period from and including the date hereof to but excluding the Termination Date.

"**S&P**" means S&P Global Ratings, a subsidiary of S&P Global Inc., and any successor to its rating agency business.

"**Sanctioned Country**" means any country or territory that, at the relevant time, is the subject or target of any comprehensive or countrywide Sanctions. As at the date hereof, Sanctioned Countries include Cuba (solely with respect to any Person organized under the laws of the United States or any political subdivision thereof), Iran, North Korea, Syria, and the Crimea, Donetsk, and Luhansk regions of Ukraine.

"**Sanctions**" means any United States sanctions administered by OFAC or the U.S. Department of State.

"**SEC**" means the Securities and Exchange Commission.

"**Securities**" means any stock, shares, partnership interests, voting trust certificates, certificates of interest or participation in any profit-sharing agreement or arrangement, options, warrants, bonds, debentures, notes, or other evidences of indebtedness, secured or unsecured, convertible, subordinated or otherwise, or in general any instruments commonly known as "securities" or any certificates of interest, shares or participations in temporary or interim certificates for the purchase or acquisition of, or any right to subscribe to, purchase or acquire, any of the foregoing; provided that "Securities" shall not include any earn-out agreement or obligation or any employee bonus or other incentive compensation plan or agreement.

"**Security Agreement Joinder Agreement**" has the meaning assigned to such term in the Pledge and Security Agreement.

"**SOFR**" means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"**Specified Event of Default**" means an Event of Default specified in Sections 7.01(a), 7.01(f) or 7.01(g)).

"**subsidiary**" means, with respect to any Person, any corporation, partnership, limited liability company, association, joint venture or other business entity of which more than 50% of the total voting power of shares of stock or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other subsidiaries of such Person or a combination thereof; provided that in determining the percentage of ownership interests of any Person controlled by another Person, no ownership interest in the nature of a "qualifying share" of the former Person shall be deemed to be outstanding.

"**Subsidiary**" means any subsidiary of Holdings.

"**Subsidiary Guarantor**" means each Subsidiary of Holdings (other than any Excluded Subsidiary and other than the Borrower) that guarantees the Obligations pursuant to the terms of this Agreement, in each case, until such time as the respective Subsidiary is released from its obligations under the Loan Guaranty in accordance with the express terms and provisions hereof.

"**Tax Receivable Agreement**" means that certain Tax Receivable Agreement, dated as of October 15, 2021, by and among Holdings, and the other persons from time to time party thereto as TRA Parties, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

"**Taxes**" means any and all present and future taxes, assessments, levies, imposts, duties, deductions, charges or withholdings (including backup withholding) imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"**Term SOFR**" means,

(a) for any calculation with respect to a Term SOFR Borrowing, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the "**Periodic Term SOFR Determination Day**") that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator (the "**Term SOFR Screen Rate**"); *provided*, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day; *provided*, *further*, that, if such fallback is not available, then Term SOFR with respect to such Term SOFR Borrowing for such Interest Period shall be the applicable Interpolated Screen Rate; and

(b) for any calculation with respect to a Base Rate Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the "**Base Rate Term SOFR Determination Day**") that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; *provided*, that if as of 5:00 p.m. (New York City time) on any Base Rate Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Base Rate Term SOFR Determination Day; provided, further, that, if such fallback is not available, then Term SOFR with respect to such Term SOFR Borrowing for such Interest Period shall be the applicable Interpolated Screen Rate;

provided, *further*, that if Term SOFR determined as provided above (including pursuant to the provisos under clause (a) or clause (b) above) shall ever be less than zero, then Term SOFR shall be deemed to be zero for purposes of this Agreement.

"**Term SOFR Administrator**" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Lender in its reasonable discretion).

"**Term SOFR Conforming Changes**" means, with respect to either the use or administration of Term SOFR, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability of Section 2.12 and other technical, administrative or operational matters) that the Lender decides may be appropriate to reflect the adoption and implementation of Term SOFR or to permit the use and administration thereof by the Lender in a manner substantially consistent with market practice (or, if the Lender decides that adoption of any portion of such market practice is not administratively feasible or if the Lender determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Lender decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents (if any).

"**Term SOFR Loan**" means a Loan to be made by the Lender as a Loan accruing interest by reference to Term SOFR in accordance with the applicable Borrowing Request.

"**Term SOFR Reference Rate**" means the forward-looking term rate based on SOFR.

"**Term SOFR Screen Rate**" has the meaning set forth in the definition of "Term SOFR".

"**Termination Date**" means December 31, 2026.

"**Threshold Amount**" means $5,000,000.

"**Total Unutilized Commitment**" means, at any time, the aggregate amount of the Commitment available to be borrowed by the Borrower pursuant to Section 2.01 at such time less the aggregate outstanding principal amount of all Loans (exclusive of any PIK Interest Amounts added to the principal balance of the Loans in accordance with Section 2.06(c)).

"**Type**" means, with respect to a Loan, its character as a Base Rate Loan or a Term SOFR Loan.

"**UCC**" means the Uniform Commercial Code as in effect from time to time in the State of New York or any other state the laws of which are required to be applied in connection with the grant or perfection of security interests.

"**Unadjusted Benchmark Replacement**" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"**U.S.**" means the United States of America.

"**U.S. Government Securities Business Day**" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"**USA PATRIOT Act**" means The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. No. 107-56 (signed into law October 26, 2001)).

"**Voting Stock**" shall mean, with respect to any Person, shares of such Person's Capital Stock that is at the time generally entitled, without regard to contingencies, to vote in the election of the Board of Directors of such Person. To the extent that a partnership agreement, limited liability company agreement or other agreement governing a partnership or limited liability company provides that the members of the Board of Directors of such partnership or limited liability company (or, in the case of a limited partnership whose business and affairs are managed or controlled by its general partner, the Board of Directors of the general partner of such limited partnership) are appointed or designated by one or more Persons rather than by a vote of Voting Stock, each of the Persons who are entitled to appoint or designate the members of such Board of Directors will be deemed to own a percentage of Voting Stock of such partnership or limited liability company equal to (a) the aggregate votes entitled to be cast on such Board of Directors by the members of such Board of Directors which such Person or Persons are entitled to appoint or designate divided by (b) the aggregate number of votes of all members of such Board of Directors.

"**Weighted Average Life to Maturity**" means, when applied to any Indebtedness at any date, the number of years obtained by dividing: (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment (it being understood that the Weighted Average Life to Maturity shall be determined without giving effect to any change in installment or other payments of principal resulting from prepayments of such Indebtedness); by (b) the then outstanding principal amount of such Indebtedness.

"**Wholly-Owned Subsidiary**" of any Person means a subsidiary of such Person, 100% of the Capital Stock (including all voting and economic rights) of which (other than directors' qualifying shares or shares required by law to be owned by a resident of the relevant jurisdiction) shall be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

SECTION 1.2. Terms Generally; Reclassification. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document herein or in any Loan Document shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, amended and restated, supplemented or otherwise modified, extended, refinanced or replaced (subject to any restrictions or qualifications on such amendments, restatements, amendment and restatements, supplements or modifications, extensions, refinancings or replacements set forth herein or in any Loan Document), (b) any reference to any law in any Loan Document shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such law, (c) any reference herein or in any Loan Document to any Person shall be construed to include such Person's successors and permitted assigns, (d) the words "herein", "hereof" and "hereunder", and words of similar import, when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision hereof or thereof, (e) all references herein or in any Loan Document to Articles, Sections, clauses, paragraphs, Exhibits and Schedules shall be construed to refer to Articles, Sections, clauses and paragraphs of, and Exhibits and Schedules to, such Loan Document, (f) in the computation of periods of time in any Loan Document from a specified date to a later specified date, the word "from" means "from and including", the

words “to” and “until” mean “to but excluding” and the word “through” means “to and including” and (g) the words “asset” and “property”, when used in any Loan Document, shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including Cash, securities, accounts and contract rights.

SECTION 1.3. Accounting Terms. Unless otherwise specified herein, all terms of a financial or accounting nature used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared in accordance with GAAP, applied on a basis consistent (except for changes concurred in by Holdings’ independent public accountants and except, in the case of unaudited financial statements, for the absence of footnotes and subject to normal year-end adjustments) with the most recent audited consolidated financial statements of Holdings and its consolidated Subsidiaries delivered to the Lender.

SECTION 1.4. Timing of Payment of Performance; Times of Day. When payment of any obligation or the performance of any covenant, duty or obligation is stated to be due or performance required on a day which is not a Business Day, the date of such payment or performance shall extend to the immediately succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. Unless otherwise specified herein, all references herein to times of day shall be references to New York City time (daylight or standard, as applicable).

SECTION 1.5. Division of Limited Liability Company. Any reference herein to a merger, transfer, consolidation, amalgamation, consolidation, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company, or an allocation of assets to a series of a limited liability company (or the unwinding of such a division or allocation), as if it were a merger, transfer, consolidation, amalgamation, consolidation, assignment, sale or transfer, or similar term, as applicable, to, of or with a separate Person. Any division of a limited liability company shall constitute a separate Person hereunder (and each division of any limited liability company that is a subsidiary, Subsidiary, joint venture or any other like term shall also constitute such a Person or entity).

SECTION 1.6. Benchmark Replacement Setting.

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event with respect to a Benchmark, the Lender and the Borrower may amend this Agreement to replace such Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. (New York City time) on the fifth (5^{th}) Business Day after the Lender has posted such proposed amendment to the Borrower. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 1.06(a) will occur prior to the applicable Benchmark Transition Start Date.

(b) Benchmark Replacement Conforming Changes. In connection with the implementation of a Benchmark Replacement, the Lender will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Lender will promptly notify

the Borrower of the effectiveness of any Benchmark Replacement Conforming Changes in connection with the use or administration of the applicable Benchmark Replacement.

(c) Notices; Standards for Decisions and Determinations. The Lender will promptly notify the Borrower of (i) the implementation of any Benchmark Replacement, (ii) the effectiveness of any Benchmark Replacement Conforming Changes and (iii) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 1.06(d). Any determination, decision or election that may be made by the Lender pursuant to this Section 1.06, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if any then-current Benchmark is a term rate (including Term SOFR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Lender in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks, then the Lender may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement) or not in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks, then the Lender may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a given Benchmark, the Borrower may revoke any pending request for a Term SOFR Borrowing of, conversion to or continuation of Term SOFR Loans, in each case, to be made, converted or continued during any Benchmark Unavailability Period denominated in the applicable currency and, failing that, (i) in the case of any request for an affected Term SOFR Borrowing, the Borrower will be deemed to have converted any such request into a request for a Borrowing of, or conversion to, Base Rate Loans in the amount specified therein; and (ii) any outstanding Term SOFR Loans will be deemed to have been converted into Base Rate Loans at the end of the applicable Interest Period. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 2.12. During a Benchmark Unavailability Period with respect to any Benchmark or at any time that a tenor for any then-current Benchmark is not an Available Tenor, the component of Base Rate based upon the then-current Benchmark that is the subject of such Benchmark Unavailability Period or such tenor for such Benchmark, as applicable, will not be used in any determination of Base Rate.

SECTION 1.7. Rates. The Lender does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to any Benchmark, any component definition thereof or rates referenced in the definition thereof or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, such Benchmark or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Term SOFR Conforming Changes or Benchmark Replacement Conforming Changes. The Lender and its affiliates or other related entities may engage in transactions that affect the calculation of any Benchmark, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Lender may select information sources or services in its reasonable discretion to ascertain any Benchmark, any component definition thereof or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE 2 THE LOAN

SECTION 2.1. Commitment to Lend. Subject to the terms and conditions set forth herein, the Lender agrees to make revolving Loans to the Borrower denominated in Dollars at any time and from time to time on and after the Closing Date and until the earlier of the Termination Date and the termination of the Commitment of the Lender in accordance with the terms hereof; provided that, after giving effect to any Borrowing of Loans, the aggregate principal amount of Loans (without giving effect to any PIK Interest Amounts added to the principal balance of the Loans in accordance with Section 2.06(c)) outstanding shall not exceed the Lender's Commitment; and *provided, further,* that, notwithstanding the foregoing, (i) prior to December 31, 2024, the Borrower will not be permitted to borrow under this Agreement without the Lender's consent in its sole discretion, (ii) from and including December 31, 2024 until (but not including) March 31, 2025, the Borrower shall be permitted to borrow up to $10,000,000 in aggregate principal amount of Loans (without giving effect to any PIK Interest Amounts added to the principal balance of the Loans in accordance with Section 2.06(c)) without the Lender's consent, (iii) from and including March 31, 2025 until (but not including) June 30, 2025, the Borrower shall be permitted to borrow up to $20,000,000 in aggregate principal amount of Loans (without giving effect to any PIK Interest Amounts added to the principal balance of the Loans in accordance with Section 2.06(c)) without the Lender's consent, (iv) from and including June 30, 2025 until (but not including) September 30, 2025, the Borrower shall be permitted to borrow up to $30,000,000 in aggregate principal of Loans (without giving effect to any PIK Interest Amounts added to the principal balance of the Loans in accordance with Section 2.06(c)), without the Lender's consent and (v) on or after September 30, 2025, the Borrower shall be permitted to borrow up to $40,000,000 in aggregate principal amount of Loans (without giving effect to any PIK Interest Amount added to the principal balance of the Loans in accordance with Section 2.06(c)). Within the foregoing limits and subject to the terms, conditions and limitations set forth herein, Loans denominated may be borrowed, paid, repaid and reborrowed. Each Borrowing shall comprise an aggregate principal amount that is an integral multiple of

$100,000 and not less than $100,000, except that any such Borrowing may be in the aggregate principal amount available in accordance with Section 2.01.

SECTION 2.2. Requests for Borrowings. The Borrower shall give the Lender written notice in the form of Exhibit A hereto or in such other form as may be acceptable to the Lender (a "**Borrowing Request**") not later than (a) 10:30 a.m. (New York City time) on the date of each Base Rate Borrowing, and (b) 10:30 a.m. (New York City time) on the third U.S. Government Securities Business Day before each Term SOFR Borrowing, specifying:

(i) the date of such Borrowing, which shall be a Business Day;

(ii) the aggregate amount of such Borrowing (expressed in Dollars);

(iv) whether the Loans comprising such Borrowing are to be Base Rate Loans or Term SOFR Loans;

(v) in the case of a Term SOFR Borrowing, the duration of the Interest Period applicable thereto, subject to the provisions of the definition of Interest Period; and

(vi) the number and location of the account to which funds are to be disbursed (which shall be an account in the name of the Borrower).

The Borrower may present to the Lender a Borrowing Request on any Business Day; *provided*, that the Borrower may present to the Lender no more than one Borrowing Request per calendar week.

SECTION 2.3. Notice to Lender; Funding of Loans.

(a) Upon receipt of a Borrowing Request by the Lender, such Borrowing Request shall not thereafter be revocable by the Borrower; *provided*, that notwithstanding anything to the contrary in the foregoing, a Borrowing Request delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities or transactions (such notice to specify the proposed effective date), in which case such notice may be revoked by the Borrower (by notice to the Lender on or prior to such specified effective date) if such condition is not satisfied and the Borrower shall indemnify the Lender in accordance with Section 2.12, if and to the extent applicable.

(b) Subject to clause (c) of this Section 2.03, the Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 2:00 p.m., New York City time, to the applicable account of the Borrower notified to the Lender from time to time in writing.

(c) If the Lender makes a new Loan hereunder on a day on which the Borrower is to repay all or any part of an outstanding Loan from the Lender, the Lender shall apply the proceeds of its new Loan to make such repayment and only an amount equal to the difference (if any) between the amount being borrowed and the amount being repaid shall be made available by the Lender as provided in clause (b) of this Section 2.03, or remitted by the Borrower to the Lender as provided in Section 2.12, as the case may be.

SECTION 2.4. Evidence of Debt.

(a) The Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to the Lender resulting from each Loan made by the Lender, including the amounts of principal and interest payable and paid to the Lender from time to time hereunder.

(b) The entries made in the account or accounts maintained pursuant to paragraph (a) of this Section 2.04 shall be prima facie evidence of the existence and amounts of the obligations recorded therein; *provided* that the failure of the Lender to maintain such account or accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement.

SECTION 2.5. Maturity of Loans. Each Loan included in any Borrowing shall mature, and the principal amount thereof (including any PIK Interest Amount added to the principal balance of the Loans in accordance with Section 2.06(c)) shall be due and payable, on the Termination Date.

SECTION 2.6. Interest.

(a) Base Rate Loans. Each Base Rate Loan shall bear interest on the outstanding principal amount thereof, for each day from the date such Loan is made until it becomes due, at a rate per annum equal to the sum of the Applicable Margin plus the Base Rate for such day. Such interest shall be payable for each Interest Period on the Interest Payment Date.

(b) Term SOFR Loans. Each Term SOFR Loan shall bear interest on the outstanding principal amount thereof, for the Interest Period applicable thereto, at a rate per annum equal to the sum of the Applicable Margin plus Term SOFR. Such interest shall be payable for each Interest Period on the applicable Interest Payment Date.

(c) PIK Option. With respect to the Loans for any Interest Period, no later than five (5) Business Days (or, such shorter period as the Lender may agree in its sole discretion) prior to the applicable Interest Payment Date, the Borrower shall have the option to submit a PIK Election Notice to the Lender, electing to pay interest owed on such Interest Payment Date with respect to such Interest Period in kind (the amount of such interest paid in kind, the "**PIK Interest Amount**") by adding such PIK Interest Amount to the principal amount of the Loans on the applicable Interest Payment Date; provided that during any such Interest Period for which the Borrower has submitted a PIK Election Notice the Applicable Margin shall be automatically increased by 1.00% per annum (the "**PIK Premium**", which such PIK Premium shall be included in the PIK Interest Amount).

(d) Any interest in respect of the Loans that is paid-in-kind shall be capitalized on the outstanding principal amount of the Loans in arrears on each Interest Payment Date for such Loan and shall be payable as part of the outstanding principal amount of the Loans (taking into account any interest that has been paid in kind and capitalized to the principal amount in accordance with this Section 2.06) upon any prepayment of the Loans and shall be payable as part of the outstanding principal amount of the Loans upon the Termination Date. The PIK Interest Amount shall constitute principal under the Loans and, in each case, shall accrue interest at the applicable rate set forth in this Section 2.06, payable in accordance with this Section 2.06. Interest that has accrued but has not been paid in Cash or capitalized shall be payable on the date of any prepayment, on the Termination Date and on any date of acceleration of the Loans. The aggregate amount of interest capitalized and added to principal on any relevant date shall be subject to

determination by the Lender, which determination shall be conclusive and binding on the Borrower absent manifest error.

(e) Notwithstanding the foregoing, if any principal of or interest on any Loan or any fee payable by the Borrower hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, or upon the occurrence of an Event of Default under Section 7.01(f) or (g), any and all amounts (including, but not limited to, principal, interest and fees) outstanding hereunder shall bear interest, to the fullest extent permitted by law, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal or interest of any Loan 2.00% *plus* the rate otherwise applicable to such Loan as provided in the preceding paragraphs of this Section 2.06 or (ii) in the case of any fee, 2.00% *plus* the rate applicable to Loans that are Base Rate Loans as provided in paragraph (a) of this Section 2.06.

(f) Subject to the provisions of this Agreement, the Lender shall determine each interest rate applicable to the Loans hereunder. The Lender shall give prompt notice to the Borrower of each rate of interest so determined, and such determination thereof shall be conclusive in the absence of manifest error.

SECTION 2.7. Commitment Fees.

(a) The Borrower shall pay to the Lender a commitment fee at the rate of 0.50 % per annum. Such commitment fee shall accrue from and including the date hereof to but excluding the date of termination of the Commitment on the daily average Total Unutilized Commitment.

(b) Accrued fees under this Section 2.07 shall be payable quarterly in arrears (i) within five Business Days after March 31, June 30, September 30 and December 31 and (ii) upon the date of termination of the Commitment in its entirety. The Lender shall notify the Borrower on or prior to each such quarterly payment date of the amount of fees then payable by the Borrower, and the Lender's determination thereof shall be conclusive in the absence of manifest error.

SECTION 2.8. Optional Termination, Reduction of Commitment. During the Revolving Credit Period, the Borrower may, upon at least one Business Days' notice to the Lender (i) terminate the Commitment at any time, if no Loans are outstanding at such time or (ii) reduce from time to time by an aggregate amount of $5,000,000 or any larger integral multiple thereof, the aggregate amount of the Commitment in excess of the aggregate outstanding principal amount of the Loans (exclusive of any PIK Interest Amounts added to the principal balance of the Loans in accordance with Section 2.06(c)), if any. For the avoidance of doubt, it is hereby acknowledged and agreed that a notice to terminate or reduce the Commitments delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities or transactions (such notice to specify the proposed effective date), in which case such notice may be revoked by the Borrower (by notice to the Lender on or prior to such specified effective date) if such condition is not satisfied and the Borrower shall indemnify the Lender in accordance with Section 2.12, if and to the extent applicable.

SECTION 2.9. Scheduled Termination of Commitment. The Commitment shall terminate on the Termination Date, and any Loans then outstanding (together with accrued interest thereon) shall be due and payable on such date.

SECTION 2.10. Prepayments.

(a) (i) upon notice to the Lender not later than 10:00 a.m. (New York City time) on any Business Day prepay any Base Rate Borrowing, and (ii) upon at least three U.S. Government Securities Business Days' notice to the Lender prepay any Term SOFR Borrowing, in each case in whole at any time, or from time to time in part in amounts aggregating $1,000,000 (or, if less, the then remaining amount outstanding) or any larger integral multiple of $100,000, by paying the principal amount to be prepaid together with accrued interest thereon to the date of prepayment and together with any additional amounts payable pursuant to Section 2.12.

(a) Upon receipt of a notice of prepayment by the Lender pursuant to this Section 2.10, such notice shall thereafter be irrevocable by the Borrower; *provided*, that notwithstanding anything to the contrary in the foregoing, a notice of prepayment delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities or transactions (such notice to specify the proposed effective date), in which case such notice may be revoked by the Borrower (by notice to the Lender on or prior to such specified effective date) if such condition is not satisfied and the Borrower shall indemnify the Lender in accordance with Section 2.12, if and to the extent applicable.

SECTION 2.11. General Provisions as to Payments. The Borrower shall make each payment of principal of, and interest on, the Loans on the date when due, without setoff or counterclaim, by wire transfer of immediately available funds by 12:00 noon, New York City time, to the applicable account of the Lender as notified to the Borrower from time to time. The Borrower shall make each payment of fees hereunder on the date when due by wire transfer of immediately available funds by 12:00 noon, New York City time to the applicable account of the Lender specified in in writing to the Borrower from time to time. Whenever any payment of principal of, or interest on, the Term SOFR Loans or of fees shall be due on a day which is not a Business Day, the date for payment thereof shall be extended to the next succeeding Business Day. If the date for any payment of principal is extended by operation of law or otherwise, interest thereon shall be payable for such extended time. All payments hereunder (whether of principal, interest, fees or otherwise) shall be made in Dollars.

SECTION 2.12. Funding Losses. If the Borrower converts any Term SOFR Loan in accordance with Section 2.15, on any day other than the last day of the Interest Period applicable thereto, then the Borrower shall reimburse the Lender within 15 days after demand for any resulting loss or expense incurred by it (or by an existing or prospective participant in the related Loan), including (without limitation) any loss incurred in obtaining, liquidating or employing deposits from third parties, but excluding loss of margin for the period after any such payment or failure to borrow or prepay; provided that the Lender shall have delivered to the Borrower a certificate as to the amount of such loss or expense and describing in reasonable detail the calculation thereof, which certificate shall be conclusive in the absence of manifest error.

SECTION 2.13. Computation of Interest and Fees. Interest hereunder shall be computed on the basis of a year of 365 days (or 366 days in a leap year) and paid for the actual number of days elapsed (including the first day but excluding the last day). All other interest and commitment fees shall be computed on the basis of a year of 360 days and paid for the actual number of days elapsed (including the first day but excluding the last day).

SECTION 2.14. Taxes.

(a) Payments Free of Taxes. All payments by or on account of any obligation of any Loan Party hereunder shall be made free and clear of and without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Loan Party or other applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a Loan Party, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with the applicable law; provided that if a Loan Party shall be required to deduct or withhold any Indemnified Taxes from such payments, the sum payable by such Loan Party shall be increased as necessary so that after making such deduction or withholding (including deductions and withholdings applicable to additional sums payable under this Section 2.14(a)) the Lender receives an amount equal to the sum it would have received had no such deductions or withholding been made.

(b) Other Taxes. In addition, the Loan Parties shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) Indemnification by Loan Parties. Each Loan Party shall indemnify the Lender within 10 days after written demand therefor, for the full amount of any Indemnified Taxes paid by the Lender, on or with respect to any payment by or any payment on account of any obligation of such Loan Party hereunder (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.14) and any reasonable out-of-pocket expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Loan Parties by the Lender shall be conclusive absent manifest error.

(d) Evidence of Payments. As soon as practicable after any payment of Taxes by a Loan Party to a Governmental Authority in accordance with this Section 2.14, such Loan Party shall deliver to the Lender the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Lender.

(e) Survival. Each party's obligations under this Section 2.14 shall survive the replacement of the Lender or any assignment of rights by, or the replacement of, the Lender and the repayment, satisfaction or discharge of all obligations under any Loan Document.

(f) Status of Lender. Upon becoming a Lender under this Agreement (and at the reasonable request of the Borrower from time to time thereafter), the Lender shall provide to Borrower executed copies of IRS Form W-9 certifying that Lender is exempt from U.S. federal backup withholding tax.

(g) Treatment of Certain Refunds. If the Lender determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.14 (including by the payment of additional amounts pursuant to this Section 2.14), it shall pay to the indemnifying Loan Party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 2.14 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of the Lender

and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such Loan Party, upon the request of Lender, shall repay to the Lender the amount paid over pursuant to this paragraph (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that the Lender is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the Lender be required to pay any amount to a Loan Party pursuant to this paragraph (g) the payment of which would place the Lender in a less favorable net after-Tax position than the Lender would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require the Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Loan Party or any other Person.

SECTION 2.15. Conversion and Continuation of Loans. The Borrower shall have the right at any time and from time to time upon prior irrevocable written notice in the form of Exhibit B hereto or in such other form as may be acceptable to the Lender (a "**Notice of Interest Rate Election**") to the Lender (i) not later than 10:30 a.m., New York City time, on the day of conversion, to convert all or any part of any Term SOFR Borrowing into a Base Rate Borrowing, and (ii) not later than 10:30 a.m., New York City time, three U.S. Government Securities Business Days prior to conversion or continuation, to convert any Base Rate Borrowing into a Term SOFR Borrowing or to continue any Term SOFR Borrowing as a Term SOFR Borrowing for an additional Interest Period, subject in each case to the following:

(a) if less than all the outstanding principal amount of the Borrowing shall be converted or continued, the aggregate principal amount of the Borrowing converted or continued shall be an integral multiple of $1,000,000 and not less than $5,000,000;

(b) accrued interest on the Borrowing (or portion thereof) being converted shall be paid by the Borrower at the time of conversion;

(c) if any Term SOFR Borrowing is converted at a time other than the end of the Interest Period applicable thereto, the Borrower shall pay, upon demand, any amounts due to the Lender pursuant to Section 2.12;

(d) no Interest Period may be selected for any Term SOFR Borrowing that would end later than the Termination Date; and

(e) if an Event of Default shall have occurred and be continuing, the Borrower shall not have the right to convert or to continue the Borrowing denominated in Dollars as a Term SOFR Borrowing (and unless repaid as provided herein, each Term SOFR Borrowing shall immediately be converted to a Base Rate Borrowing).

Each Notice of Interest Rate Election shall be irrevocable and shall refer to this Agreement and specify (i) the identity and amount of the Borrowing to be converted or continued, (ii) whether the Borrowing is to be converted to a Term SOFR Borrowing or a Base Rate Borrowing or continued as a Term SOFR Borrowing, or a Base Rate Borrowing, (iii) the date of such conversion or continuation (which shall be a Business Day or U.S. Government Securities Business Day, as applicable) and (iv) if the Borrowing is to be converted to a Term SOFR Borrowing or continued as a Term SOFR Borrowing, the Interest Period with respect thereto. If no Interest Period is specified in any such Notice of Interest Rate

Election with respect to any conversion to a Term SOFR Borrowing or any continuation as a Term SOFR Borrowing, the Borrower shall be deemed to have selected an Interest Period of one month's duration. If no Notice of Interest Rate Election shall have been given in accordance with this Section 2.15 to convert or continue the Borrowing, the Borrowing shall, at the end of the Interest Period applicable thereto (unless repaid pursuant to the terms hereof), automatically be continued as a Borrowing of the same Type, and with the same Interest Period, as the Borrowing being continued.

SECTION 2.16. Term SOFR Conforming Changes. In connection with the use or administration of Term SOFR, the Lender will have the right to make Term SOFR Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Term SOFR Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Lender will promptly notify the Borrower of the effectiveness of any Term SOFR Conforming Changes in connection with the use or administration of Term SOFR.

SECTION 2.17. Basis for Determining Interest Rate Inadequate or Unfair. Unless and until a Benchmark Replacement is implemented in accordance with Section 1.06, in the case of a Term SOFR Borrowing, if the Lender determines that adequate and reasonable means do not exist for ascertaining "Term SOFR" to be used in determining the interest rate applicable to the Loans comprising such Borrowing, then, in each case, the Lender shall forthwith give notice thereof to the Borrower, whereupon until the Lender notifies the Borrower that the circumstances giving rise to such suspension no longer exist, (w) the obligations of the Lender to make or continue any of the affected Term SOFR Loans, or to convert Base Rate Loans to any affected Term SOFR Loans, as the case may be, shall be suspended (to the extent of the affected Loans or the affected Interest Periods), (x) if such determination affects the calculation of Base Rate, the Lender shall during the period of such suspension compute Base Rate without reference to clause (c) of the definition of "Base Rate", and (y) any outstanding affected Term SOFR Loans will be deemed to have been converted into Base Rate Loans at the end of the applicable Interest Period.

SECTION 2.18. Illegality. If, on or after the date of this Agreement, the adoption of any applicable law, rule or regulation, or any change in any applicable law, rule or regulation, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Lender with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency shall make it unlawful or impossible for the Lender to make, maintain or fund its Term SOFR Loans, and the Lender shall so notify the Borrower, whereupon until the Lender notifies the Borrower that the circumstances giving rise to such suspension no longer exist, the obligation of the Lender to make Term SOFR Loans shall be suspended. If the Lender shall determine that it may not lawfully continue to maintain and fund any of its outstanding Term SOFR Loans to maturity and shall so specify in such notice, the Borrower shall immediately prepay in full the then outstanding principal amount of each such Term SOFR Loan, together with accrued interest thereon.

SECTION 2.19. Base Rate Loans Substituted for Affected Term SOFR Loans. If the obligation of the Lender to make Term SOFR Loans has been suspended pursuant to Section 2.18 and the Borrower shall, by at least five Business Days' prior notice to the Lender, have elected that the provisions of this Section 2.19 shall apply to the Lender, then, unless and until the Lender

notifies the Borrower that the circumstances giving rise to such suspension or demand for compensation no longer apply:

(a) all Loans which would otherwise be made by the Lender as Term SOFR Loans shall be made instead as Base Rate Loans, and such Base Rate Loans shall be made in Dollars, and

(b) after each of its Term SOFR Loans have been repaid, all payments of principal which would otherwise be applied to repay such Term SOFR Loans shall be applied to repay its Base Rate Loans instead.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

On the Closing Date and on any other applicable date, each of Holdings, the Borrower and the other Loan Parties, on behalf of themselves and their respective Subsidiaries, represents and warrants to the Lender that:

SECTION 3.1. Organization; Powers. Each of the Loan Parties and each of their Subsidiaries (a) is (i) duly organized and validly existing and (ii) in good standing (to the extent such concept exists in the relevant jurisdiction) under the laws of the jurisdiction of its organization, (b) has all requisite power and authority to own its property and assets and to carry on its business as now conducted and (c) is qualified to do business in, and is in good standing (to the extent such concept exists in the relevant jurisdiction) in, every jurisdiction where its ownership, lease or operation of properties or conduct of its business requires such qualification; except, in each case referred to in this Section 3.01 (other than clauses (a)(i) and (b) with respect to Holdings and the Borrower) where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.2. Authorization; Enforceability. The execution, delivery and performance of each of the Loan Documents are within each applicable Loan Party's corporate or other organizational powers and have been duly authorized by all necessary corporate or other organizational action of such Loan Party. Each Loan Document to which any Loan Party is a party has been duly executed and delivered by such Loan Party and is a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and to general principles of equity and principles of good faith and dealing.

SECTION 3.3. Governmental Approvals; No Conflicts. The execution and delivery of the Loan Documents by each Loan Party party thereto and the performance by such Loan Party thereof (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except (i) such as have been obtained or made and are in full force and effect, (ii) for filings necessary to perfect Liens created pursuant to the Loan Documents and (iii) such consents, approvals, registrations, filings, or other actions the failure to obtain or make which could not be reasonably expected to have a Material Adverse Effect, (b) will not violate (i) any of such Loan Party's Organizational Documents or (ii) any Requirements of Law applicable to such Loan Party which, in the case of this clause (b)(ii), could reasonably be expected to have a Material Adverse Effect and (c) will not violate or result in a default under any material Contractual Obligation of any of the Loan Parties which violation or default could reasonably be expected to result in a Material Adverse Effect.

SECTION 3.4. No Material Adverse Effect. Since the Closing Date, there has been no event or condition that has resulted, or would reasonably be expected to result, in a Material Adverse Effect.

SECTION 3.5. Properties.

(a) Holdings and each of its Subsidiaries has good and valid fee simple title (or similar concept under any applicable jurisdiction) to or rights to purchase, or valid leasehold interests in, or other limited property interests in, all real property interests and has good title to its personal property and assets, in each case, except (i) for defects in title that do not materially interfere with its ability to conduct its business as currently conducted or to utilize such properties and assets for their intended purposes or (ii) where the failure to have such title or rights could not reasonably be expected to have a Material Adverse Effect. All such properties and assets are free and clear of Liens, other than Permitted Liens.

(b) Holdings and its Subsidiaries have valid title to or a valid license or right to use all patents, trademarks, service marks, trade names, copyrights, proprietary know how and data and other rights in works of authorship (including all copyrights embodied in software) and all other similar intellectual property rights (the foregoing, collectively, "**IP Rights**") necessary to conduct the businesses of Holdings and its Subsidiaries as presently conducted without any infringement or misappropriation of the IP Rights of third parties, except where such failure to own or license or have rights to use could not, or where such infringement or misappropriation could not, have, individually or in the aggregate, a Material Adverse Effect.

SECTION 3.6. Litigation and Environmental Matters.

(a) There are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of Holdings, threatened in writing against or affecting the Loan Parties or any of their Subsidiaries which could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

(b) Except for any matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, (i) no Loan Party nor any of its Subsidiaries has received written notice of any Environmental Claim or knows of any basis for any Environmental Liability and (ii) no Loan Party nor any of its Subsidiaries has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law.

(c) Neither Holdings nor any of its Subsidiaries has treated, stored, transported or disposed of Hazardous Materials at or from any currently or formerly operated real estate or facility relating to its business in a manner that could reasonably be expected to have a Material Adverse Effect.

SECTION 3.7. Compliance with Laws. Each of Holdings and its Subsidiaries is in compliance with all Requirements of Law applicable to it or its property, except, in each case, where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.8. Investment Company Status. No Loan Party is required to register as an "investment company" under the Investment Company Act of 1940, as amended. The execution and

delivery of the Loan Documents by the Loan Parties and the consummation by the Loan Parties of the transactions contemplated by this Agreement do not violate, and are not subject to voidance under, the Investment Company Act of 1940, as amended.

SECTION 3.9. Taxes. Each of Holdings and its Subsidiaries has timely filed or caused to be filed all federal or state income and other Tax returns and reports required to have been filed by it and has paid or caused to be paid all federal or state income and other Taxes required to have been paid by it that are due and payable, except, in each case, (a) Taxes (or any requirement to file Tax returns with respect thereto) that are being contested in good faith by appropriate proceedings and for which Holdings or such Subsidiary, as applicable, has set aside on its books adequate reserves in accordance with GAAP, or (b) to the extent a failure to do so could reasonably be expected to have a Material Adverse Effect.

SECTION 3.10. ERISA; Plan Assets. No ERISA Event has occurred in the five-year period prior to the date on which this representation is made or deemed made and is continuing that, when taken together with all other such ERISA Events, could reasonably be expected to result in a Material Adverse Effect.

SECTION 3.11. Disclosure. All information concerning Holdings and the Borrower that was prepared by or on behalf of Holdings or the Borrower or their respective representatives and made available to the Lender in connection with this Agreement, when taken as a whole, did not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made; provided that, with respect to projected financial information, each Loan Party represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time, it being recognized by the Lenders that such financial information as it relates to future events is not to be viewed as fact and that actual results during the period or periods covered by such financial information may differ from the projected results set forth therein by a material amount.

SECTION 3.12. Solvency. As of the Closing Date, immediately after the incurrence of Indebtedness being incurred under this Agreement on the Closing Date, (i) the sum of the debt (including contingent liabilities) of Holdings and its Subsidiaries, on a consolidated basis taken as a whole, does not exceed the fair value of the assets of Holdings and its Subsidiaries, on a consolidated basis taken as a whole, (ii) the present fair saleable value of the assets of Holdings and its Subsidiaries, on a consolidated basis taken as a whole, is not less than the amount that will be required to pay the probable liabilities (including contingent liabilities) of Holdings and its Subsidiaries, on a consolidated basis taken as a whole, on their debts as they become absolute and matured, (iii) the capital of Holdings and its Subsidiaries, on a consolidated basis taken as a whole, is not unreasonably small in relation to the business of Holdings and its Subsidiaries, on a consolidated basis taken as a whole, contemplated as of the Closing Date, and (iv) Holdings and its Subsidiaries, on a consolidated basis taken as a whole, do not intend to incur, or believe that they will incur, debts (including current obligations and contingent liabilities) beyond their ability to pay such debts as they mature in the ordinary course of business. For purposes of the foregoing determination, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of

the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

SECTION 3.13. Capitalization and Subsidiaries. Schedule 3.13 of the Disclosure Letter sets forth, in each case, as of the Closing Date, (a) a correct and complete list of the name of each Subsidiary of Holdings and the ownership interest therein held by Holdings or its applicable Subsidiary, and (b) the type of entity of each of Holdings' Subsidiaries.

SECTION 3.14. Security Interest in Collateral. The provisions of this Agreement and the other Loan Documents create legal, valid and enforceable Liens on the Collateral in favor of the Lender, subject, as to enforceability, to applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and to general principles of equity and principles of good faith and fair dealing, and upon the making of such filings and taking of such other actions required to be taken hereby or by the applicable Loan Documents (including (i) the filing of appropriate financing statements with the office of the Secretary of State of the state of organization of each Loan Party that is a Domestic Subsidiary, as the case may be, (ii) the filing of appropriate notices with the U.S. Patent and Trademark Office and the U.S. Copyright Office, in each case in favor of the Lender, and (iii) the delivery to the Lender of any stock certificates or promissory notes, in each case, to the extent required to be delivered pursuant to the applicable Loan Documents), such Liens will constitute perfected Liens (with the priority such Liens are expressed to have within the relevant Collateral Document) on the Collateral (to the extent such Liens are required to be perfected under the terms of the Loan Documents and to the extent such Liens may be perfected by possession or the making of such filings), securing the Obligations, in each case as and to the extent set forth therein.

SECTION 3.15. Federal Reserve Regulations.

(a) Not more than 25% of the value of the assets of Holdings, and its Subsidiaries, taken as a whole, is represented by Margin Stock.

(b) None of Holdings or any of its Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of buying or carrying Margin Stock.

(c) No part of the proceeds of the Loan will be used, whether directly or indirectly, and whether immediately, incidentally or ultimately, for any purpose that entails a violation of the provisions of Regulation U or X.

SECTION 3.16. Sanctions; Anti-Terrorism Laws; Anti-Corruption Laws.

(a) None of Holdings or any of its Subsidiaries, nor, to the knowledge of Holdings, any Affiliate, director, officer agent or employee of any of the foregoing, is (i) the target of any Sanctions or (ii) organized in, resident in, or doing business within a Sanctioned Country; and the Borrower will not directly or, to the knowledge of the Borrower, indirectly use the proceeds of the Loan or otherwise directly or, knowingly, indirectly make available such proceeds to any Person for the purpose of financing the activities or business of any Person, or in any Sanctioned Country, except to the extent permissible for a Person required to comply with Sanctions.

(b) To the extent applicable, each Loan Party is in compliance, in all material respects, with (i) applicable Sanctions and (ii) Anti-Terrorism Laws.

(c) No part of the proceeds of the Loan will be used, directly or, to the knowledge of the Borrower, indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of Anti-Corruption Laws.

SECTION 3.17. Use of Proceeds. The Borrower has used the proceeds of the Loans only in compliance with (and not in contravention of) Section 5.09.

ARTICLE 4 CONDITIONS PRECEDENT

SECTION 4.1. Closing Date. The obligations of the Lender to make Loans hereunder shall not become effective until the date (the "**Closing Date**") on which each of the following conditions is satisfied (or waived in accordance with Section 8.02):

(a) Credit Agreement and Loan Documents. The Lender (or its counsel) shall have received from each of the Loan Parties party thereto either (i) a counterpart of this Agreement and each other Loan Document to be executed on the Closing Date, in each case signed on behalf of such party or (ii) evidence satisfactory to the Lender (which may include facsimile or e-mail transmission) that such party has signed a counterpart of the applicable agreements referred to in clause (i) above.

(b) Closing Certificates; Certified Charters; Good Standing Certificates. The Lender shall have received (i) a certificate of each Loan Party, dated the Closing Date and executed by a Responsible Officer of such Loan Party, which shall (A) certify that attached thereto is a true and complete copy of the resolutions or written consents of its governing body authorizing the execution, delivery and performance of the Loan Documents to which it is a party and, in the case of the Borrower, the Borrowings hereunder, and that such resolutions or written consents have not been modified, rescinded or amended and are in full force and effect, (B) identify by name and title and bear the signatures of the Responsible Officers or authorized signatories of such Loan Party authorized to sign the Loan Documents to which it is a party on the Closing Date and (C) certify that attached thereto is a true and complete copy of the Organizational Documents of each Loan Party and a true and correct copy of its by-laws or operating, management, partnership or similar agreement (to the extent applicable) and that such documents or agreements have not been amended (except as otherwise attached), and (ii) a certificate of good standing (or equivalent) from the relevant office in such Loan Party's jurisdiction of organization (to the extent relevant, customary and available in the jurisdiction of incorporation, formation or organization of such Loan Party) dated as of the Closing Date or a recent date prior thereto.

(c) Officer's Certificate. The Lender shall have received a certificate of the Borrower, dated the Closing Date and certified by a Responsible Officer of the Borrower, as to the satisfaction of the conditions precedent set forth in Sections 4.01(d) and 4.01(e) below.

(d) Accuracy of Representations and Warranties. The representations and warranties of the Borrower contained in Article 3 of this Agreement shall be true and correct in all material respects on and as of the Closing Date; *provided*, *however*, that if such representations and warranties are qualified by materiality, material adverse change, material adverse effect or words of like import, such representations and warranties shall be true and correct in all respects; *provided*, *further*, that if such representations and warranties relate to an earlier date, such representations and

warranties shall be true and correct in all material respects or in all respects, as the case may be, as of such earlier date.

(e) Closing Date Certificate. As of the Closing Date, no Default or Event of Default shall have occurred and be continuing, and no Default or Event of Default would result from this Agreement or any transactions contemplated hereby.

(f) Expenses. The Lender shall have received all reasonable and documented expenses required to be paid or reimbursed by a Loan Party and for which invoices have been presented at least one Business Day prior to the Closing Date.

SECTION 4.2. Each Credit Extension. The obligation of the Lender to make any Loans to the Borrower is subject to the satisfaction (or waiver in accordance with Section 8.02) of the following conditions:

(a) the Lender shall have received a Borrowing Request as required by Section 2.02.

(b) The representations and warranties of each Loan Party set forth in the Loan Documents shall be true and correct in all material respects (except that any representations and warranties with are themselves qualified materiality shall be true and correct in all respects), which, in each case, on and as of such Borrowing, except in the case of any such representation and warranty that expressly relates to an earlier date, in which case such representation and warranty shall be so true and correct in all material respects (except that any representations and warranties with are themselves qualified materiality shall be true and correct in all respects) on and as of such earlier date.

(c) At the time of and immediately after giving effect to such Borrowing, no Default or Event of Default shall have occurred and be continuing.

To the extent this Section 4.02 is applicable, each Borrowing shall be deemed to constitute a representation and warranty by the Borrower on the date thereof that the conditions specified in Sections 4.02(b) and 4.02(c) have been satisfied.

ARTICLE 5 AFFIRMATIVE COVENANTS

Until the date that all the principal of and interest on the Loan and all fees, expenses, other amounts and Obligations payable under any Loan Document (other than contingent indemnification and/or reimbursement obligations for which no claim or demand has been made) have been paid in full in Cash, each of Holdings, the Borrower and its Subsidiaries covenant and agree with the Lender that:

SECTION 5.1. Financial Statements and Other Reports. Holdings will deliver to the Lender:

(a) Unaudited Financial Statements. Commencing with the financial statements for the Fiscal Quarter ending September 30, 2024, within 45 days following the end of each of the first three Fiscal Quarters of each Fiscal Year (or, if applicable, any later date by which Holdings is required to file its quarterly report on Form 10-Q under applicable SEC rules), the unaudited consolidated statement of financial position of Holdings as at the end of such Fiscal Quarter and the related consolidated statements of comprehensive income (loss) and cash flows of Holdings for such Fiscal Quarter and for the period from the beginning of the then current Fiscal Year to the end

of such Fiscal Quarter, setting forth in each case in comparative form the corresponding figures for the corresponding periods of the previous Fiscal Year, all in reasonable detail, together with a Financial Officer Certification with respect thereto, subject to changes resulting from audit and normal year-end audit adjustments and to the absence of footnotes;

(b) Annual Financial Statements. Beginning with the Fiscal Year ending December 31, 2024, as soon as available and in any event within 90 days after the end of each Fiscal Year (or, if applicable, any later date by which Holdings is required to file its annual report on Form 10-K under applicable SEC rules), (i) the consolidated statement of financial position of Holdings as at the end of such Fiscal Year and the related consolidated statements of comprehensive income (loss), changes in equity and cash flows of Holdings for such Fiscal Year, setting forth in each case in comparative form the corresponding figures for the previous Fiscal Year, in reasonable detail; and (ii) with respect to such consolidated financial statements, a report thereon of independent registered public accountants of recognized national standing (which report shall be unqualified as to "going concern" and scope of audit (other than solely as a result of any upcoming scheduled maturity of the Obligations occurring within one year from the time such opinion is delivered), and shall state that such consolidated financial statements fairly present, in all material respects, the consolidated financial position of Holdings as at the dates indicated and the results of its consolidated operations and cash flows for the periods indicated in conformity with GAAP;

(c) [reserved];

(d) Notice of Default. Promptly upon a Responsible Officer obtaining knowledge thereof, the occurrence of any Default or Event of Default, written notice thereof;

(e) Notice of Litigation. Promptly upon a Responsible Officer obtaining knowledge thereof, the occurrence of (i) the institution of, or threat (in writing) of, any Adverse Proceeding not previously disclosed in writing by the Loan Parties to the Lender or (ii) any material development in any Adverse Proceeding that, in the case of either clauses (i) or (ii), could reasonably be expected to have a Material Adverse Effect, written notice specifying the nature thereof;

(f) ERISA. Promptly upon a Responsible Officer obtaining knowledge thereof, the occurrence of any ERISA Event that could reasonably be expected to have a Material Adverse Effect, a written notice specifying the nature thereof;

(g) [reserved];

(h) Information Regarding Collateral. Holdings will furnish to the Lender prompt (and in any event within thirty (30) days (or such later date as the Lender may reasonable agree)) written notice with respect to the Borrower, Holdings or any other Loan Party that is organized in the United States, of any change (A) in any such Person's legal name, (B) in any such Person's type of organization, (C) in any such Person's jurisdiction of organization, incorporation or amalgamation, chief executive office or domicile or (D) in any such Person's organizational identification number (to the extent necessary to perfect or maintain the perfection and priority of the Lender's security interest in the applicable Collateral);

(i) Certain Reports. Subject in all respects to the last paragraph of this Section 5.01, promptly upon their becoming available and without duplication of any obligations with respect to any such information that is otherwise required to be delivered under the provisions of any Loan Document, copies of all financial statements, reports, notices and proxy statements sent or made

available generally by Holdings to all of its public security holders acting in such capacity or by any Subsidiary of Holdings to its public security holders other than Holdings or another Subsidiary of Holdings; and

(a) Other Information. Subject to the limitations set forth in Section 5.06 and the confidentiality provisions of Section 8.13, such additional information (financial or otherwise) as the Lender may reasonably request from time to time in connection with the financial condition or business of Holdings and its Subsidiaries; and

Documents required to be delivered pursuant to this Section 5.01 may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which executed certificates or other documents are faxed to the Lender (or electronically mailed to an address provided by the Lender); or (ii) in respect of the items required to be delivered pursuant this Section 5.01 in respect of information furnished or filed by Holdings or any of its subsidiaries with any securities exchange or with the SEC or any governmental or private regulatory authority, such items have been made available on the SEC website or the website of the relevant analogous governmental or private regulatory authority or securities exchange. Notwithstanding the foregoing, the obligations in paragraphs (a) and (b) of this Section 5.01 may be satisfied with respect to financial information of Holdings and its consolidated Subsidiaries by furnishing Holdings' Form 10-K, 10-Q, Annual Information Form and quarterly financial statements, as applicable, filed with the SEC.

SECTION 5.2. Existence. Holdings will, and will cause each of its Subsidiaries to, at all times preserve and keep in full force and effect its existence and all rights and franchises, licenses and permits necessary in the normal conduct of its business except to the extent (other than with respect to the preservation of existence of Holdings or the Borrower) failure to do so could not reasonably be expected to result in a Material Adverse Effect; provided that neither Holdings nor any of its Subsidiaries shall be required to preserve any such existence (other than the preservation of existence of Holdings and the Borrower), right or franchise, licenses or permits if Holdings shall determine that the preservation thereof is no longer desirable in the conduct of the business of Holdings and its Subsidiaries as a whole, and that the loss thereof is not disadvantageous in any material respect to the business of Holdings and its Subsidiaries as a whole.

SECTION 5.3. Payment of Taxes. Holdings will, and will cause each of its Subsidiaries to, pay all Taxes imposed upon it or any of its properties or assets before any penalty or fine accrues thereon; provided that no such Tax need be paid if (a) it is being contested in good faith by appropriate proceedings and adequate reserves or other appropriate provisions, as shall be required in conformity with GAAP, shall have been made therefor and, in the case of a Tax which has or may become a Lien against any of the Collateral, such contest proceedings operate to stay the sale of any portion of the Collateral to satisfy such Tax or (b) the failure to pay or discharge the same could not reasonably be expected to result in a Material Adverse Effect.

SECTION 5.4. Maintenance of Properties. Holdings will, and will cause each of its Subsidiaries to, maintain or cause to be maintained in good repair, working order and condition, ordinary wear and tear and casualty and condemnation excepted, all property and maintain and renew all intellectual property, in each case, reasonably necessary to the normal conduct of business of Holdings and its Subsidiaries, taken as a whole, and from time to time will make or cause to be made all needed and appropriate repairs, renewals and replacements thereof except as expressly permitted by this Agreement or where the failure to maintain or renew such properties or make such

repairs, renewals or replacements could not reasonably be expected to have a Material Adverse Effect.

SECTION 5.5. Insurance. Holdings will maintain or cause to be maintained, with financially sound and reputable insurers, such insurance coverage with respect to liabilities, losses or damage in respect of the assets, properties and businesses of Holdings and its Subsidiaries as may customarily be carried or maintained under similar circumstances by Persons engaged in similar businesses (as determined in good faith by Holdings), in each case in such amounts, with such deductibles, covering such risks and otherwise on such terms and conditions as Holdings believes in good faith is reasonable and prudent in light of the size or nature of its business. Not later than 45 days after the Closing Date (or such later date as the Lender may reasonably agree), each such policy of insurance shall (a) name the Lender, as an additional insured thereunder as its interests may appear and (b) in the case of each casualty insurance policy with respect to the Collateral, contain a lender's loss payable and mortgagee, as applicable, clause or endorsement from such insurance carrier that names the Lender, as lender's loss payee and mortgagee, as applicable, thereunder and, to the extent available, provides for at least 30 days' prior written notice to the Lender of any modification or cancellation of such policy (or 10 days' prior written notice for any cancellation due to non-payment of premiums).

SECTION 5.6. Inspections. Holdings will, and will cause each of its Subsidiaries to, permit any authorized representatives designated by the Lender to visit and inspect any of the properties of Holdings and any of its Subsidiaries at which the principal financial records and executive officers of the applicable Person are located, to inspect, copy and take extracts from its financial and accounting records, and to discuss its affairs, finances and accounts with its Responsible Officers (provided that Holdings may, if it so chooses, be present at or participate in any such discussion), all upon reasonable notice, reasonable coordination in and at such reasonable times during normal business hours; provided that, except as provided in the proviso below in connection with the occurrence and continuance of an Event of Default, (i) the Lender shall not exercise such rights more often than once during any calendar year and (ii) only once per calendar year shall be at the expense of Holdings; provided, further, that when an Event of Default has occurred and is continuing, the Lender (or any of its representatives or independent contractors) may do any of the foregoing at the expense of Holdings in accordance with Section 8.03(a) at any time during normal business hours and upon reasonable advance notice. Notwithstanding anything to the contrary in this Section 5.06, none of Holdings or any Subsidiary will be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter (i) that constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Lender (or its respective representatives or contractors) is prohibited by applicable law or any binding agreement or (iii) that is subject to attorney-client or similar privilege or constitutes attorney work product.

SECTION 5.7. Maintenance of Book and Records. Holdings will, and will cause its Subsidiaries to, maintain proper books of record and account, in which entries that are full, true and correct in all material respects shall be made of all material financial transactions and matters involving the assets and business of Holdings and its Subsidiaries, as the case may be, and permit the preparation of consolidated financial statements in accordance with GAAP.

SECTION 5.8. Compliance with Laws. Holdings will comply, and shall cause each of its Subsidiaries to comply, with Requirements of Law (including all Environmental Laws, ERISA, Anti-Corruption Laws, Anti-Terrorism Laws and Sanctions), except to the extent the failure of

Holdings or such Subsidiary to comply could not reasonably be expected to have a Material Adverse Effect.

SECTION 5.9. Use of Proceeds.

(a) The proceeds of the Loans made under this Agreement will be used by the Borrower (i) for its general corporate purposes and (ii) on or in connection with the Closing Date, to pay fees and expenses incurred in connection with the negotiation and documentation of this Agreement and the other Loan Documents.

(b) No part of the proceeds of the Loan will be used, whether directly or indirectly, for any purpose that would entail a violation of Regulations U or X.

SECTION 5.10. Additional Collateral; Further Assurances

(a) Subject to applicable law and the limitations expressly set forth in this Agreement and the Collateral Documents, the Borrower and each other Loan Party shall cause each Subsidiary (other than any Excluded Subsidiary) formed or acquired after the Closing Date (including, without limitation, upon the formation of any Subsidiary resulting from a division of a limited liability company) to become a Loan Party on or prior to the date that is 30 days following the date of such formation or acquisition (including, without limitation, upon the formation of any Subsidiary resulting from a division of a limited liability company) (or, in either case, such later date as may be acceptable to the Lender in its reasonable discretion), by executing (i) a Joinder Agreement in substantially the form attached as Exhibit D hereto (the "**Joinder Agreement**"), (ii) a Security Agreement Joinder Agreement or such other customary supplements or joinders to the other applicable Collateral Documents or new security or collateral documents in the United States, in each case to create Liens over its assets of scope substantially similar to the Liens granted pursuant to the Collateral Documents executed pursuant to Section 5.13, and (iii) the Global Intercompany Note and (iv) such other documentation as the Lender may reasonably request and that is contemplated by the terms hereof (including, for the avoidance of doubt, documents contemplated by clause (c) of this Section 5.10) or of the applicable Collateral Documents, together with such customary closing certificates, evidences of authority and good standing and legal opinions as the Lender may reasonably request. Upon execution and delivery thereof, each such Person (x) shall automatically become a Subsidiary Guarantor hereunder and thereupon shall have all of the rights, benefits, duties, and obligations in such capacity under the Loan Documents and (y) will take such actions as may be required by the terms hereof or of the applicable Collateral Documents to grant and perfect Liens to the Lender in any property (subject to the limitations set forth herein and in the other Loan Documents) of such Loan Party which constitutes Collateral, on such terms as are required pursuant to the terms of the Collateral Documents.

(b) Subject to Section 5.13, the Borrower and each other Loan Party will cause all Capital Stock (other than any Capital Stock constituting an Excluded Asset) directly owned by them to be subject at all times to a first priority perfected Lien in favor of the Lender pursuant to the terms and conditions of, and to the extent required by, the Collateral Documents.

(c) Without limiting the foregoing, subject to the limitations expressly set forth in this Agreement and the Collateral Documents, each Loan Party will promptly execute and deliver, or cause to be promptly executed and delivered, to the Lender such documents, agreements and instruments, and will take or cause to be taken such further actions, which the Lender may, from

time to time, reasonably request to carry out the terms and conditions of this Agreement and the other Loan Documents and to ensure perfection and priority of the Liens created or intended to be created by the Collateral Documents (to the extent required herein or therein), all at the expense of the Borrower in accordance with Section 8.03(a).

(d) After any Subsidiary ceases to constitute an Excluded Subsidiary in accordance with the definition thereof, Holdings shall cause such Subsidiary to take all actions required by this Section 5.10 (within the time periods specified herein) as if such Subsidiary were then formed or acquired.

SECTION 5.11. Conduct of Business. From and after the Closing Date, Holdings and the Subsidiaries, taken as a whole, shall not fundamentally and substantively alter the character of their business, taken as a whole, from the business conducted by them on the Closing Date and other business activities which are reasonable extensions thereof or incidental, related or ancillary thereto.

SECTION 5.12. [Reserved].

SECTION 5.13. Post-Closing Matters. The Loan Parties shall satisfy each of the requirements set forth in Schedule 5.13 on or before the date specified in Schedule 5.13 for each such requirement, or such later date as may be permitted by the Lender with respect thereto.

ARTICLE 6 NEGATIVE COVENANTS

Until the date that all the principal of and interest on the Loans and all fees, expenses, other amounts and Obligations payable under any Loan Document (other than contingent indemnification and/or reimbursement obligations for which no claim or demand has been made) have been paid in full in Cash, each of Holdings and the other Loan Parties covenant and agree with the Lender that:

SECTION 1.1. Indebtedness. Holdings shall not, nor shall it permit any of its Subsidiaries to, directly or indirectly, create, incur, assume or otherwise become or remain liable with respect to any Indebtedness, except:

(a) the Obligations;

(b) Indebtedness of (i) Holdings owed to any Subsidiary, (ii) the Borrower owed to Holdings or any Subsidiary and (iii) any Subsidiary owed to Holdings, the Borrower or any other Subsidiary;

(c) Indebtedness (i) as a result of or which may be deemed to exist pursuant to any performance and completion guaranties or customs, stay, performance, bid, surety, statutory, appeal, performance and return of money bonds, tenders, statutory obligations, leases, governmental contracts, trade contracts or other similar obligations (including relating to any litigation being contested in good faith) incurred in the ordinary course of business or (ii) in respect of any letters of credit, bank guaranties, surety bonds, performance bonds or similar instruments to support any of the foregoing items;

(d) Indebtedness in respect of commercial credit cards, stored value cards, employee credit cards, purchasing cards and treasury management services and other netting services, overdraft protections, check drawing services, automated clearing-house arrangements, employee

credit card programs, automated payment services (including depository, overdraft, controlled disbursement, return items and interstate depository network services) and, cash pooling, and, in each case, including similar arrangements and otherwise in connection with cash management, including cash management arrangements among Holdings, and its Subsidiaries, and deposit accounts and incentive, supplier finance or similar programs in the ordinary course of business and to the extent such Indebtedness remains outstanding for no longer than 60 days;

(e) Indebtedness existing, or pursuant to commitments existing, on the Closing Date and described on Schedule 6.01(e) of the Disclosure Letter and any Permitted Refinancing Indebtedness thereof;

(f) Indebtedness (including with respect to Financing Lease Obligations and purchase money Indebtedness) financing the acquisition, lease, construction, repair, replacement, improvement or installation of assets or capital expenditures and any Permitted Refinancing Indebtedness incurred to refinance such Indebtedness in an aggregate principal amount not to exceed $5,000,000; provided that such Indebtedness is incurred prior to or within 180 days of the applicable acquisition or lease or completion of the applicable construction, repair, replacement, improvement or installation;

(g) Indebtedness in respect of Derivative Transactions not entered into for speculative purposes;

(h) Indebtedness incurred as a result of endorsing negotiable instruments received in the ordinary course of business;

(i) additional Indebtedness provided that (i) no Event of Default shall have occurred and be continuing at the time of the incurrence thereof and (ii) at the time of any such incurrence of Indebtedness and after giving pro forma effect thereto and the use of the proceeds thereof, the aggregate principal amount of Indebtedness that is outstanding in reliance on this clause (i) shall not exceed $5,000,000;

(j) Indebtedness (including obligations in respect of letters of credit, bank guarantees, bankers' acceptances, surety bonds, performance bonds or similar instruments with respect to such Indebtedness) incurred in respect of workers compensation claims, unemployment, property, casualty or liability insurance (including premiums related thereto) or self-insurance, other reimbursement-type obligations regarding workers compensation claims, other types of social security, pension obligations, vacation pay, or health, disability or other employee benefits, in each case entered into in the ordinary course of business;

(k) customer deposits and advance payments received in the ordinary course of business from customers for goods and services purchased in the ordinary course of business;

(l) Indebtedness consisting of (i) the financing of insurance premiums or (ii) take or pay obligations entered into in the ordinary course of business;

(m) Guarantees of Indebtedness otherwise permitted by this Section 6.01; and

(n) (i) Indebtedness representing deferred compensation to employees, directors, consultants, contract providers, independent contractors or other service providers of Holdings, the Borrower and the Subsidiaries incurred in the ordinary course of business; and (ii) Indebtedness

consisting of obligations of Holdings, the Borrower or the Subsidiaries under deferred compensation arrangements to their employees, directors, consultants, independent contractors or other service providers.

SECTION 6.1. Liens. Holdings shall not, nor shall they permit any of its Subsidiaries to, create, incur, assume or permit or suffer to exist any Lien on or with respect to any property of any kind owned by it, whether now owned or hereafter acquired, or any income or profits therefrom, except:

(a) Liens created pursuant to the Loan Documents securing the Obligations;

(b) Liens for Taxes, assessments or other governmental charges or levies (i) that are not then due or, if due, obligations with respect to such Taxes that are not at such time required to be paid pursuant to Section 5.03 or (ii) that are being contested in good faith in accordance with Section 5.03;

(c) statutory Liens (and rights of set-off) of landlords, banks, carriers, warehousemen, mechanics, repairmen, workmen and materialmen, and other Liens imposed by applicable Requirements of Law (i) for amounts not yet overdue by more than 30 days or (ii) for amounts that are being contested in good faith by appropriate proceedings, so long as such reserves or other appropriate provisions, if any, as shall be required by GAAP shall have been made for any such contested amounts;

(d) Liens incurred or deposits made (i) in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security laws and regulations, (ii) in the ordinary course of business, to secure the performance of tenders, statutory obligations, surety, stay, customs and appeal bonds, bids, leases, government contracts, trade contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money), (iii) pursuant to pledges and deposits of Cash or Cash Equivalents in the ordinary course of business, securing (A) any liability for reimbursement or indemnification obligations of insurance carriers providing property, casualty, liability or other insurance to Holdings and its subsidiaries or (B) leases or licenses of property otherwise permitted by this Agreement or (iv) to secure obligations in respect of banking and/or treasury management services, letters of credit, bank guaranties, surety bonds, performance bonds or similar instruments posted with respect to the items described in clauses (i) through (iii) above;

(e) easements, rights-of-way, restrictions and other similar encumbrances affecting real property which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(f) Liens consisting of any (i) interest or title of a lessor or sub-lessor under any lease of real estate permitted hereunder, (ii) customary landlord liens permitted by the terms of any lease, (iii) restriction or encumbrance to which the interest or title of such lessor or sub-lessor may be subject or (iv) subordination of the interest of the lessee or sub-lessee under such lease to any restriction or encumbrance referred to in the preceding clause (iii);

(g) Liens existing on the Closing Date and any modifications, replacements, refinancings, renewals or extensions of the foregoing; provided that any such Lien shall be described on Schedule 6.02 of the Disclosure Letter; provided, further that (i) no such Lien extends

to any additional property other than (A) after-acquired property that is affixed or incorporated into the property covered by such Lien and (B) proceeds and products thereof, accessions thereto and improvements thereon and (ii) such modification, replacement, refinancing, renewal or extension of the obligations secured or benefited by such Liens, if constituting Indebtedness, is permitted by Section 6.01;

(h) Liens securing Indebtedness permitted pursuant to Section 6.01(e); provided that any such Lien shall encumber only (i) the property financed by such Indebtedness and replacements thereof and accessions and additions to such property and ancillary rights thereto and the proceeds and the products thereof, improvements thereon and customary security deposits, related contract rights and payment intangibles and other assets related thereto and any cross collateral and (ii) proceeds and products thereof, accessions thereto and improvements thereon;

(i) (i) Liens securing Indebtedness permitted pursuant to Section 6.01(i) on assets acquired or on the Capital Stock and assets of the relevant newly acquired Subsidiary; provided that such Lien (A) such Lien does not extend to or cover any other assets and (B) such Lien was not created in contemplation of the applicable acquisition of assets or Capital Stock;

(j) (i) Liens that are contractual rights of setoff or netting relating to (A) the establishment of depositary relations with banks not granted in connection with the issuance of Indebtedness, (B) pooled deposit or sweep accounts of Holdings or any Subsidiary to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of Holdings or any Subsidiary and (C) commodity trading or other brokerage accounts incurred in the ordinary course of business, (ii) Liens encumbering reasonable customary initial deposits and margin deposits, (iii) bankers Liens and rights and remedies as to deposit accounts and (iv) Liens consisting of an agreement to dispose of any property in a Disposition permitted under Section 6.06, in each case, solely to the extent such Disposition would have been permitted on the date of the creation of such Lien;

(k) so long as no Event of Default shall have occurred and be continuing at the time of the incurrence thereof, Liens on assets securing Indebtedness or other obligations in an aggregate principal amount at any time outstanding not to exceed $5,000,000;

(l) Liens on assets securing judgments, awards, attachments or decrees and notices of *lis pendens* and associated rights relating to litigation not constituting an Event of Default under Section 7.01(h);

(m) leases, licenses, subleases of IP Rights or sublicenses granted to others in the ordinary course of business, which do not secure any Indebtedness and as otherwise permitted pursuant to Section 6.06(k);

(n) Liens securing obligations in respect letters of credit, bank guaranties, surety bonds, performance bonds or similar instruments permitted under Section 6.01(c);

(o) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(p) Liens on securities that are the subject of repurchase agreements constituting Cash Equivalents permitted under Section 6.06;

SECTION 6.2. Restrictive Agreements. Holdings shall not nor shall it permit any of its Subsidiaries to enter into any agreement (x) prohibiting the creation or assumption of any Lien upon any of its properties, whether now owned or hereafter acquired, for the benefit of the Lender with respect to the Obligations, or (y) prohibiting or restricting any Subsidiary's ability to make or declare dividends or other distributions with respect to its Capital Stock, except with respect to:

(a) specific property to be sold pursuant to any Disposition permitted by Section 6.06;

(b) solely in the case of clause (x) of the foregoing, restrictions contained in any agreement with respect to Indebtedness permitted by Section 6.01 that is secured by a Permitted Lien, but only if such restrictions apply only to the Person or Persons obligated under such Indebtedness and its or their Subsidiaries or the property or assets securing such Indebtedness;

(c) solely in the case of clause (x) of the foregoing, restrictions contained in the documentation governing Indebtedness permitted by clause (i) of Section 6.01;

(d) solely in the case of clause (x) of the foregoing, restrictions by reason of customary provisions restricting assignments, subletting or other transfers (including the granting of any Lien) contained in leases, subleases, licenses, sublicenses and other agreements entered into in the ordinary course of business (provided that such restrictions are limited to the relevant leases, subleases, licenses, sublicenses or other agreements and/or the property or assets secured by such Liens or the property or assets subject to such leases, subleases, licenses, sublicenses or other agreements, as the case may be);

(e) solely in the case of clause (x) of the foregoing, Permitted Liens and restrictions in the agreements relating thereto that limit the right of Holdings or any of its Subsidiaries to Dispose of, or encumber the assets subject to such Liens;

(f) any encumbrance or restriction assumed in connection with an acquisition of property or the Capital Stock of any Person, so long as such encumbrance or restriction relates solely to the property so acquired (or to the Person or Persons (and its or their subsidiaries) bound thereby) and was not created in connection with or in contemplation of such acquisition;

(g) solely in the case of clause (x) of the foregoing, restrictions imposed by customary provisions in partnership agreements, limited liability company organizational governance documents, joint venture agreements and other similar agreements that restrict the transfer of the assets of, or ownership interests in, such partnership, limited liability company, joint venture or similar Person;

(h) restrictions on Cash or other deposits imposed by Persons under contracts entered into in the ordinary course of business or for whose benefit such Cash or other deposits exist;

(i) customary restrictions and conditions existing on the Closing Date;

(j) customary provisions in joint venture agreements and other similar agreements applicable to joint ventures permitted by Section 6.05 and applicable solely to such joint venture and entered into in the ordinary course of business;

(k) provisions restricting the granting of a security interest in intellectual property contained in licenses or sublicenses by Holdings and its Subsidiaries of such intellectual property, which licenses and sublicenses were entered into in the ordinary course of business (in which case such restriction shall relate only to such intellectual property);

(l) customary restrictions and conditions contained in asset sale agreements, purchase agreements, acquisition agreements (including by way of merger, acquisition or consolidation) entered into by Holdings or any Subsidiary of Holdings, solely to the extent in effect pending consummation of such transaction;

(m) restrictions imposed in connection with any Junior Debt incurred in compliance with Section 6.01;

(n) customary net worth provisions or similar financial maintenance provisions contained in real property leases;

(o) restrictions and conditions imposed by any applicable law or any agreements with Governmental Authorities, including any requirements to satisfy minimum capital requirements; and

(p) other restrictions or encumbrances 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 (o) above; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Borrower, no 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.

SECTION 6.3. Restricted Payments; Certain Payments of Indebtedness.

(a) Holdings shall not, and shall not permit the Borrower or any of its Subsidiaries to, pay or make, directly or indirectly, any Restricted Payment, except that:

(i) so long as no Event of Default shall have occurred and be continuing at the time of the declaration thereof, Holdings may make Restricted Payments in an aggregate amount not to exceed $2,000,000;

(ii) [reserved];

(iii) Holdings may pay Restricted Payments payable solely in its Qualified Capital Stock;

(iv) any Subsidiary of the Borrower may make Restricted Payments to its direct equity holders (other than Holdings) on a ratable basis (or greater than ratable basis with respect to equityholders that are the Borrower or a Subsidiary that is a Loan Party);

(v) Holdings and/or any Subsidiary of Holdings may purchase common stock or common stock options from present or former officers, directors, employees or consultants of Holdings or any Subsidiary upon the death, disability or termination of

employment of such officer, director, or employee or consultant, in an aggregate amount not to exceed $2,000,000 in any twelve (12) month period;

(vi) Holdings and/or any Subsidiary of Holdings may purchase, redeem or otherwise acquire Capital Stock issued by it with the proceeds received from the substantially concurrent issue of new shares of its Qualified Capital Stock;

(vii) Holdings and/or any Subsidiary of Holdings may (i) make repurchases of Capital Stock deemed to occur upon exercise of stock options or warrants if such repurchased Capital Stock represents a portion of the exercise price of such options or warrants, and (ii) make repurchases of Capital Stock deemed to occur upon the withholding of a portion of the Capital Stock issued, granted or awarded to a current or former officer, director, employee or consultant to pay for the taxes payable by such Person upon such issuance, grant or award (or upon vesting thereof);

(viii) Holdings may pay Cash in lieu of the issuance of fractional shares in connection with the exercise of options, warrants or similar instruments or the conversion of Capital Stock of Holdings;

(ix) Borrower may make Restricted Payments to Holdings in an amount sufficient to enable Holdings to pay obligations incurred by Holdings in the ordinary course of business, including payment of Taxes on behalf of the consolidated group of Holdings and its Subsidiaries, payment of costs and expenses incurred in connection with the ongoing operation and administration of Holdings, and the payment of costs or expenses incurred by Holdings on behalf of any Subsidiary of Holdings; and

(x) Borrower may make Restricted Payments to the extent constituting "Tax Distributions", as defined in Borrower's limited liability company agreement, as in effect from time to time.

(b) Holdings shall not, nor shall it permit any Subsidiary to, make any payment in Cash, securities or other property on or in respect of principal or interest on any Junior Debt, including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Junior Debt (collectively, "**Restricted Debt Payments**"), except:

(i) the purchase, defeasance, redemption, repurchase, repayment or other acquisition or retirement of any Junior Debt made by exchange for, or out of the proceeds of the substantially concurrent incurrence of, Junior Debt permitted by Section 6.01;

(ii) payments of regularly scheduled interest and payments of fees, expenses and indemnification obligations as and when due in respect of any Junior Debt (other than payments prohibited by the subordination provisions thereof (if any));

(iii)

(A) payments with respect to intercompany Indebtedness by or among Holdings, Borrower, and/or their Subsidiaries permitted under Section 6.01, subject to the payment subordination provisions applicable thereto; and

(B) so long as no Event of Default exists at the time of delivery of notice with respect thereof or would result therefrom, additional Restricted Debt Payments in an aggregate amount not to exceed $2,000,000; and;

(iv) the conversion thereof to Capital Stock (other than Disqualified Capital Stock) of Holdings and the payment of Cash in lieu of fractional shares in connection therewith.

SECTION 6.4. Investments. Holdings shall not, nor shall it permit any of its Subsidiaries to make or own any Investment in any other Person except:

(a) Cash or Investments that were Cash Equivalents at the time made;

(b) Investments by and among Holdings, the Borrower and any Subsidiary of Holdings;

(c) Investments (i) constituting deposits, prepayments, trade credit and/or other credits to suppliers made in the ordinary course of business, (ii) made in connection with obtaining, maintaining or renewing client and customer contracts made in the ordinary course of business and (iii) in the form of advances made to distributors, suppliers, licensors and licensees, in each case, in the ordinary course of business, or, in the case of clause (iii), to the extent necessary to maintain the ordinary course of supplies to Holdings or any Subsidiary;

(d) Investments (i) existing on, or contractually committed to as of, the Closing Date; provided, that any such Investment shall be described on Schedule 6.05 of the Disclosure Letter and (ii) any modification, replacement, renewal or extension thereof so long as such modification, renewal or extension thereof does not increase the amount of such Investment except, in the case of any such Investment described on Schedule 6.05 of the Disclosure Letter, by the terms thereof as in effect on the Closing Date or as otherwise permitted by this Section 6.05;

(e) loans or advances to present or former employees, directors, members of management, officers, managers or consultants, independent contractors or other service providers of Holdings, any subsidiaries of Holdings and/or any joint venture to the extent constituting Investments; provided that at the time of any such Investment and after giving pro forma effect thereto, the aggregate principal amount of Investments made in reliance on this clause (e) shall not exceed $2,000,000;

(f) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business;

(g) Investments in the ordinary course of business consisting of endorsements for collection or deposit and customary trade arrangements with customers;

(h) loans and advances of payroll payments or other compensation (including deferred compensation) or moving, entertainment or travel expenses to present or former employees, directors, members of management, officers, managers or consultants of Holdings, the Borrower or any Subsidiary in the ordinary course of business;

(i) Investments in connection with Derivative Transactions not entered into for speculative purposes;

(j) Guarantees permitted by Section 6.01;

(k) Investments received in settlement of amounts due to any of Holdings or its Subsidiaries effected in the ordinary course of business or owing to such Person as a result of insolvency proceedings involving an account debtor or upon the foreclosure or enforcement of any Lien in favor of such Person;

(l) deposits made to secure the performance of leases, licenses or contracts in the ordinary course of business, and other deposits made in connection with the incurrence of Liens permitted under Section 6.02;

(m) promissory notes and other non-Cash consideration received in connection with Dispositions permitted by Section 6.06; and

(n) Investments made after the Closing Date by Holdings and/or any of its Subsidiaries provided that at the time of any such Investment and after giving pro forma effect thereto (i) no Event of Default shall have occurred and be continuing and (ii) the aggregate principal amount of Investments made in reliance on this clause (i) shall not exceed $5,000,000.

SECTION 6.5. Fundamental Changes; Disposition of Assets. Holdings shall not, nor shall it permit any of its Subsidiaries to, consummate any transaction of merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or make any Disposition, except:

(a) Dispositions (i) between or among Loan Parties, (ii) from Subsidiaries that are not Loan Parties to Loan Parties, (iii) between or among Subsidiaries that are not Loan Parties and (iv) from Loan Parties to Subsidiaries that are not Loan Parties to the extent such Dispositions would be permitted as Investments under Section 6.05;

(b) the liquidation or dissolution of any Subsidiary if Holdings determines in good faith that such liquidation or dissolution (x) is in the best interests of Holdings, (y) is not materially disadvantageous to the Lender and (z) if such liquidating or dissolving Subsidiary is a Loan Party, a Loan Party receives any assets of such dissolved or liquidated Subsidiary; *provided* that no dissolution or liquidation of the Borrower shall be permitted hereunder;

(c) (i) Dispositions of inventory, equipment, raw or scrap materials or other assets in the ordinary course of business and (ii) the leasing or subleasing of real property in the ordinary course of business;

(d) Dispositions of surplus, obsolete, used or worn out property or other property that, as determined in good faith by Holdings, is (A) no longer useful in its business (or in the business of any of its Subsidiaries) or (B) otherwise economically impracticable to maintain;

(e) Dispositions of Cash and Cash Equivalents in a manner not otherwise prohibited under this Agreement;

(f) Dispositions, discounting or forgiveness of accounts receivable in the ordinary course of business (including to insurers which have provided insurance as to the collection thereof) or in connection with the collection or compromise thereof (including sales to factors);

(g) Dispositions and/or terminations of leases, subleases, licenses or sublicenses (including the provision of software under an open source license), which (i) do not materially interfere with the business of Holdings and its Subsidiaries (taken as a whole) or (ii) relate to closed facilities or the discontinuation of any product or service line;

(h) (i) termination of leases in the ordinary course of business, (ii) the expiration of any option agreement in respect of real or personal property and (iii) any surrender or waiver of contractual rights or the settlement, release or surrender of contractual rights or other litigation claims (including in tort) in the ordinary course of business;

(i) Dispositions of property subject to casualty, foreclosure, eminent domain, expropriation or condemnation proceedings (including in lieu thereof or any similar proceeding);

(j) other Dispositions after the Closing Date in an aggregate amount of not more than $5,000,000 in any twelve month period; provided that no Event of Default shall have occurred and be continuing on the date on which the definitive agreement governing the relevant Disposition is executed;

(k) Liens permitted by Section 6.02, Restricted Payments permitted by Section 6.04, and Investments permitted by Section 6.05;

(l) Dispositions of assets at fair market value to the extent that such assets are exchanged for credit against the purchase price of similar replacement assets or the proceeds of such Disposition are promptly applied to the purchase price of similar replacement assets;

(m) Dispositions in connection with the early termination or unwind of any Derivative Transaction;

(n) to the extent constituting a Disposition, the settlement, waiver, release or surrender of claims or litigation rights of any kind; and

(o) (i) Dispositions, licensing, sublicensing and cross-licensing arrangements involving any technology, intellectual property or IP Rights of Holdings or any Subsidiary in the ordinary course of business; provided, that any such lease, license or sublease of IP Rights shall be (x) granted on a non-exclusive basis and (y) limited in time, and (ii) the Disposition, abandonment, cancellation or lapse of any technology, intellectual property or IP Rights, or any issuances or registrations, or applications for issuances or registrations, of any intellectual property or IP Rights, which, in the reasonable good faith determination of Holdings are not material to the conduct of the business of Holdings and/or its Subsidiaries, or are no longer economical to maintain in light of its use.

SECTION 6.6. Sales and Lease-Backs. Except in connection with any Financing Lease Obligations permitted by Section 6.01(f), Holdings shall not, nor shall it permit any of its Subsidiaries to, directly or indirectly, become or remain liable as lessee or as a guarantor or other surety with respect to any lease of any property (whether real, personal or mixed), whether now owned or hereafter acquired, which Holdings or such Subsidiary (a) has sold or transferred or is to sell or to transfer to any other Person (other than Holdings or any of its Subsidiaries) and (b) intends to use for substantially the same purpose as the property which has been or is to be sold or transferred by Holdings or Subsidiary to any Person (other than Holdings or any of its Subsidiaries) in connection with such lease.

SECTION 6.7. Transactions with Affiliates. Holdings shall not, nor shall it permit any of its Subsidiaries to, enter into any transaction (including the purchase, sale, lease or exchange of any property or the rendering of any service) involving, pursuant to any such transaction, payments in excess of $2,000,000 in any twelve month period with any of their Affiliates on terms (taken as a whole) that are less favorable to Holdings or such Subsidiary in any material respect, as the case may be (as determined in good faith by the Borrower), than those that might be obtained at the time in a comparable arm's-length transaction from a Person who is not an Affiliate; provided that the foregoing restriction shall not apply to:

(a) transactions in existence on the Closing Date and described on Schedule 6.08 of the Disclosure Letter and any amendment, modification or extension thereto to the extent such amendment, modification or extension, taken as a whole, is not (i) adverse to the Lender in any material respect or (ii) more disadvantageous to the Lender in any material respect than the relevant transaction in existence on the Closing Date in any material respect;

(b) Guarantees permitted by Section 6.01;

(c) any issuance, sale or grant of securities or other payments, awards or grants in Cash, securities or otherwise pursuant to compensation arrangements for employees and officers in the ordinary course of business, or the funding of employment arrangements, stock options and stock ownership or other incentive plans for employees and officers in the ordinary course of business and, in each case, approved by a majority of the members of the board of directors (or similar governing body) or a majority of the disinterested members of the board of directors (or similar governing body) of Holdings in good faith;

(d) (i) transactions between or among Holdings, the Borrower or any Subsidiary of the Borrower in the ordinary course of business, (ii) transactions between or among Loan Parties, (iii) transactions between or among non-Loan Parties, and (iv) transactions between or among any Loan Party and any non-Loan Party so long as the terms of such transaction are not less favorable to the applicable Loan Party than those that might be obtained at the time in a comparable arm's-length transaction from a Person who is not an Affiliate;

(e) Restricted Payments expressly permitted under Section 6.04 and Investments expressly permitted by Section 6.05; and

(f) transactions with Lender or any Affiliate thereof.

SECTION 6.8. Amendments or Waivers of Organizational Documents. Holdings shall not, nor shall it permit any of its Subsidiaries to, amend or modify, in each case in a manner that is materially adverse to the Lender (in its capacity as such) such Person's Organizational Documents without obtaining the prior written consent of the Lender.

SECTION 6.9. Amendments of or Waivers with Respect to Junior Debt. Holdings shall not, nor shall it permit any of its Subsidiaries to, amend or otherwise modify the terms of any Junior Debt (or the documentation governing the foregoing) if the effect of such amendment or modification, together with all other amendments or modifications made, is materially adverse to the interests of the Lender (in its capacity as such).

ARTICLE 7 EVENTS OF DEFAULT

SECTION 7.1. Events of Default. If any of the following events (each, an "**Event of Default**") shall occur:

(a) Failure To Make Payments When Due. Failure by the Borrower to pay (i) when due any installment of principal of any Loan, whether at stated maturity, by acceleration or otherwise or (ii) any interest on any Loan or any fee or any other amount due hereunder within three Business Days after the date due; or

(b) Default in Other Agreements. (i) Failure of any Loan Party or any of its Subsidiaries to pay when due any principal of or interest on or any other amount payable in respect of one or more items of Indebtedness (other than Indebtedness referred to in clause (a) above) with an aggregate outstanding principal amount exceeding the Threshold Amount, in each case beyond the grace period, if any, provided therefor; or (ii) breach or default by any Loan Party or any of its Subsidiaries with respect to any other term of (A) one or more items of Indebtedness with an aggregate outstanding principal amount exceeding the Threshold Amount, or (B) any loan agreement, mortgage, indenture or other agreement relating to such item(s) of Indebtedness exceeding the Threshold Amount, in each case beyond the grace period, if any, provided therefor, if the effect of such breach or default is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, such Indebtedness to become or be declared due and payable (or redeemable) prior to its stated maturity or the stated maturity of any underlying obligation, as the case may be; or

(c) Breach of Certain Covenants. Failure of the Borrower or any other Loan Party, as required by the relevant provision, to perform or comply with any term or condition contained in Section 5.02, Section 5.13 or Article 6; or

(d) Breach of Representations, Etc. Any representation, warranty or certification made or deemed made by any Loan Party in any Loan Document or in any certificate or document required to be delivered in connection herewith or therewith shall be untrue in any material respect as of the date made or deemed made; or

(e) Other Defaults under Loan Documents. Any Loan Party shall default in the performance of or compliance with any term contained herein or any of the other Loan Documents, other than any such term referred to in any other Section of this Article 7, and such default shall not have been remedied or waived within 30 days of the occurrence thereof; or

(f) Involuntary Bankruptcy; Appointment of Receiver, Etc. (i) A court of competent jurisdiction shall enter a decree or order for relief in respect of Holdings, the Borrower or any of its Subsidiaries (other than any Immaterial Subsidiary or any Subsidiary that could at such time, upon designation by Holdings, become an Immaterial Subsidiary) in an involuntary case under the Bankruptcy Code or under any other applicable bankruptcy, insolvency, corporate or similar law now or hereafter in effect, which decree or order is not stayed; or any other similar relief shall be granted under any applicable federal, provincial, territorial or state law; or (ii) an involuntary case shall be commenced against Holdings, the Borrower or any of its Subsidiaries (other than any Immaterial Subsidiary or any Subsidiary that could at such time, upon designation by Holdings, become an Immaterial Subsidiary) under the Bankruptcy Code or under any other applicable bankruptcy, insolvency, corporate or similar law now or hereafter in effect; or a decree or order of a

court having jurisdiction in the premises for the appointment of a receiver, receiver and manager, liquidator, sequestrator, monitor, trustee, custodian or other officer having similar powers over Holdings, the Borrower or any of its Subsidiaries (other than any Immaterial Subsidiary or any Subsidiary that could at such time, upon designation by Holdings, become an Immaterial Subsidiary), or over all or a substantial part of its property, shall have been entered; or there shall have occurred the involuntary appointment of an interim receiver, receiver and manager, trustee or other custodian of Holdings, the Borrower or any of its Subsidiaries (other than any Immaterial Subsidiary or any Subsidiary that could at such time, upon designation by Holdings, become an Immaterial Subsidiary) for all or a substantial part of its property; and any such event described in this clause (ii) shall continue for 60 consecutive days without having been dismissed, vacated, bonded or discharged; or

(g) Voluntary Bankruptcy; Appointment of Receiver, Etc. (i) Holdings, the Borrower or any of their Subsidiaries (other than any Immaterial Subsidiary or any Subsidiary that could at such time, upon designation by Holdings, become an Immaterial Subsidiary) shall have an order for relief entered with respect to it or shall commence a voluntary case under the Bankruptcy Code or under any other applicable bankruptcy, insolvency, corporate or similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case, or to the conversion of an involuntary case to a voluntary case, under any such law, or shall consent to the appointment of or taking possession by a receiver, receiver and manager, monitor, trustee, liquidator, custodian or other similar official in respect of it or for all or a substantial part of its property; or (ii) Holdings, the Borrower or any of their Subsidiaries (other than any Immaterial Subsidiary or any Subsidiary that could at such time, upon designation by Holdings, become an Immaterial Subsidiary) shall make a general assignment for the benefit of creditors; or (iii) Holdings, the Borrower or any of their Subsidiaries (other than any Immaterial Subsidiary or any Subsidiary that could at such time, upon designation by Holdings, become an Immaterial Subsidiary)shall admit in writing its inability to pay its debts as such debts become due; or

(h) Judgments and Attachments. Any one or more final money judgments, writs or warrants of attachment or similar process involving in the aggregate at any time an amount in excess of the Threshold Amount (in either case to the extent not adequately covered by insurance or indemnitees (including, if applicable, self-insurance) as to which a third party insurance company or indemnitor has been notified and not denied coverage) shall be entered or filed against Holdings, the Borrower or any of their Subsidiaries or any of their respective assets and shall remain unpaid, undischarged, unvacated, unbonded or unstayed pending appeal for a period of 60 days or more; or

(i) Employee Benefit Plans. There shall occur one or more ERISA Events, which individually or in the aggregate results in liability of Holdings or any of its Subsidiaries in an aggregate amount which could reasonably be expected to result in a Material Adverse Effect; or

(j) Change of Control. Unless waived in writing by the Lender in its sole discretion, a Change of Control shall occur; or

(k) Guaranties, Collateral Documents and Other Loan Documents. At any time after the execution and delivery thereof, (i) any Loan Guaranty for any reason, other than the occurrence of the Termination Date, shall cease to be in full force and effect (other than in accordance with its terms) or shall be declared to be null and void or any Loan Guarantor shall repudiate in writing its obligations thereunder, (ii) this Agreement or any Collateral Document ceases to be in full force and effect or shall be declared null and void or any significant part of the Liens purported to be

created under any Collateral Document ceases to be perfected security interests or (iii) any Loan Party shall contest in writing, the validity or enforceability of any provision of any Loan Document (or any Lien purported to be created by the Collateral Documents or any Loan Guaranty) or deny in writing that it has any further liability (other than by reason of the occurrence of the Termination Date);

then, and in every such event (other than an event with respect to the Borrower described in clause (f) or (g) of this Article), and at any time thereafter during the continuance of such event, the Lender may, by notice to the Borrower, take any of the following actions, at the same or different times: terminate the Commitments and/or declare the portion of the Loan then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loan so declared to be due and payable, together with accrued interest thereon and all fees and other Obligations of the Borrower accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower; provided that upon the occurrence of an event with respect to the Borrower described in clause (f) or (g) of this Article 7, the Commitments shall automatically terminate and the principal of the portion of the Loan then outstanding, together with accrued interest thereon and all fees and other Obligations of the Borrower accrued hereunder, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower, in each case without further action of the Lender. Upon the occurrence and during the continuance of an Event of Default, the Lender may exercise any rights and remedies provided to the Lender under the Loan Documents or at law or equity, including all remedies provided under the UCC.

ARTICLE 8 MISCELLANEOUS

SECTION 8.1. Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to clause (b) below), all notices and other communications provided for herein shall be in writing. Any notice or other communication required to be delivered in writing may be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile or email (including as a ".pdf" or ".tif" attachment), as follows:

(i) if to any Loan Party, to Holdings and the Borrower at:

Bakkt Opco Holdings, LLC
10000 Avalon Boulevard, Suite 1000
Alpharetta, GA 30009
Attention: Marc D'Annunzio
Email: legal-notices@bakkt.com

With a copy to (in each case, which shall not constitute notice for any purpose hereunder or under any other Loan Document):

Wilson Sonsini Goodrich & Rosati P.C.
650 Page Mill Road
Palo Alto, California 94304
Attn: Dana Hall

Telephone: (650) 849-3053
Email: djhall@wsgr.com

(ii) if to the Lender, at:

Intercontinental Exchange Holdings, Inc.
5660 New Northside Drive
3rd Floor
Atlanta, GA 30328
Attention: Legal Department
Telephone: (770) 738-2106
Fax: (770) 857-4755
Email: legal-notices@theice.com

With a copy to (in each case, which shall not constitute notice for any purpose hereunder or under any other Loan Document):

Allen Overy Shearman Sterling US LLP
599 Lexington Avenue
New York, New York 10022
Attn: Michael Chernick
Fax: (646) 848-5281
Email: michael.chernick@aoshearman.com

All such notices and other communications (A) sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when delivered in person or by courier service and signed for against receipt thereof or three Business Days after dispatch if sent by certified or registered mail, in each case, delivered, sent or mailed (properly addressed) to such party as provided in this Section 8.01 or in accordance with the latest unrevoked direction from such party given in accordance with this Section 8.01, (B) sent by facsimile shall be deemed to have been given when sent and when receipt has been confirmed by telephone; provided that received notices and other communications sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, such notices or other communications shall be deemed to have been given at the opening of business on the next Business Day for the recipient) or (C) sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); provided that if not given during the normal business hours of the recipient, such notice or communication shall be deemed to have been given at the opening of business on the next Business Day for the recipient.

(b) Notices and other communications to the Lender hereunder may be delivered or furnished by electronic communications (including e-mail) pursuant to procedures set forth herein or otherwise approved by the Lender.

(c) Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

(d) The Lender, its Affiliates and Related Parties shall not be liable to any Person for any damages arising from the use by any Person (other than the Lender or its Affiliates or Related Parties) of information or other materials obtained through electronic, telecommunications or other

information transmission systems, in each case, except to the extent any such damages arise from the gross negligence, bad faith or willful misconduct of, or material breach of the Loan Documents by, the Lender or any of its Affiliates or Related Parties, in each case as determined by a final non-appealable judgment of a court of competent jurisdiction.

SECTION 8.2. Waivers; Amendments.

(a) No failure or delay by the Lender in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Lender hereunder and under any other Loan Document are cumulative and are not exclusive of any rights or remedies that it would otherwise have. No waiver of any provision of any Loan Document or consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall be permitted by clause (b) of this Section 8.02, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given.

(b) Except as expressly provided herein or in any Loan Document, neither this Agreement nor any other Loan Document nor any provision hereof or thereof may be waived, amended or modified, except (i) in the case of this Agreement, pursuant to an agreement or agreements in writing entered into by Holdings, the Borrower and the Lender or (ii) in the case of any other Loan Document (other than any waiver, amendment or modification to effectuate any modification thereto expressly contemplated by the terms of such other Loan Documents), pursuant to an agreement or agreements in writing entered into by the Lender and the Loan Party or Loan Parties that are parties thereto.

SECTION 8.3. Expenses; Indemnity; Damage Waiver.

(a) The Borrower shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Lender and its Affiliates (but limited, in the case of legal fees and expenses, to the actual reasonable and documented out-of-pocket fees, disbursements and other charges of one firm of outside counsel to all such Persons taken as a whole and, if reasonably necessary, of one local counsel in any relevant jurisdiction to such Persons, taken as a whole) in connection with the preparation, execution, delivery and administration of any Loan Documents and related documentation (but for the avoidance of doubt, only such expenses that are incurred after the Closing Date), including in connection with any amendments, modifications or waivers of the provisions of any Loan Documents (whether or not the transactions contemplated thereby shall be consummated) (*provided*, that the Borrower's reimbursement obligation with respect to such fees and expenses incurred by the Lender prior to the Closing Date shall be limited to $200,000) and (ii) all reasonable and documented out-of-pocket expenses incurred by the Lender and each of its Affiliates (but limited, in the case of legal fees and expenses, to the actual reasonable and documented out-of-pocket fees, disbursements and other charges of one firm of outside counsel to all such Persons taken as a whole and, if reasonably necessary, of one local counsel in any relevant jurisdiction to such Persons, taken as a whole and, solely in the case of an actual or reasonably perceived conflict of interest and to the extent notice thereof is provided to the Borrower, one additional counsel to all affected Persons taken as a whole and one additional local counsel in each relevant jurisdiction to all affected Persons taken as a whole) in connection with the enforcement, collection or protection of its rights in connection with the Loan Documents, including its rights

under this Section 8.03, or in connection with the Loan made hereunder. Other than to the extent required to be paid on the Closing Date, all amounts due under this clause (a) shall be payable by the Borrower within 30 days of receipt of an invoice relating thereto, setting forth such expenses in reasonable detail and together with reasonable backup documentation supporting such reimbursement requests.

(b) The Borrower shall indemnify the Lender and each of its Related Parties, and their respective successors and assigns (each such Person being called an "**Indemnitee**") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (but limited, in the case of legal fees and expenses, to the actual reasonable and documented out-of-pocket fees, disbursements and other charges of one counsel to all Indemnitees taken as a whole and, solely in the case of an actual or reasonably perceived conflict of interest, one additional counsel to all affected Indemnitees, taken as a whole, and, if reasonably necessary, one local counsel in any relevant jurisdiction to all Indemnitees, taken as a whole and, solely in the case of an actual or reasonably perceived conflict of interest, one additional local counsel to all affected Indemnitees, taken as a whole), incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of any action, claim, litigation, investigation or proceeding (including any inquiry or investigation of the foregoing) (any of the foregoing, a "**Proceeding**") relating to (i) the execution or delivery of the Loan Documents or any agreement or instrument contemplated thereby, the performance by the parties hereto of their respective obligations thereunder or the consummation of any transactions contemplated hereby or thereby (except for any Taxes (which shall be governed by Section 2.14), other than any Taxes that represent losses, claims or damages arising from any non-Tax claim) or (ii) any actual or alleged presence or Release or threat of Release of Hazardous Materials on, at, to or from any property currently or formerly owned or operated by any Loan Party or any Subsidiary, or any Environmental Liability; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from (x) the gross negligence, bad faith or willful misconduct of such Indemnitee or any Affiliate or Related Party of such Indemnitee or (y) a material breach of the obligations of such Indemnitee any Affiliate or Related Party under the terms of this Agreement or any other Loan Document by such Indemnitee or any of its Affiliates or Related Parties as determined in a final and non-appealable decision of a court of competent jurisdiction. Each Indemnitee shall be obligated to refund or return any and all amounts paid by the Borrower pursuant to this Section 8.03(b) to such Indemnitee for any fees, expenses, or damages to the extent such Indemnitee is not entitled to payment of such amounts in accordance with the terms hereof. All amounts due under this clause (b) shall be payable by the Borrower within 30 days (x) after written demand thereof, in the case of any indemnification obligations and (y) in the case of reimbursement of costs and expenses, after receipt of an invoice relating thereto, setting forth such expenses in reasonable detail and together with reasonable backup documentation supporting such reimbursement requests.

SECTION 8.4. Waiver of Claim. Notwithstanding anything to the contrary set forth herein, to the extent permitted by applicable law, no party to this Agreement shall assert, and each hereby waives, any claim against any other party hereto or any Related Party thereof, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Loan or the use of the proceeds thereof, except, in the case of a claim by any Indemnitee against the Borrower or any other Loan Party, to the extent such damages would otherwise be subject to indemnification pursuant to the terms of Section 8.03.

SECTION 8.5. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (a) none of the Borrower, Holdings or any other Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Lender, which consent may be given or withheld in the Lender's sole discretion (and any attempted assignment or transfer by the Borrower or Holdings without such consent shall be null and void) and (b) the Lender may not assign or otherwise transfer any of its rights or obligations hereunder (including by way of a participation) without the prior written consent of the Borrower, which consent may be given or withheld in the Borrower's sole discretion (and any attempted assignment or transfer by the Lender without such consent shall be null and void); provided that, notwithstanding the foregoing, upon the occurrence and during the continuance of a Specified Event of Default, the Lender may assign or transfer its rights or obligations hereunder without the consent of the Borrower to any Person (for the avoidance of doubt, any assignee or transferee shall be subject to the restrictions on assignment and transfer set forth in this Section 8.05 that are applicable to the Lender in all respects, and the assigning or transferring Lender shall provide Borrower with written notice of such assignment or transfer). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors, assigns and participants permitted hereby), any legal or equitable right, remedy or claim under or by reason of this Agreement. The Borrower shall maintain a register for the recordation of the names and addresses of the Lenders (and any participants), and the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time, as well as the interest of any participants in such amounts (the "**Register**"). The entries in the Register shall be conclusive absent manifest error, and the Borrower and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender (or, as applicable, participant) hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Lender, at any reasonable time and from time to time upon reasonable prior notice.

SECTION 8.6. Survival. All covenants, agreements, representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of the Loan, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Lender may have had notice or knowledge of any Default or Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect until the Termination Date. The provisions of Sections 2.14, 8.03 and 8.13 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loan, the occurrence of the Termination Date or the termination of this Agreement or any provision hereof but in each case, subject to the limitations set forth in this Agreement.

SECTION 8.7. Counterparts; Integration; Effectiveness. This Agreement may be manually or electronically executed in counterparts (and by different parties hereto on different counterparts (including by facsimile or electronic transmission (including .pdf file, .jpeg file, Adobe Sign, or DocuSign))), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Lender constitute the entire agreement 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. This Agreement shall become

effective when it shall have been executed by Holdings, the Borrower, the other Subsidiaries of Holdings party hereto and the Lender and when the Lender shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or by email as a ".pdf" or ".tif" attachment shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 8.8. Severability. To the extent permitted by law, any provision of any Loan Document held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 8.9. Right of Setoff; Obligations Absolute.

(a) If an Event of Default shall have occurred and be continuing, each of the Lender and its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations at any time owing by the Lender or any Affiliate thereof to or for the credit or the account of the Borrower or any Loan Guarantor against any of and all the Obligations then due and owing held by the Lender or such Affiliate, irrespective of whether or not the Lender or such Affiliate shall have made any demand under the Loan Documents. The Lender or any applicable Affiliate shall promptly notify the Borrower of such set-off or application; provided that any failure to give or any delay in giving such notice shall not affect the validity of any such set-off or application under this Section 8.09. The rights of the Lender and each Affiliate under this Section 8.09 are in addition to other rights and remedies (including other rights of setoff) which the Lender or such Affiliate may have.

(b) Each Loan Party acknowledges and agrees that its obligations under this Agreement and the other Loan Documents are irrevocable and absolute and will not be subject to netting, set-off or reduction against, or be otherwise affected by, any action or alleged claim by any Loan Party or any of its Affiliates pursuant to, or any actual or alleged breach by the Lender or any of its Affiliates of, or any actual or alleged invalidity or other defect of, any of any other agreement or arrangement.

SECTION 8.10. Governing Law; Jurisdiction; Consent to Service of Process.

(a) THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (OTHER THAN AS EXPRESSLY SET FORTH IN OTHER LOAN DOCUMENTS) AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (OTHER THAN AS EXPRESSLY SET FORTH IN THE OTHER LOAN DOCUMENTS), WHETHER IN TORT, CONTRACT (AT LAW OR IN EQUITY) OR OTHERWISE, SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

(b) EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE

JURISDICTION OF ANY U.S. FEDERAL OR NEW YORK STATE COURT SITTING IN THE BOROUGH OF MANHATTAN, IN THE CITY OF NEW YORK (OR ANY APPELLATE COURT THEREFROM) OVER ANY SUIT, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING SHALL (EXCEPT AS PERMITTED BELOW) BE HEARD AND DETERMINED IN SUCH NEW YORK STATE OR, TO THE EXTENT PERMITTED BY LAW, FEDERAL COURT. THE PARTIES HERETO AGREE THAT SERVICE OF ANY PROCESS, SUMMONS, NOTICE OR DOCUMENT BY REGISTERED MAIL ADDRESSED TO SUCH PERSON SHALL BE EFFECTIVE SERVICE OF PROCESS AGAINST SUCH PERSON FOR ANY SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. EACH PARTY HERETO AGREES THAT THE LENDER RETAINS THE RIGHT TO BRING PROCEEDINGS AGAINST ANY LOAN PARTY IN THE COURTS OF ANY OTHER JURISDICTION SOLELY IN CONNECTION WITH THE EXERCISE OF ANY RIGHTS UNDER ANY COLLATERAL DOCUMENT.

(c) EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT IT MAY LEGALLY AND EFFECTIVELY DO SO, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN CLAUSE (b) OF THIS SECTION 8.10. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY CLAIM OR DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION, SUIT OR PROCEEDING IN ANY SUCH COURT.

(d) TO THE EXTENT PERMITTED BY LAW, EACH PARTY TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON IT AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY REGISTERED MAIL (OR ANY SUBSTANTIALLY SIMILAR FORM OF MAIL) DIRECTED TO IT AT ITS ADDRESS FOR NOTICES AS PROVIDED FOR IN SECTION 8.01. EACH PARTY TO THIS AGREEMENT HEREBY WAIVES ANY OBJECTION TO SUCH SERVICE OF PROCESS AND FURTHER IRREVOCABLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY ACTION OR PROCEEDING COMMENCED HEREUNDER OR UNDER ANY LOAN DOCUMENT THAT SERVICE OF PROCESS WAS INVALID AND INEFFECTIVE. NOTHING IN THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT WILL AFFECT THE RIGHT OF ANY PARTY TO THIS AGREEMENT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

SECTION 8.11. Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY SUIT, ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY) DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY HERETO (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS

REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (b) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.11.

SECTION 8.12. Headings. Article and Section headings and the table of contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 8.13. Confidentiality.

(a) The Lender agrees to maintain the confidentiality of the Confidential Information (as defined below), except that Confidential Information may be disclosed (i) to its and its Affiliates' directors (or equivalent managers), officers, employees, independent auditors, or other agents, experts and advisors, including accountants, legal counsel, ratings agencies and other advisors (collectively, the "**Representatives**") on a "need to know" basis solely in connection with the transactions completed hereby and who are informed of the confidential nature of such Confidential Information and are or have been advised of their obligation to keep such Confidential Information of this type confidential; provided that the Lender shall be responsible for its Affiliates' and their Representatives' compliance with this paragraph, (ii) upon the demand or request of any regulatory (including any self-regulatory body) or governmental authority purporting to have jurisdiction over such Person or its Affiliates (in which case such Person shall, except with respect to any audit or examination conducted by bank accountants or any regulatory (including any self-regulatory body) or governmental authority exercising examination or regulatory authority, to the extent practicable and permitted by law, inform the Borrower promptly in advance thereof, (iii) to the extent compelled by legal process in, or reasonably necessary to, the defense of such legal, judicial or administrative proceeding, in any legal, judicial or administrative proceeding or otherwise as required by applicable Requirements of Law, rule or regulation (in which case such Person shall (A) except with respect to any audit or examination conducted by bank accountants or any regulatory (including any self-regulatory body) or governmental authority exercising examination or regulatory authority, to the extent practicable and permitted by law, inform the Borrower promptly in advance thereof and (B) use commercially reasonable efforts to ensure that any such information so disclosed is accorded confidential treatment), (iv) in connection with (x) the exercise of any remedy or the enforcement of any right under this Agreement or any other Loan Document in any litigation or arbitration action or proceeding relating thereto, to the extent such disclosure is reasonably necessary in connection with such litigation or arbitration action or proceeding (provided that the Borrower shall be given notice thereof and a reasonable opportunity to seek a protective court order with respect to such information prior to such disclosure (it being understood that the refusal by a court to grant such a protective order shall not prevent the disclosure of such information thereafter)) and (y) any foreclosure, sale or other disposition of any Collateral in connection with the exercise of remedies under the Collateral Documents, subject to each potential transferee of such Collateral having entered into customary confidentiality undertakings with respect to such Collateral prior to the disclosure thereof to such Person (which confidentiality obligations will cease to apply to any transferee upon the consummation of its acquisition of such Collateral), (v) subject to an acknowledgment and agreement by such recipient that such information is being disseminated on a confidential basis (on substantially the terms set forth in this paragraph or as is otherwise reasonably acceptable to Holdings), to any assignee of or participant in any of its rights or obligations under this Agreement, (vi) with the prior written

consent of the Borrower, (vii) in connection with the Lender's (or its applicable Affiliate's) public filings to the extent required by applicable Requirements of Law or determined by the Lender in good faith to be required to comply with Requirements of Law and (viii) to the extent such Confidential Information (A) becomes publicly available other than as a result of a breach of this Section 8.13 by such Person, its Affiliates or their respective Representatives or (B) becomes available to the Lender on a non-confidential basis other than as a result of a breach of this Section 8.13 from a source other than a Loan Party that is not to such disclosing Person's knowledge, after reasonable investigation, subject to confidentiality, fiduciary or other legal obligations to Holdings, the Borrower or any of their respective Affiliates. For the purposes of this Section 8.13, "**Confidential Information**" means all information relating to the Loan Parties and/or any of their subsidiaries and their respective businesses (including any information obtained by the Lender or any of its Affiliates or Representatives, based on a review of the books and records relating to Holdings and/or any of its subsidiaries and their respective Affiliates from time to time, including prior to the date hereof).

SECTION 8.14. No Fiduciary Duty. The Lender and its Affiliates (collectively, solely for purposes of this paragraph, the "**Lenders**"), may have economic interests that conflict with those of the Loan Parties, their stockholders and/or their respective Affiliates. Each Loan Party agrees that nothing in the Loan Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between the Lender, on the one hand, and any Loan Party, its respective stockholders or its respective Affiliates, on the other. The Loan Parties acknowledge and agree that: (i) the transactions contemplated by the Loan Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and each Loan Party, on the other, and (ii) in connection therewith and with the process leading thereto, (x) the Lender has not assumed an advisory or fiduciary responsibility in favor of any Loan Party, its respective stockholders or its respective Affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto or any other obligation to any Loan Party except the obligations expressly set forth in the Loan Documents and (y) the Lender is acting solely as principal and not as the agent or fiduciary of such Loan Party, its respective management, stockholders, creditors or any other Person. Each Loan Party acknowledges and agrees that such Loan Party has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Loan Party agrees that it will not claim that the Lender (solely in its capacity as such) owes a fiduciary or similar duty to such Loan Party in connection with such transaction or the process leading thereto.

SECTION 8.15. USA PATRIOT Act. The Lender that is subject to the requirements of the USA PATRIOT Act hereby notifies the Loan Parties that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record information that identifies the Borrower and each Loan Guarantor, which information includes the name and address of each Loan Party and other information that will allow such Lender to identify the Loan Parties in accordance with the USA PATRIOT Act. This notice is given in accordance with the requirements of the USA PATRIOT Act and is effective as to the Lender.

SECTION 8.16. Conflicts. Notwithstanding anything to the contrary contained herein, in the event of any conflict or inconsistency between this Agreement and any other Loan Document, the terms of this Agreement shall govern and control.

ARTICLE 9 LOAN GUARANTY

SECTION 9.1. Guaranty. Each Loan Guarantor hereby agrees that it is jointly and severally liable for, and, as primary obligor and not merely as surety, and absolutely and unconditionally and irrevocably guarantees to the Lender the full and prompt payment upon the failure of the Borrower to do so, when and as the same shall become due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, of the Obligations; provided that it is understood and agreed that each Loan Guarantor also guarantees the Obligations of each other Loan Guarantor (all of the Obligations set forth in this sentence are collectively referred to as the "**Guaranteed Obligations**"). Each Loan Guarantor further agrees that the Guaranteed Obligations may be extended or renewed in whole or in part without notice to or further assent from it, and that it remains bound upon its guarantee notwithstanding any such extension or renewal. If any or all of the Guaranteed Obligations becomes due and payable hereunder, each Loan Guarantor, unconditionally and irrevocably, promises to pay such Guaranteed Obligations to the Lender, on demand, together with any and all expenses which may be incurred by the Lender in collecting any of the Guaranteed Obligations, to the extent reimbursable in accordance with Section 8.03. Each Loan Guarantor unconditionally and irrevocably guarantees the payment of any and all of the Guaranteed Obligations to the Lender whether or not due or payable by the Borrower upon the occurrence of any Event of Default specified in Sections 7.01(f) or 7.01(g), and in such event, irrevocably and unconditionally promises to pay such indebtedness to the Lender, on demand, in Dollars.

SECTION 9.2. Guaranty of Payment. This Loan Guaranty is a guaranty of payment and not of collection. Each Loan Guarantor waives any right to require the Lender to sue the Borrower, any other Loan Guarantor, any other guarantor, or any other Person obligated for all or any part of the Guaranteed Obligations (each, an "**Obligated Party**"), or otherwise to enforce its rights in respect of any Collateral securing all or any part of the Guaranteed Obligations. The Lender may immediately enforce this Loan Guaranty upon the occurrence and during the continuance of an Event of Default.

SECTION 9.3. No Discharge or Diminishment of Loan Guaranty.

(a) Except as otherwise provided for herein, the obligations of each Loan Guarantor hereunder are unconditional, irrevocable and absolute and not subject to any reduction, limitation, impairment or termination for any reason (other than as expressly set forth in Section 9.12), including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration, or compromise of any of the Guaranteed Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of the Borrower or any other guarantor of or other Person liable for any of the Guaranteed Obligations; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Obligated Party, or their assets or any resulting release or discharge of any obligation of any Obligated Party; (iv) the existence of any claim, setoff or other rights which any Loan Guarantor may have at any time against any Obligated Party, the Lender or any other Person, whether in connection herewith or in any unrelated transactions; (v) any direction as to application of payments by the Borrower or by any other party; (vi) any other continuing or other guaranty, undertaking or maximum liability of a guarantor or of any other party as to the Guaranteed Obligations; (vii) any payment on or in reduction of any such other guaranty or undertaking; (viii) any dissolution, termination or increase, decrease or change in personnel by the Borrower or (ix) any payment made to the Lender on the Guaranteed Obligations which the Lender repays to the Borrower pursuant to court order in any bankruptcy, reorganization,

arrangement, moratorium or other debtor relief proceeding, and each Loan Guarantor waives any right to the deferral or modification of its obligations hereunder by reason of any such proceeding.

(b) Except for termination of a Loan Guarantor's obligations hereunder or as expressly permitted by Section 9.12, the obligations of each Loan Guarantor hereunder are not subject to any defense or setoff, counterclaim, recoupment, or termination whatsoever by reason of the invalidity, illegality, or unenforceability of any of the Guaranteed Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by any Obligated Party, of the Guaranteed Obligations or any part thereof.

(c) Further, the obligations of any Loan Guarantor hereunder are not discharged or impaired or otherwise affected by: (i) the failure of the Lender to assert any claim or demand or to enforce any remedy with respect to all or any part of the Guaranteed Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Guaranteed Obligations; (iii) any release, non-perfection, or invalidity of any indirect or direct security for the obligations of the Borrower for all or any part of the Guaranteed Obligations or any obligations of any other guarantor of or other Person liable for any of the Guaranteed Obligations; (iv) any action or failure to act by the Lender with respect to any Collateral securing any part of the Guaranteed Obligations; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Guaranteed Obligations, or any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of such Loan Guarantor or that would otherwise operate as a discharge of any Loan Guarantor as a matter of law or equity (other than as set forth in Section 9.12).

SECTION 9.4. Defenses Waived. To the fullest extent permitted by applicable Requirements of Law, and except for termination of a Loan Guarantor's obligations hereunder or as expressly permitted by Section 9.12, each Loan Guarantor hereby waives any defense based on or arising out of any defense of the Borrower or any other Loan Guarantor or arising out of the disability of the Borrower or any other Loan Guarantor or any other party or the unenforceability of all or any part of the Guaranteed Obligations or any part thereof from any cause, or the cessation from any cause of the liability of the Borrower or any other Loan Guarantor. Without limiting the generality of the foregoing, each Loan Guarantor irrevocably waives, to the extent permitted by applicable Requirements of Law, acceptance hereof, presentment, demand, protest and, to the fullest extent permitted by Requirements of Law, any notice not provided for herein, including notices of nonperformance, notices of protest, notices of dishonor, notices of acceptance of this Loan Guaranty, and notices of the existence, creation or incurring of new or additional Guaranteed Obligations, as well as any requirement that at any time any action be taken by any Person against any Obligated Party, or any other Person, including any right (except as shall be required by applicable statute and cannot be waived) to require the Lender to (i) proceed against the Borrower, any other guarantor or any other party, (ii) proceed against or exhaust any security held from the Borrower, any other Loan Guarantor or any other party or (iii) pursue any other remedy in the Lender's power whatsoever. The Lender may, at its election, foreclose on any Collateral held by it by one or more judicial or nonjudicial sales, whether or not every aspect of any such sale is commercially reasonable (to the extent permitted by applicable Requirements of Law), accept an assignment of any such Collateral in lieu of foreclosure or otherwise act or fail to act with respect to any Collateral securing all or a part of the Guaranteed Obligations, and the Lender may, at its election, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with any Obligated Party or exercise any other right or remedy available to it against any Obligated Party, or any security, without affecting or impairing in any way the liability of such Loan Guarantor under this Loan Guaranty

except as otherwise provided in Section 9.12. To the fullest extent permitted by applicable Requirements of Law, each Loan Guarantor waives any defense arising out of any such election even though that election may operate, pursuant to applicable Requirements of Law, to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Loan Guarantor against any Obligated Party or any security.

SECTION 9.5. Authorization. The Loan Guarantors authorize the Lender without notice or demand (except as shall be required by applicable statute and cannot be waived), and without affecting or impairing its liability hereunder (except as set forth in Section 9.12), from time to time to:

(a) change the manner, place or terms of payment of, and/or change or extend the time of payment of, renew, increase, accelerate or alter, any of the Guaranteed Obligations (including any increase or decrease in the principal amount thereof or the rate of interest or fees thereon), any security therefor, or any liability incurred directly or indirectly in respect thereof, and this Loan Guaranty shall apply to the Guaranteed Obligations as so changed, extended, renewed or altered;

(b) take and hold security for the payment of the Guaranteed Obligations and sell, exchange, release, impair, surrender, realize upon or otherwise deal with in any manner and in any order any property by whomsoever at any time pledged or mortgaged to secure, or howsoever securing, the Guaranteed Obligations or any liabilities (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof, and/or any offset there against;

(c) exercise or refrain from exercising any rights against any of the Borrower, any other Loan Party or others or otherwise act or refrain from acting;

(d) release or substitute any one or more endorsers, guarantors, the Borrower, other Loan Parties or other obligors;

(e) settle or compromise any of the Guaranteed Obligations, any security therefor or any liability (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof, and may subordinate the payment of all or any part thereof to the payment of any liability (whether due or not) of the Borrower to their creditors other than the Lender;

(f) apply any sums by whomsoever paid or howsoever realized to any liability or liabilities of the Borrower to the Lender regardless of what liability or liabilities of the Borrower remains unpaid;

(g) consent to or waive any breach of, or any act, omission or default under, this Agreement, any other Loan Document or any of the instruments or agreements referred to herein or therein, or otherwise amend, modify or supplement this Agreement, any other Loan Document, or any of such other instruments or agreements; and/or

(h) take any other action which would, under otherwise applicable principles of common law, give rise to a legal or equitable discharge of the Loan Guarantors from their respective liabilities under this Loan Guaranty.

SECTION 9.6. Rights of Subrogation. No Loan Guarantor will assert any right, claim or cause of action, including a claim of subrogation, contribution or indemnification that it has against any Loan Party in respect of this Loan Guaranty until the occurrence of the Termination Date.

SECTION 9.7. Reinstatement; Stay of Acceleration. If at any time any payment of any portion of the Guaranteed Obligations is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, or reorganization of the Borrower or otherwise, each Loan Guarantor's obligations under this Loan Guaranty with respect to that payment shall be reinstated at such time as though the payment had not been made. If acceleration of the time for payment of any of the Guaranteed Obligations is stayed upon the insolvency, bankruptcy or reorganization of the Borrower, all such amounts otherwise subject to acceleration under the terms of any agreement relating to the Guaranteed Obligations shall nonetheless be payable by the other Loan Guarantors forthwith on demand by the Lender.

SECTION 9.8. Information. Each Loan Guarantor assumes all responsibility for being and keeping itself informed of the Borrower's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations and the nature, scope and extent of the risks that each Loan Guarantor assumes and incurs under this Loan Guaranty, and agrees that the Lender shall not have any duty to advise any Loan Guarantor of information known to it regarding those circumstances or risks.

SECTION 9.9. Maximum Liability. It is the desire and intent of the Loan Guarantors and the Lender that this Loan Guaranty shall be enforced against the Loan Guarantors to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. The provisions of this Loan Guaranty are severable, and in any action or proceeding involving any state or provincial or territorial corporate law, or any state, province, territory, Federal or foreign bankruptcy, insolvency, reorganization or other law affecting the rights of creditors generally, if the obligations of any Loan Guarantor under this Loan Guaranty would otherwise be held or determined to be avoidable, invalid or unenforceable on account of the amount of such Loan Guarantor's liability under this Loan Guaranty, then, notwithstanding any other provision of this Loan Guaranty to the contrary, the amount of such liability shall, without any further action by the Loan Guarantors or the Lender, be automatically limited and reduced to the highest amount that is valid and enforceable as determined in such action or proceeding (such highest amount determined hereunder being the relevant Loan Guarantor's "**Maximum Liability**"). Each Loan Guarantor agrees that the Guaranteed Obligations may at any time and from time to time exceed the Maximum Liability of each Loan Guarantor without impairing this Loan Guaranty or affecting the rights and remedies of the Lender hereunder; provided that nothing in this sentence shall be construed to increase any Loan Guarantor's obligations hereunder beyond its Maximum Liability.

SECTION 9.10. Contribution. In the event any Loan Guarantor (a "**Paying Guarantor**") shall make any payment or payments under this Loan Guaranty or shall suffer any loss as a result of any realization upon any Collateral granted by it to secure its obligations under this Loan Guaranty, each other Loan Guarantor (each a "**Non-Paying Guarantor**") shall contribute to such Paying Guarantor an amount equal to such Non-Paying Guarantor's "Guarantor Percentage" of such payment or payments made, or losses suffered, by such Paying Guarantor. For purposes of this Article 9, each Non-Paying Guarantor's "**Guarantor Percentage**" with respect to any such payment or loss by a Paying Guarantor shall be determined as of the date on which such payment or loss was made by reference to the ratio of (a) such Non-Paying Guarantor's Maximum Liability as of such

date (without giving effect to any right to receive, or obligation to make, any contribution hereunder) or, if such Non-Paying Guarantor's Maximum Liability has not been determined, the aggregate amount of all monies received by such Non-Paying Guarantor from the Borrower after the Closing Date (whether by loan, capital infusion or by other means) to (b) the aggregate Maximum Liability of all Loan Guarantors hereunder (including such Paying Guarantor) as of such date (without giving effect to any right to receive, or obligation to make, any contribution hereunder), or to the extent that a Maximum Liability has not been determined for any Loan Guarantor, the aggregate amount of all monies received by such Loan Guarantors from the Borrower after the Closing Date (whether by loan, capital infusion or by other means). Nothing in this provision shall affect any Loan Guarantor's several liability for the entire amount of the Guaranteed Obligations (up to such Loan Guarantor's Maximum Liability). Each of the Loan Guarantors covenants and agrees that its right to receive any contribution under this Loan Guaranty from a Non-Paying Guarantor shall be subordinate and junior in right of payment to the Obligations until the Termination Date. This provision is for the benefit of the Lender and may be enforced by the Lender in accordance with the terms hereof.

SECTION 9.11. Liability Cumulative. The liability of each Loan Guarantor under this Article 9 is in addition to and shall be cumulative with all liabilities of such Loan Guarantor to the Lender under this Agreement and the other Loan Documents to which such Loan Guarantor is a party or in respect of any obligations or liabilities of the other Loan Guarantors, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

SECTION 9.12. Release of Loan Guarantors. Upon the consummation of any transaction or related series of transactions expressly permitted hereunder (as certified in writing by the Borrower to the Lender at least two Business Days prior to the consummation of such transactions) if as a result thereof such Subsidiary Guarantor shall cease to be a Subsidiary (or becomes an Excluded Subsidiary), the applicable Subsidiary Guarantor shall be automatically released from its obligations hereunder and its Loan Guaranty (provided that no Subsidiary Guarantor which becomes an Excluded Subsidiary solely as a result of ceasing to be a Wholly-Owned Subsidiary after the Closing Date, shall be released from its obligations hereunder and its Loan Guaranty if there is no bona fide business purpose for the transaction pursuant to which such Subsidiary Guarantor becomes an Excluded Subsidiary which would result in such release). In connection with any such release, the Lender shall promptly execute and deliver to any Loan Guarantor, at such Loan Guarantor's expense, all documents that such Loan Guarantor shall reasonably request to evidence termination or release. Any execution and delivery of documents pursuant to the preceding sentence of this Section 9.12 shall be without recourse to or warranty by the Lender (other than as to the Lender's authority to execute and deliver such documents).

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

BAKKT HOLDINGS, INC., as Holdings

By

/s/ Andrew Main

Name: Andrew Main

Title: Chief Executive Officer and President

BAKKT OPCO HOLDINGS, LLC, as the Borrower

By

/s/ Andrew Main

Name: Andrew Main

Title: Chief Executive Officer and President

INTERCONTINENTAL EXCHANGE HOLDINGS, INC., as the Lender

By

/s/ A. Warren Gardiner

Name: A. Warren Gardiner

Title: Chief Financial Officer

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Andrew Main, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bakkt Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2024

By: /s/ Andrew Main

Andrew Main

Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Karen Alexander, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bakkt Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2024

By: /s/ Karen Alexander

Karen Alexander

Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Bakkt Holdings, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Andrew Main, the Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 14, 2024

By: /s/ Andrew Main

Andrew Main

Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Bakkt Holdings, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Karen Alexander, the Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 14, 2024

By: /s/ Karen Alexander

Karen Alexander

Chief Financial Officer
(Principal Financial Officer)